Canada Energy Regulator Fees Report Fiscal year 2021–22

The Honourable Jonathan Wilkinson, P.C., M.P. Minister of Natural Resources

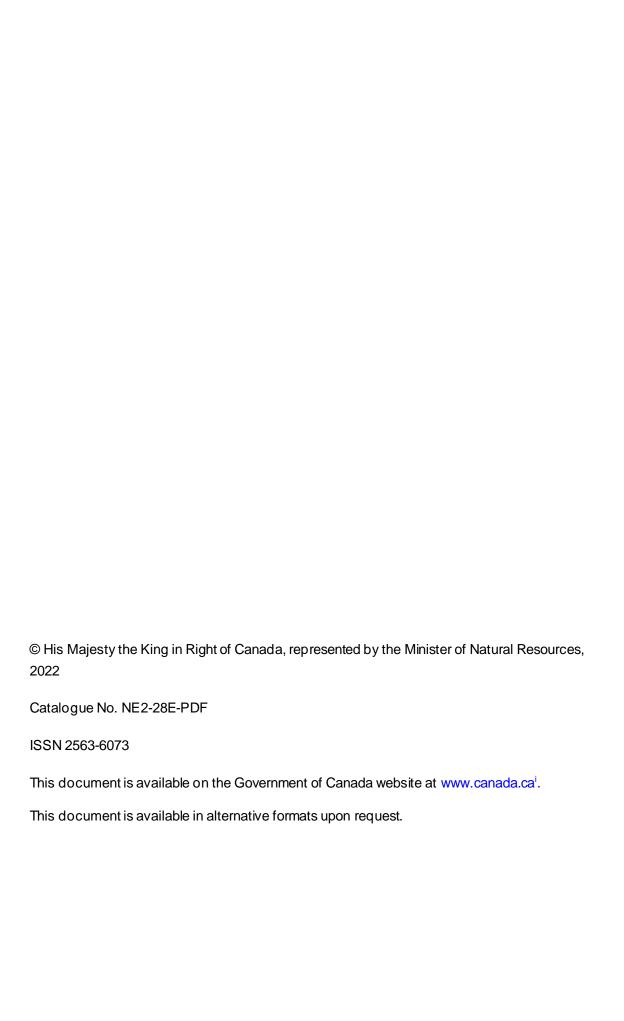


Table of contents

CEO's message	5
About this report	7
Remissions	. 8
Overall totals, by fee-setting mechanism	. 9
Totals, by fee grouping, for fees set by act, regulation or fees notice	10
Details on each fee set by act, regulation or fees notice	11
Endnotes	33

CEO's message

I am pleased to present the Canada Energy Regulator's report on fees for 2021–22.

The *Service Fees Act* provides a modern legislative framework that enables cost-effective delivery of services and, through better reporting to Parliament, improves transparency and oversight.

The Service Fees Act does not apply to fees, levies or charges established under authority of the Canadian Energy Regulator Act. Nevertheless, these fees along with fees established under the Canada Oil and Gas Operations Act are included in this report.



This year's report continues to provide detail on each fee, such as the type and rate of adjustment, the service standard, and the performance result. This information provides context on each fee, in the spirit of open and transparent fee management.

I welcome the opportunity to provide transparent and up-to-date information to Canadians on the Canada Energy Regulator's fee structure.

Gitane De Silva Chief Executive Officer Canada Energy Regulator



About this report

This report, which is tabled under section 20 of the *Service Fees Actii*, the *Low-Materiality Fees Regulationsiii*, and subsection 4.2.8 of the Treasury Board *Directive on Charging and Special Financial Authoritiesiv*, contains information about the fees that the Canada Energy Regulator had the authority to set in fiscal year 2021–22.

The report covers fees that are subject to the *Service Fees Act* and fees that are exempted from the *Service Fees Act*.

For reporting purposes, fees are categorized by fee-setting mechanism. There are three mechanisms:

Act, regulation or fees notice
 The authority to set these fees is delegated to a department, minister or Governor in Council pursuant to an act of Parliament.

2. Contract

Ministers have the authority to enter into contracts, which are usually negotiated between the minister and an individual or organization, and which cover fees and other terms and conditions. In some cases, that authority may also be provided by an act of Parliament.

