



NATIONAL ASSEMBLY

FIRST SESSION

THIRTY-THIRD LEGISLATURE

Bill 93

An Act respecting the use of petroleum products

Introduction



**Introduced by
Mr John Ciaccia
Minister of Energy and Resources**

**Québec Official Publisher
1987**

EXPLANATORY NOTES

The object of this bill is to ensure the safety of persons who have access to a facility or to petroleum equipment or who use petroleum products, and to ensure that quality petroleum equipment is used for trade in petroleum products or other purposes. It also proposes the monitoring of gasoline prices and the control of the sales price of petroleum products.

The bill introduces a system of permits, registration certificates and licences issued by the Minister of Energy and Resources designed to ensure greater safety in the various uses of the petroleum products, equipment or facilities contemplated.

The bill also gives the Minister certain powers, which he may delegate, for the monitoring of gasoline prices. It provides that the price of petroleum products will be controlled by way of an order in council fixing the maximum price that may be charged for the sale of a petroleum product, where the public interest requires it. Finally, it introduces an inspection system to ascertain compliance with the law and the regulations and to that effect institutes a system for the affixing of seals and orders for the prevention of dangerous or unauthorized use of the petroleum products, equipment or facilities contemplated.

ACTS REPLACED BY THIS BILL:

- (1) Petroleum Products Trade Act (R.S.Q., chapter C-31);
- (2) The Act to amend the Petroleum Products Trade Act (1976, chapter 22).

Bill 93

An Act respecting the use of petroleum products

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

CHAPTER I

SCOPE

1. The objects of this Act are

- (1) to ensure the safety of persons who have access to a facility or to petroleum equipment or who use petroleum products;
- (2) to ensure the use of quality petroleum equipment;
- (3) to institute inspections, inquiries, and monitoring with respect to gasoline prices;
- (4) to control the sales price of petroleum products.

2. This Act applies to any petroleum equipment or facility used for trading in petroleum products or for the consumption, handling, distribution, storage or road transportation of petroleum products.

Any piping connected to a facility which feeds or supplies it is deemed to be an integral part of the facility.

This Act does not apply to the following petroleum equipment used for purposes other than trading in petroleum products:

(1) any tank used to fuel a motor vehicle and any movable tank containing a petroleum product, with a capacity not exceeding 225 litres;

(2) any tank with a capacity of less than 4 000 litres used for the storage of heating oil used to fuel a heating device.

3. In this Act, “petroleum product” means a mixture of hydrocarbons used as motor fuel, heating oil or lubricant, except liquified gas.

4. This Act is binding on the Government, government departments and government agencies.

CHAPTER II

ADMINISTRATION

DIVISION I

PERMITS AND CERTIFICATES

5. No person or company may operate a facility for the purposes of trading in petroleum products unless he or it is the holder of a trading permit of a class determined by regulation, issued by the Minister of Energy and Resources for each of his or its facilities.

6. No person or company may, for others, perform or cause the performance of installation, alteration, maintenance or demolition work on petroleum equipment, or make or submit bids, personally or through another person, to perform or cause the performance of such work for a consideration unless he or it is the holder of an installer’s permit issued by the Minister.

7. No person or company may use petroleum equipment for purposes other than trading in petroleum products unless he or it is the holder of a registration certificate issued by the Minister for the petroleum equipment located in each of his or its facilities.

Notwithstanding the foregoing, the user of the facility of an operator is not required to be the holder of a registration certificate.

8. The Minister shall issue a permit or a registration certificate if the applicant meets the requirements prescribed by regulation.

9. The Minister may refuse to issue a permit or a registration certificate to any applicant convicted of an offence in connection with any activity carried on under the permit or the registration certificate applied for.

10. Every permit expires on 30 April of each year. It is renewed on payment of the fee and production of the documents prescribed by regulation.

11. The holder of a permit or registration certificate that ceases his or its activities shall notify the Minister in writing within ten days.

The notice must set out the following information:

(1) the number of the permit or registration certificate;

(2) the address of the facility;

(3) the date of cessation of activities;

(4) in the case of a trading permit, the volume of the different products sold since the submission of the last activities report prescribed by regulation.

12. The holder of a permit or registration certificate shall inform the Minister of any change as a result of which the information provided for the issue or renewal of the permit or certificate is no longer accurate or complete.

13. A permit or registration certificate is not transferable.

14. The holder of a permit or registration certificate shall display it in public view.

He or it shall also display any other information prescribed by regulation in the manner prescribed therein.

15. The Minister may suspend or cancel a permit or registration certificate where the holder

(1) does not meet or no longer meets the requirements prescribed in this Act and the regulations for the issue or renewal of the permit or registration certificate;

(2) fails to comply with the conditions, obligations or restrictions applicable to the carrying on of his or its activities;

- (3) is convicted of an offence against this Act or the regulations;
- (4) has ceased his or its activities.

16. The Minister shall, before suspending or cancelling a permit or a registration certificate, give the holder an opportunity to be heard.

17. Any decision to refuse to issue, suspend or cancel a permit or a registration certificate must give the reasons therefor and be transmitted to the interested person by registered or certified mail.

18. Not later than 31 March each year, the holder of a permit or registration certificate shall submit an activities report in the form prescribed by regulation.

DIVISION II

APPEAL

19. Any interested person may appeal to the Provincial Court from any decision of the Minister with respect to the issue, renewal, suspension or cancellation of a permit or registration certificate.

20. The appeal suspends the execution of the Minister's decision unless the court orders otherwise.

21. The appeal is brought by way of a motion served on the Minister.

The motion must be filed at the office of the Provincial Court in the judicial district of the appellant's domicile or principal place of business, within thirty days after the appellant receives the decision.

