

Board Gas Distribution Regulations (Nova Scotia)

made under Section 41 of the
Gas Distribution Act
S.N.S. 1997, c. 4

N.S. Reg. 85/2002 (June 20, 2002)

1 These regulations may be cited as the Board Gas Distribution Regulations (Nova Scotia).

2 In these regulations, unless the context indicates otherwise, words and expressions have the same meaning as in the Gas Distribution Act and the Gas Distribution Regulations (Nova Scotia) enacted under [sub]section 42(1) of the Act.

3 The previous Board Gas Distribution Regulations (Nova Scotia) dated November 24, 1998, are hereby repealed.

Part I - Application for Franchise

4 The Board may at any time invite applications for a franchise by issuing directions on procedure for the processing of applications for a franchise in accordance with a timetable specified in such directions.

5 (1) During a period that falls within a timetable specified in directions on procedure issued pursuant to Section 4, an application for a franchise shall be made in accordance with the directions on procedure.

(2) Subject to subsection (1), a company may apply to the Board for a franchise at any time.

6 Notwithstanding anything in these regulations or directions on procedure issued by the Board, the Board may at any time request additional information from an applicant for a franchise or any participant in a proceeding to consider an application for a franchise.

7 Unless the Board otherwise directs, an application for a franchise shall include the following:

(a) the name and, if applicable, the place of incorporation of the applicant;

(b) a description of the business of the applicant;

(c) the name and contact particulars of an individual to whom inquiries with respect to the application are to be directed;

(d) the class of franchise being applied for;

(e) the geographic boundaries of the proposed franchise area;

(f) the proposed term of the franchise, which shall be 25 years;

(g) evidence of the existence of markets, actual or potential, throughout the proposed franchise area, with annual consumption forecasts for the following categories of customers:

(i) users of gas in an amount less than 500 gigajoules per year,

(ii) users of gas in an amount equal to or greater than 500 gigajoules per year but less than 10,000 gigajoules per year,

- (iii) users of gas in an amount equal to or greater than 10,000 gigajoules per year but less than 100,000 gigajoules per year,
- (iv) users of gas in an amount equal to or greater than 100,000 gigajoules per year;
- (h) the availability of adequate gas supply;
- (i) the financial capability of the applicant;
- (j) related experience of the applicant in the delivery of gas;
- (k) the plans of the applicant to provide delivery service throughout the franchise area within 10 years from the date of the granting of the franchise, including:
 - (i) a general description of the facilities for the gas delivery system,
 - (ii) the anticipated cost of the gas delivery system,
 - (iii) a proposed timetable for construction, operation and expansion of the gas delivery system;
- (l) the Socio-Economic Impact Statement and evidence of commitments to encourage competition among agents, gas marketers, and brokers in the sale of gas within the proposed franchise area required by subsections [clauses] (c) and (e) of Section 5 of the Gas Distribution Regulations (Nova Scotia);
- (m) a description of the public information program conducted or being conducted by the applicant with respect to the franchise application including:
 - (i) an explanation of the steps taken to notify the public and the consultation conducted,
 - (ii) a summary of the comments received and concerns raised,
 - (iii) a discussion of the measures the applicant has taken or proposes to take to respond to the comments and resolve the concerns;
- (n) Pro forma financial statements for the proposed facilities for a period of not less than 10 years from the anticipated date of commencement of delivery service, including:
 - (i) statement of revenue and expenses and balance sheet,
 - (ii) annual capital expenditures,
 - (iii) proposed delivery service rates and estimated utility income at the proposed rates,
 - (iv) estimated rate base, including an allowance for working capital, and
 - (v) estimated rate of return.

Part II - Assignment, Transfer or Amendment

8 The requirements of Section 7 apply to an application for an assignment, transfer or amendment of a franchise to the extent to be determined by the Board within 30 days of receipt of the application.

Part III - Fees

9 (1) An application for the granting of a franchise, other than the assignment, transfer or amendment of a franchise, shall be accompanied by a fee in the amount of \$250,000. The Board may specify in the directions on procedure that a portion of the foregoing fee shall be paid upon the filing of a Notice of Intent to Apply for a franchise.

(2) Municipalities and co-operatives are exempt from the fee in subsection (1).

10 An application for authorization of an assignment, transfer or amendment of a franchise shall be accompanied by a fee in the amount of \$5,000. The Board may waive all or any part of the prescribed fee if in the opinion of the Board the application for assignment, transfer or amendment is routine in nature.

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