3. Market rate or auction

The authority to set these fees is pursuant to an act of Parliament or a regulation, and the minister, department or Governor in Council has no control over the fee amount.

For fees set by act, regulation or fees notice, the report provides totals for fee groupings, as well as detailed information for each fee. The Canada Energy Regulator did not have fees set by contract, market rate or auction.

Although the fees that the Canada Energy Regulator charges under the *Access to Information Act* were subject to the *Service Fees Act*, they are not included in this report. Information on the Canada Energy Regulator's access to information fees for 2021–22 is in our annual report to Parliament on the administration of the *Access to Information Act:* CER's Publications and Reports Page^v.

Remissions

In 2021–22, the Canada Energy Regulator's fees were not subject to the requirements in section 7 of the *Service Fees Act* and subsection 4.2.4 of the Treasury Board *Directive on Charging and Special Financial Authorities*. The Canada Energy Regulator had no authority to remit fees, so this report does not include remissions.

Overall totals, by fee-setting mechanism

The following table presents the total revenue, cost and remissions for all fees that the Canada Energy Regulator had the authority to set in 2021–22, by fee-setting mechanism.

Overall totals for 2021–22, by fee-setting mechanism

Fee-setting mechanism	Revenue (\$)	Cost (\$)	Remissions (\$)
Fees set by act, regulation or fees notice	122,702,575	124,582,894	These fees were not subject to remissions.

Totals, by fee grouping, for fees set by act, regulation or fees notice

A fee grouping is a set of fees relating to a single business line, directorate or program that a department had the authority to set for those activities.

This section presents, for each fee grouping, the total revenue, cost and remissions for all fees the Canada Energy Regulator had the authority to set in 2021–22 that are set by the following:

act

regulation

Regulatory fees: totals for 2021–22

Revenue (\$)	Cost (\$)	Remissions (\$)
122,702,325	124,463,215	These fees were not subject
		to remissions.

License fees: totals for 2021-22

Revenue (\$)	Cost (\$)	Remissions (\$)
250	119,679	These fees were not subject
		to remissions.

Details on each fee set by act, regulation or fees notice

This section provides detailed information on each fee that Canada Energy Regulator had the authority to set in 2021–22 and that was set by the following:

- act
- regulation

Fee grouping

Regulatory fees

Fee

Each large oil pipeline company shall, every year, pay to the Board a cost recovery charge calculated in the manner set out in subsection 14(1).

Fee-setting authority

Canadian Energy Regulator Act^{vi}, section 87(1) National Energy Board Cost Recovery Regulations^{vii}, section 14(1)

Year fee-setting authority was introduced

1991

Last year fee-setting authority was amended

2019

Service standard

- 1. Issue preliminary estimated billing notices by September 30.
- 2. Issue final estimated billing notices for the upcoming year by December 31.
- 3. Issue quarterly invoices to large oil companies.

Performance result

All three service standards were met at 100%:

- 1.1 4 Preliminary estimated billing notices were sent by September 30, 2021 to large oil companies.
- 2. 14 Final estimated billing notices were sent by December 31, 2021 to large oil companies.
- 3. Issued 56 invoices during fiscal year 2021-22.

Application of Low-Materiality Fees Regulations

Not subject to Service Fees Act

2021-22 fee amount (\$)

Fees are based on formulas that can be found at the following website: *National Energy Board Cost Recovery Regulations*^{vii}, section 14

2021–22 total fee revenue (\$)

54,957,668

2021-22 total remissions issued for the fee (\$)

This fee was not subject to remissions.

Fee adjustment date in 2023-24

December 31, 2023

2023–24 fee amount (\$)

Fees are based on formulas that can be found at the following website: *National Energy Board Cost Recovery Regulations*^{vii}, section 14

Regulatory fees

Fee

Each large gas pipeline company shall, every year, pay to the Board a cost recovery charge calculated in the manner set out in subsection 14(2).

Fee-setting authority

Canadian Energy Regulator Actvi, section 87(1)
National Energy Board Cost Recovery Regulationsvii, section 14(2)

Year fee-setting authority was introduced

1991

Last year fee-setting authority was amended

2019

Service standard

- 1. Issue preliminary estimated billing notices by September 30.
- 2. Issue final estimated billing notices for the upcoming year by December 31.
- 3. Issue quarterly invoices to large gas companies.

