

National Energy Board

Fees Report

Fiscal year 2018 to 2019

The Honourable Seamus O'Regan, P.C., M.P.
Minister of Natural Resources

C. Peter Watson, P.Eng., FCAE
Chair and CEO
National Energy Board

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Régie de l'énergie du Canada
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Message from the Chair and CEO

On August 28, 2019, the National Energy Board (NEB) became the Canada Energy Regulator (CER), with the Coming into Force of Bill C-69 and the *Canadian Energy Regulator Act* (CERA). The organization is actively transitioning to the CER, supported by decades of experience regulating energy projects in the Canadian public interest as well as a history of successfully implementing legislative changes.

This Fees Report details the organization's fees for Fiscal Year 2018-19, prior to the Coming into Force of the CERA. For this reason the report refers to the NEB as the reporting organization for 2018-19.

We welcome the opportunity to provide transparent and up-to-date information to Canadians on our fee structure.

C. Peter Watson, P.Eng., FCAE
Chair and CEO
National Energy Board

About this report

This report, which is tabled under section 20 of the *Service Fees Act*ⁱ and section 4.2.8 of the *Directive on Charging and Special Financial Authorities*, contains information about the fees that National Energy Board had the authority to charge in the 2018 to 2019 fiscal year.

This report contains information about all fees that are under National Energy Board's authority, even if some or all of the fees are collected by another department.

The information reported includes fees that:

- fall under the *Service Fees Act*
- are exempt from the *Service Fees Act*

The information covers fees set by:

- contract
- market-base, auction or both
- act, regulation or fees notice

For fees set by the following mechanisms, the report provides totals only:

- contract
- market-base, auction or both

For fees set by act, regulation or fees notice, the report provides totals for fee groupings, as well as detailed information for each individual fee.

Although the fees charged by National Energy Board under the *Access to Information Act* are subject to the *Service Fees Act*, they are not included in this report. Information on National Energy Board's access to information fees for fiscal year 2018 to 2019 can be found in our access to information report, which is posted on the *NEB's Publications and Reports Page*.ⁱⁱ

Remissions

A remission is a partial or full return of a fee to a fee payer who paid for a service for which a department deemed that the service standard was not met.

Under the *Service Fees Act*, departments must develop policies for determining whether a service standard has been met and for determining how much of a fee will be remitted to a fee payer. This requirement does not take effect until April 1, 2020. This report

therefore includes **only** those remissions issued under National Energy Board's enabling legislation. It does not include remissions issued under the *Service Fees Act*.

Overall totals, by fee type

The following table presents the total revenue, cost and remissions for all fees that National Energy Board had the authority to charge in fiscal year 2018 to 2019, by fee type.

Overall totals for fiscal year 2018 to 2019, by fee type

Fee type	Revenue (\$)	Cost (\$)	Remissions (\$)
Fees set by contract	0	0	Remissions do not apply to fees set by contract.
Fees set by market base, auction or both	0	0	Remissions do not apply to fees set by market base, auction or both.
Fees set by act, regulation or fees notice	108,210,000	124,392,000	0
Total	108,210,000	124,392,000	0

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

The following tables present, for each fee grouping, the total revenue, cost and remissions for all fees that National Energy Board had the authority to charge in fiscal year 2018 to 2019 that are set by any of the following:

- act
- regulation
- fees notice

A fee grouping is a grouping of all of the fees that a department has the authority to charge for activities relating to a single business line, directorate or program.

Regulatory fees: totals for fiscal year 2018 to 2019

Fee grouping	Regulatory fees	
Revenue (\$)	Cost (\$)	Remissions (\$)
108,209,725	124,221,807	Not applicable

License fees: totals for fiscal year 2018 to 2019

Fee grouping	License fee	
Revenue (\$)	Cost (\$)	Remissions (\$)
275	170,193	Not applicable

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

This section provides detailed information on each fee that National Energy Board had the authority to charge in fiscal year 2018 to 2019 and that was set by any of the following:

- act
- regulation
- fees notice

Fee grouping	Regulatory fees
Fee	Regulatory fees charged for the cost of NEB's operations.
Fee-setting authority	National Energy Board Act, section 24.1ⁱⁱⁱ National Energy Board Cost Recovery Regulations, sections 4(1) to 4(5)^{iv}
Year introduced	1991
Last year fee-setting authority was amended	2011
Fee type	Levy
Fee amount (\$)	Fees are based on formulas that can be found at the following website: Cost Recovery Charges
Total fee revenue (\$)	108,209,725
Adjustment type	Exempt
Adjustment rate (% or formula)	Formula-based
2020 to 2021 fee amount (\$)	Fees are based on formulas that can be found at the following website: Cost Recovery Charges
Future fee-adjusted amount (\$)	Fees are based on formulas that can be found at the following website: Cost Recovery Charges
Adjustment date	Not applicable for formula-based fees
Fee-adjustment authority	National Energy Board Cost Recovery Regulations, sections 4(1) to 4(5)
Service standard	<ol style="list-style-type: none"> 1. Issue preliminary estimated billing information (September 30). 2. Issue final estimated billing for coming year (December 31). 3. Issue quarterly invoices to large companies and annual invoices at mid-year to small and intermediate companies on estimated fees.
Performance result	<p>All three service standards were met at 100%:</p> <ol style="list-style-type: none"> 1. Issued 34 preliminary estimated billing notices during fiscal year 2018 to 2019. 2. Issued 34 final estimated billing notices during fiscal year 2018 to 2019. 3. Issued 135 invoices over four quarterly periods to large companies and issued 77 annual invoices to small and intermediate companies at mid-year during fiscal year 2018 to 2019.

Fee grouping	License fee
Fee	Fee charged for the issuance of operating licenses under the <i>Canada Oil and Gas Operations Act</i> (COGO Act).
Fee-setting authority	<i>Canada Oil and Gas Operations Act, section 4.2^v</i> <i>Canada Oil and Gas Operations Regulations, section 3(2)(d)^{vi}</i>
Year introduced	1985
Last year fee-setting authority was amended	Not applicable
Fee type	License
Fee amount (\$)	25
Total fee revenue (\$)	275
Adjustment type	Exempt
Adjustment rate (% or formula)	Exempt
2020 to 2021 fee amount (\$)	25
Future fee-adjusted amount (\$)	Not applicable
Adjustment date	Not applicable
Fee-adjustment authority	Not applicable
Service standard	Not applicable
Performance result	Not applicable

Endnotes

ⁱ *Service Fees Act*, <https://laws-lois.justice.gc.ca/eng/acts/S-8.4/FullText.html>

ⁱⁱ Annual report on the *Access to Information Act* 2018-19, <http://www.cer-rec.gc.ca/bts/pblctn/ccssnfrmtnprvcct/index-eng.html>

ⁱⁱⁱ *National Energy Board Act*, <https://laws-lois.justice.gc.ca/eng/acts/N-7/>

^{iv} National Energy Board Cost Recovery Regulations, <https://laws-lois.justice.gc.ca/eng/regulations/SOR-91-7/index.html>

^v *Canada Oil and Gas Operations Act*, <https://laws-lois.justice.gc.ca/eng/acts/o-7/>

^{vi} Canada Oil and Gas Operations Regulations, <https://laws-lois.justice.gc.ca/eng/regulations/SOR-83-149/>