

**Caution:**

This consultation draft is intended to facilitate dialogue concerning its contents. Should the decision be made to proceed with the proposal, the comments received during consultation will be considered during the final preparation of the regulation. The content, structure, form and wording of the consultation draft are subject to change as a result of the consultation process and as a result of review, editing and correction by the Office of Legislative Counsel.

**CONSULTATION DRAFT**

**ONTARIO REGULATION**

to be made under the

**DEVELOPMENT CORPORATIONS ACT**

**ONTARIO CLIMATE CHANGE SOLUTIONS DEPLOYMENT CORPORATION**

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**Definition**

**1.** In this Regulation,

“Minister” means the Minister of the Environment and Climate Change or, if another minister of the Crown is assigned the administration of this Regulation under the *Executive Council Act*, that Minister.

**Corporation established**

**2.** (1) A corporation without share capital is established under the name Ontario Climate Change Solutions Deployment Corporation in English and Société ontarienne de déploiement des solutions pour l'action contre le changement climatique in French.

(2) The corporation is composed of the members of its board of directors.

(3) The corporation is an agent of the Crown in right of Ontario.

(4) Subsection 134 (1) (standards of care) and section 136 (indemnification) of the *Business Corporations Act* apply, with necessary modifications, to the corporation and to the board.

(5) The revenues and investments of the corporation do not, despite Part I of the *Financial Administration Act*, form part of the Consolidated Revenue Fund.

### **Object**

**3.** (1) The object of the corporation is to stimulate the development of industry, trades and business undertakings in Ontario that further the deployment in Ontario of technology that is commercially available and that reduces greenhouse gas emissions from buildings and from the production of goods, by

- (a) providing persons in Ontario with information and services related to that technology;
- (b) providing incentives and engaging in financing activities, including providing incentives to individuals;
- (c) stimulating private sector financing;
- (d) researching market barriers inhibiting the deployment of that technology; and
- (e) monitoring the outcomes of the corporation's activities to inform the continuing development of its programs and services.

(2) The greenhouse gas emissions referred to in subsection (1) do not include greenhouse gas emissions from transportation.

(3) For the purposes of subsection (1), the deployment of technology does not include the research and development of technology.

### **Climate change action plan implementation**

**4.** The corporation's activities in furtherance of its object must support the climate change action plan prepared under section 7 of the *Climate Change Mitigation and Low-carbon Economy Act, 2016*.

### **Greenhouse Gas Reduction Account funds**

**5.** The only purposes for which the corporation may use funds from the Greenhouse Gas Reduction Account established under section 71 of the *Climate Change Mitigation and Low-carbon Economy Act, 2016* are the purposes set out in subsection (2) of that section.

**Program development**

**6.** (1) For each of the following sources of greenhouse gas emissions, the corporation shall develop a program in furtherance of its object:

1. Existing residential buildings, including those with low-income residents.
2. New residential buildings.
3. The production of goods.

(2) The corporation may also develop other programs in furtherance of its object.

(3) In developing its programs, the corporation shall determine an appropriate balance among the following priorities, with particular emphasis on the priorities set out in paragraphs 1 and 2:

1. Maximizing absolute greenhouse gas reductions.
2. Stimulating the use of technology described in subsection 3 (1) that supports,
  - i. fuel-switching technologies that reduce reliance on fossil fuels,
  - ii. energy storage, and
  - iii. deep energy retrofits.
3. Stimulating economies of scale that will further the deployment of technology described in subsection 3 (1).
4. Stimulating private sector financing that will further the deployment of technology described in subsection 3 (1).
5. Stimulating the use of technology described in subsection 3 (1) to address specific needs of low-income households.
6. Stimulating the construction of new buildings that significantly exceed the energy efficiency requirements of Ontario Regulation 332/12 (Building Code) made under the *Building Code Act, 1992*.

**Powers**

**7.** (1) The corporation has the capacity, rights, powers and privileges of a natural person for carrying out its object, including the powers described in subsection 12 (1) of the Act, subject to any limitations set out in the Act or in this Regulation.

(2) The revenues of the corporation must be applied to carrying out its object.

(3) The corporation shall not establish a subsidiary, except with the approval of the Lieutenant Governor in Council.

### **Minister's directives**

**8.** The corporation shall comply with the written directives, if any, issued by the Minister to the corporation's board of directors.

### **Board of directors**

**9.** (1) The corporation's board of directors shall be composed of not fewer than nine directors and not more than 12 directors appointed by the Lieutenant Governor in Council.

(2) In appointing individuals under subsection (1), the Lieutenant Governor in Council shall only appoint directors who have knowledge and experience related to the object and programs of the corporation.

(3) In appointing individuals under subsection (1), the Lieutenant Governor in Council shall ensure that the board is composed of individuals who collectively have experience and expertise in the following areas:

1. The financing of energy retrofitting programs.
2. The designing of energy retrofitting programs.
3. The delivery of energy retrofitting programs.
4. Commercially available technology that reduces greenhouse gas emissions from buildings.
5. Commercially available technology that reduces greenhouse gas emissions from the production of goods.
6. The designing of buildings with low greenhouse gas emissions.
7. Corporate law or regulatory law.
8. Risk management.
9. Consumer marketing.

(4) The Lieutenant Governor in Council shall designate one of the directors as chair and one or two members as vice chairs.

(5) The chair shall preside over the meetings of the board.

(6) If the chair is absent or unable to act or if the office of chair is vacant, a vice-chair shall act as the chair and shall have all the powers, duties and functions of the chair.

(7) If the chair and all vice-chairs are absent or unable to act or if the offices of chair and vice-chair are vacant, a director designated by the board shall act as the chair and shall have all the powers, duties and functions of the chair.

(8) A majority of the directors constitutes a quorum of the board, unless the by-laws provide for a higher threshold.

### **Powers, duties of board**

**10.** (1) The affairs of the corporation are under the management and control of the board.

(2) The board may pass by-laws and resolutions for conducting and managing the affairs of the corporation including for,

- (a) appointing officers and assigning to them such powers and duties as the board considers appropriate;
- (b) maintaining bank accounts and making other banking arrangements; and
- (c) establishing committees.

### **Chief executive officer**

**11.** (1) The board shall appoint a chief executive officer after consulting with the Minister.

(2) The chief executive officer is responsible for the operation of the corporation, subject to the supervision and direction of the board.

### **Employees and experts**

**12.** (1) In accordance with government policy, directives and guidelines, the corporation may employ such persons as it considers necessary for the proper conduct of the business of the corporation and may prescribe their duties and other terms of employment and provide for the payment of their remuneration and expenses.

(2) In accordance with government policy, directives and guidelines, the corporation may engage persons other than those employed under subsection (1) to provide professional, technical or other assistance to or on behalf of the corporation, and may set the duties and other terms of engagement and provide for payment of their remuneration and expenses.

**Fiscal year**

**13.** The corporation's fiscal year begins on April 1 in each year and ends on March 31 in the following year.

**Audit**

**14.** (1) The board shall appoint one or more licensed public accountants to audit the accounts and financial transactions of the corporation and its subsidiaries, if any, for the previous fiscal year.

(2) The Minister may at any time appoint a licensed public accountant, other than the person appointed under subsection (1), to audit the accounts and financial transactions of the corporation or any of its subsidiaries, if any, for any period of time that the Minister specifies.

(3) If the Minister requires that an audit of the corporation be conducted under subsection (2), the corporation shall co-operate fully with the person performing the audit to facilitate the audit.

**Commencement**

**15. [Commencement]**