Performance result

All three service standards were met at 100%:

- 1. 10 Preliminary estimated billing notices were sent by September 30, 2021 to large gas companies.
- 2. 10 Final estimated billing notices were sent by December 31, 2021 to large gas companies.
- 3. Issued 40 invoices during fiscal year 2021-22.

Application of Low-Materiality Fees Regulations

Not subject to Service Fees Act

2021–22 fee amount (\$)

Fees are based on formulas that can be found at the following website: *National Energy Board Cost Recovery Regulations*^{vii}, section 14

2021–22 total fee revenue (\$)

61.643.458

2021-22 total remissions issued for the fee (\$)

This fee was not subject to remissions.

Fee adjustment date in 2023-24

December 31, 2023

2023-24 fee amount (\$)

Fees are based on formulas that can be found at the following website: *National Energy Board Cost Recovery Regulations*^{vii}, section 14

Regulatory fees

Fee

Each large power line company shall, every year, pay to the Board a cost recovery charge calculated in the manner set out in subsection 14(3).

Fee-setting authority

Canadian Energy Regulator Act^{vi}, section 87(1) National Energy Board Cost Recovery Regulations^{vii}, section 14(3)

Year fee-setting authority was introduced

1991

Last year fee-setting authority was amended

2019

Service standard

- 1.I ssue preliminary estimated billing notices by September 30.
- 2. Issue final estimated billing notices for the upcoming year by December 31.
- 3. Issue quarterly invoices to large power line companies.

Performance result

All three service standards were met at 100%:

- 1. 10 Preliminary estimated billing notices were sent by September 30, 2021.
- 2. 10 Final estimated billing notices were sent by December 31, 2021.
- 3. Issued 40 invoices during fiscal year 2021-22.

Application of Low-Materiality Fees Regulations

Not subject to Service Fees Act

2021–22 fee amount (\$)

Fees are based on formulas that can be found at the following website: *National Energy Board Cost Recovery Regulations*^{vii}, section 14

2021–22 total fee revenue (\$)

5,835,990

2021-22 total remissions issued for the fee (\$)

This fee was not subject to remissions.

Fee adjustment date in 2023-24

December 31, 2023

2023-24 fee amount (\$)

Fees are based on formulas that can be found at the following website: *National Energy Board Cost Recovery Regulations*^{vii}, section 14

License Fee

Fee

Fee charged for the issuance of operating licenses under the *Canada Oil and Gas Operations Act* (COGO Act).

Fee-setting authority

Canada Oil and Gas Operations Act^{viii}, section 4(2) Canada Oil and Gas Operations Regulations^{ix}, section 3(2)(d)

Year fee-setting authority was introduced

1985

Last year fee-setting authority was amended

2020

Service standard

Issue annual Operating License to companies applying for them within 30 days of the receipt of their complete application and fee payment.

Performance result

The service standard was met at 100%. Issued 10 Operating Licenses to companies within 30 days of the receipt of complete applications and fee payment.

Application of Low-Materiality Fees Regulations

Low-materiality / <51

2021–22 fee amount (\$)

25

2021–22 total fee revenue (\$)

250

2021-22 total remissions issued for the fee (\$)

This fee was not subject to remissions.

Fee adjustment date in 2023–24

Not applicable

2023-24 fee amount (\$)

Regulatory fees

Fee

Any company that obtains an exemption order under section 58 of the Act in respect of, or a certificate authorizing, the construction of a pipeline shall pay to the Board a levy equal to 0.2% of the estimated cost of construction of the pipeline, as estimated by the Board in its decision issuing the certificate or making the order.

Fee-setting authority

Canadian Energy Regulator Act^{vi}, section 87(1) National Energy Board Cost Recovery Regulations^{vii}, section 5.2(1)

Year fee-setting authority was introduced

1991

Last year fee-setting authority was amended

2019

Service standard

Issue an invoice within 90 days.

Performance result

There was no invoice issued, as the conditions under which this fee is levied did not arise in 2021-22.

Application of Low-Materiality Fees Regulations

Not subject to Service Fees Act

2021–22 fee amount (\$)

Fees are based on formulas that can be found at the following website: *National Energy Board Cost Recovery Regulations*^{vii}, section 14

2021–22 total fee revenue (\$)

0

2021-22 total remissions issued for the fee (\$)

This fee was not subject to remissions.

Fee adjustment date in 2023–24

Not applicable

2023-24 fee amount (\$)

Fees are based on formulas that can be found at the following website: *National Energy Board Cost Recovery Regulations*^{vii}, section 14

Regulatory fees

Fee

A company that obtains a permit or certificate under Part III.1 of the Act that authorizes the construction of an international or interprovincial power line shall pay to the Board a levy equal to 0.2% of the estimated cost of construction of the power line, as estimated by the Board in its decision to issue the permit or certificate.

Fee-setting authority

Canadian Energy Regulator Act^{vi}, section 87(1) National Energy Board Cost Recovery Regulations^{vii}, section 5.3(1)

Year fee-setting authority was introduced

1991

Last year fee-setting authority was amended

2019

Service standard

Issue an invoice within 90 days.

Performance result

There was no invoice issued, as the conditions under which this fee is levied did not arise in 2021-22.

Application of Low-Materiality Fees Regulations

Not subject to Service Fees Act

2021–22 fee amount (\$)

Fees are based on formulas that can be found at the following website: *National Energy Board Cost Recovery Regulations*^{vii}, section 14

2021–22 total fee revenue (\$)

0

2021-22 total remissions issued for the fee (\$)

This fee was not subject to remissions.

Fee adjustment date in 2023–24

Not applicable

2023–24 fee amount (\$)

Canada Energy Regulator 20

Fees are based on formulas that can be found at the following website: *National Energy Board Cost Recovery Regulations*^{vii}, section 14

Regulatory fees

Fee

Each small oil pipeline company shall, every year, pay to the Board an administration levy of \$500.

Fee-setting authority

Canadian Energy Regulator Act^{vi}, section 87(1) National Energy Board Cost Recovery Regulations^{vii}, section 5.1(2)

Year fee-setting authority was introduced

1991

Last year fee-setting authority was amended

2019

Service standard

Issue an invoice on June 30 every year

Performance result

The service standard was met at 100%. Issued 13 invoices on June 30, 2021.

Application of Low-Materiality Fees Regulations

Not subject to Service Fees Act

2021-22 fee amount (\$)

511

2021–22 total fee revenue (\$)

6,643

2021-22 total remissions issued for the fee (\$)

This fee was not subject to remissions.

Fee adjustment date in 2023-24

Not applicable

2023–24 fee amount (\$)

Regulatory fees

Fee

Each small gas pipeline company shall, every year, pay to the Board an administration levy of \$500.

Fee-setting authority

Canadian Energy Regulator Act^{vi}, section 87(1) National Energy Board Cost Recovery Regulations^{vii}, section 5.1(2)

Year fee-setting authority was introduced

1991

Last year fee-setting authority was amended

2019

Service standard

Issue an invoice on June 30 every year

Performance result

The service standard was met at 100%. Issued 45 invoices on June 30, 2021.

Application of Low-Materiality Fees Regulations

Not subject to Service Fees Act

2021-22 fee amount (\$)

511

2021–22 total fee revenue (\$)

22,995

2021-22 total remissions issued for the fee (\$)

This fee was not subject to remissions.

Fee adjustment date in 2023–24

Not applicable

2023-24 fee amount (\$)

Regulatory fees

Fee

Each small commodity pipeline company shall, every year, pay to the Board an administration levy of \$500.

Fee-setting authority

Canadian Energy Regulator Act^{vi}, section 87(1) National Energy Board Cost Recovery Regulations^{vii}, section 5.1(2)

Year fee-setting authority was introduced

1991

Last year fee-setting authority was amended

2019

Service standard

Issue an invoice on June 30 every year

Performance result

The service standard was met at 100%. Issued 11 invoices on June 30, 2021.

Application of Low-Materiality Fees Regulations

Not subject to Service Fees Act

2021-22 fee amount (\$)

511

2021–22 total fee revenue (\$)

5,621

2021-22 total remissions issued for the fee (\$)

This fee was not subject to remissions.

Fee adjustment date in 2023-24

Not applicable

2023–24 fee amount (\$)

Regulatory fees

Fee

Each small power line company shall, every year, pay to the Board an administration levy of \$500.

Fee-setting authority

Canadian Energy Regulator Act^{vi}, section 87(1) National Energy Board Cost Recovery Regulations^{vii}, section 5.1(2)

Year fee-setting authority was introduced

1991

Last year fee-setting authority was amended

2019

Service standard

Issue an invoice on June 30 every year

Performance result

The service standard was met at 100%. Issued 10 invoices on June 30, 2021.

Application of Low-Materiality Fees Regulations

Not subject to Service Fees Act

2021-22 fee amount (\$)

511

2021–22 total fee revenue (\$)

5,110

2021-22 total remissions issued for the fee (\$)

This fee was not subject to remissions.

Fee adjustment date in 2023-24

Not applicable

2023-24 fee amount (\$)

Regulatory fees

Fee

Each intermediate oil pipeline company shall, every year, pay to the Board an administration levy of \$10,000.

Fee-setting authority

Canadian Energy Regulator Act^{vi}, section 87(1) National Energy Board Cost Recovery Regulations^{vii}, section 5.1(1)

Year fee-setting authority was introduced

1991

Last year fee-setting authority was amended

2019

Service standard

Issue an invoice on June 30 every year

Performance result

The service standard was met at 100%. Issued 8 invoices on June 30, 2021.

Application of Low-Materiality Fees Regulations

Not subject to Service Fees Act

2021-22 fee amount (\$)

10,220

2021–22 total fee revenue (\$)

81,760

2021-22 total remissions issued for the fee (\$)

This fee was not subject to remissions.

Fee adjustment date in 2023-24

Not applicable

2023–24 fee amount (\$)

Regulatory fees

Fee

Each intermediate gas pipeline company shall, every year, pay to the Board an administration levy of \$10,000.

Fee-setting authority

Canadian Energy Regulator Act^{vi}, section 87(1) National Energy Board Cost Recovery Regulations^{vii}, section 5.1(1)

Year fee-setting authority was introduced

1991

Last year fee-setting authority was amended

2019

Service standard

Issue an invoice on June 30 every year

Performance result

The service standard was met at 100%. Issued 13 invoices on June 30, 2021.

Application of Low-Materiality Fees Regulations

Not subject to Service Fees Act

2021-22 fee amount (\$)

10,220

2021–22 total fee revenue (\$)

132,860

2021-22 total remissions issued for the fee (\$)

This fee was not subject to remissions.

Fee adjustment date in 2023-24

Not applicable

2023–24 fee amount (\$)

Regulatory fees

Fee

Each intermediate commodity pipeline company shall, every year, pay to the Board an administration levy of \$10,000.

Fee-setting authority

Canadian Energy Regulator Act^{vi}, section 87(1) National Energy Board Cost Recovery Regulations^{vii}, section 5.1(1)

Year fee-setting authority was introduced

1991

Last year fee-setting authority was amended

2019

Service standard

Issue an invoice on June 30 every year

Performance result

The service standard was met at 100%. Issued 1 invoice on June 30, 2021.

Application of Low-Materiality Fees Regulations

Not subject to Service Fees Act

2021-22 fee amount (\$)

10,220

2021–22 total fee revenue (\$)

10,220

2021-22 total remissions issued for the fee (\$)

This fee was not subject to remissions.

Fee adjustment date in 2023-24

Not applicable

2023–24 fee amount (\$)

Regulatory fees

Fee

Each large commodity pipeline company shall, every year, pay to the Board an administration levy of \$50,000.

Fee-setting authority

Canadian Energy Regulator Actvi, section 87(1)
National Energy Board Cost Recovery Regulationsvii, section 4(4)

Year fee-setting authority was introduced

1991

Last year fee-setting authority was amended

2019

Service standard

Issue an invoice on June 30 every year

Performance result

There was no invoice issued, as the conditions under which this fee is levied did not arise in 2021-22.

Application of Low-Materiality Fees Regulations

Not subject to Service Fees Act

2021–22 fee amount (\$)

51,100

2021–22 total fee revenue (\$)

0

2021-22 total remissions issued for the fee (\$)

This fee was not subject to remissions.

Fee adjustment date in 2023-24

Not applicable

2023–24 fee amount (\$)

Regulatory fees

Fee

An administration levy of \$500 for the issuance of a certificate or the making of an exemption order authorizing the construction or operation of a border accommodation pipeline or a border accommodation commodity pipeline is payable to the Board by the authorized company.

Fee-setting authority

Canadian Energy Regulator Act^{vi}, section 87(1) National Energy Board Cost Recovery Regulations^{vii}, section 5.1(4)

Year fee-setting authority was introduced

1991

Last year fee-setting authority was amended

2019

Service standard

Issue an invoice on June 30 every year

Performance result

There was no invoice issued, as the conditions under which this fee is levied did not arise in 2021-22.

Application of Low-Materiality Fees Regulations

Not subject to Service Fees Act

2021–22 fee amount (\$)

511

2021–22 total fee revenue (\$)

0

2021-22 total remissions issued for the fee (\$)

This fee was not subject to remissions.

Fee adjustment date in 2023–24

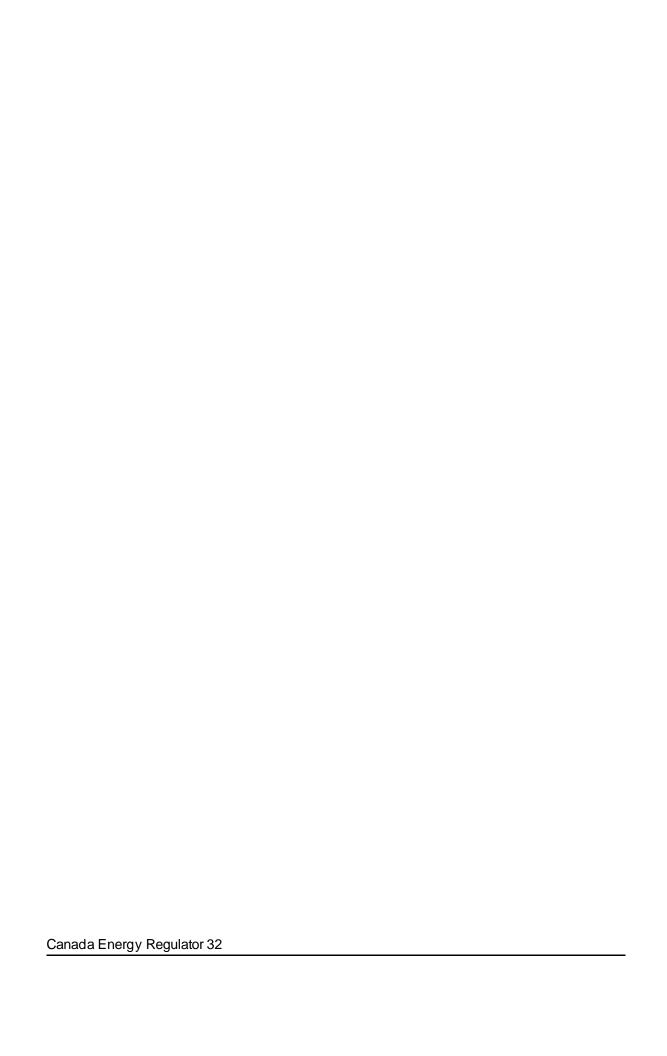
Not applicable

2023–24 fee amount (\$)

511

Canada Energy Regulator 30





Endnotes

- ⁱ The Government of Canada website, www.canada.ca
- ii Service Fees Act, https://laws-lois.justice.gc.ca/eng/acts/S-8.4/FullText.html
- iii Low Materiality Fees Regulations, https://laws-lois.justice.gc.ca/eng/regulations/SOR-2019-109/index.html
- iv Directive on Charging and Special Financial Authorities, https://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=32502
- ^v CER's Publications and Reports Page, http://www.cer-rec.gc.ca/en/about/publications-reports/annual-reports-access-information-act-privacy-act/index.html
- vi Canadian Energy Regulator Act, https://laws-lois.justice.gc.ca/eng/acts/C-15.1/index.html
- vii National Energy Board Cost Recovery Regulations, https://lawslois.justice.gc.ca/eng/regulations/SOR-91-7/index.html
- viii Canada Oil and Gas Operations Act, https://laws-lois.justice.gc.ca/eng/acts/o-7/
- ix Canada Oil and Gas Operations Regulations, https://lawslois.justice.gc.ca/eng/regulations/SOR-83-149/