22. On being served with the motion, the Minister shall transmit the record relating to the decision appealed from to the clerk of the Provincial Court.

23. The appeal is heard and decided by preference.

24. Subject to any additional evidence it may allow, the court shall render its decision on the basis of the record transmitted to it, after allowing the parties to present their views.

25. The decision of the Provincial Court is final and without appeal.

26. The Provincial Court may, in the manner provided for in article 47 of the Code of Civil Procedure (R.S.Q., chapter C-25), adopt such rules of practice as it considers necessary for the proper carrying out of this division.

DIVISION III

LICENCE

27. Any work related to the installation, alteration, maintenance or demolition of petroleum equipment shall be performed under the continual supervision of a holder of a master petroleum equipment installer's licence.

28. A person wishing to obtain a master petroleum equipment installer's licence must apply therefor in writing to the Minister.

29. The Minister shall issue a master petroleum equipment installer's licence to any person

(1) who has worked as a petroleum equipment installer for at least two years;

(2) who has passed the examinations prescribed by regulation and has shown following those examinations or by any other means he deems appropriate that he has the relevant knowledge or experience for the trade of petroleum equipment installer;

(3) who has paid the fee prescribed by regulation;

(4) who has the other qualifications, has fulfilled the other conditions and has provided the information prescribed by regulation.

30. A master petroleum equipment installer's licence has a valid term of five years from its date of issue. It is renewed for the same term upon payment of the fee and upon the other conditions prescribed by regulation.

31. A master petroleum equipment installer's licence is unassignable.

32. The Minister may require the holder of a master petroleum equipment installer's licence to take the examination contemplated in section 29 if he is of the opinion that developments in the knowledge required for the work contemplated in this division require it.

33. The holder of a master petroleum equipment installer's licence must have it with him when carrying on his activities, and must produce it to an inspector on demand.

CHAPTER III

PROHIBITIONS

34. No holder of a commercial permit may store, use or trade in petroleum products which do not conform to the standards of quality prescribed by regulation.

35. No person may use any facility or petroleum equipment which does not conform to the standards prescribed by regulation.

36. Every person wishing to perform any work related to the installation, alteration, maintenance or demolition of petroleum equipment shall obtain prior authorization from the Minister. The authorization shall be granted or renewed in the name of the holder of a trading permit or registration certificate on the conditions prescribed by regulation. The authorization shall not be issued except on condition that the work be performed by the holder of an installer's permit.

37. No holder of an installer's permit may perform any work which does not conform to the standards prescribed by regulation.

38. No holder of a commercial permit or registration certificate may carry on activities other than those authorized by his permit or certificate.

39. No person may deliver petroleum products to the facility of a person or partnership other than the holder of a trading permit or registration certificate.

CHAPTER IV

MONITORING OF GASOLINE PRICES

40. For the purpose of monitoring gasoline prices in the various regions of Québec, the Minister shall have the following powers:

(1) the power to inquire into the sale or distribution of gasoline, and the prices, taxes and fees charged and paid therefor;

(2) the power of inspection, in accordance with Chapter VI of this Act, in respect of the sale or distribution of gasoline, and the prices, taxes and fees charged and paid therefor;

(3) the power to monitor the sale or distribution of gasoline, and the prices, taxes and fees charged and paid therefor.

41. The Minister may, at any time, order a person to provide him with any required information concerning the person's sales or distribution of gasoline, and the prices, taxes and fees charged and paid therefor.

42. Every person shall comply with any order of the Minister.

43. No person may make any false or misleading statement, or participate in or consent to such a statement in response to an order of the Minister.

44. The Minister may, by order, delegate his powers under this chapter to any person, group of public servants formed for the purposes of this chapter or any body he may designate.

CHAPTER V

PRICE CONTROLS

45. Where in its opinion such action is required in the public interest, the Government may fix, by an order in council, the maximum price at which a petroleum product may be sold or distributed.

The order in council may concern

- (1) one or several petroleum products;
- (2) the price or its components, except any component in relation to a duty or tax levied pursuant to any law of the Parliament of Canada;
- (3) all or part of the territory of Québec.

46. Every contract concerning the sale or distribution of petroleum products that stipulates a higher price than that determined by an order in council shall be amended so as to bring the price stipulated in the contract into conformity with that fixed by the order in council.

The contract remains valid between the parties in every other respect.

47. The Minister may, at any time, order any person to provide him with any required information concerning his sales or distribution of petroleum products other than gasoline and the prices, taxes and duties charged and paid therefor.

48. Every person must comply with an order given by the Minister.

49. No person may make a false or misleading declaration or consent to such a declaration in reply to an order given by the Minister.

50. No person may sell or distribute a petroleum product in Québec at a price higher than that determined by the order in council.

51. No person may destroy, alter, mutilate or conceal a register, book of account or any other document relating to the sale or distribution of petroleum products.

52. No person may make a false or misleading entry or consent to the making of such an entry.

53. No person may omit to make an entry in a register or book of account or consent to the omission of such an entry.

CHAPTER VI

INSPECTION

54. A chief inspector and inspectors shall, to ensure the enforcement of this Act and the regulations thereunder, be appointed and remunerated in accordance with the Public Service Act (R.S.Q., chapter F-3.1.1).

55. An inspector may, in the performance of his duties,

(1) have access, at any reasonable time, to any place where an activity governed by this Act and the regulations thereunder is carried on and inspect such place;

(2) take samples of any petroleum product with a view to having them analyzed and examine any petroleum equipment;

(3) examine and make copies of the registers, records and other documents relating to the activities governed by this Act and the regulations thereunder;

(4) require any information or document relating to the enforcement of this Act and the regulations thereunder.

56. The inspector shall, on request, identify himself and produce a certificate of his quality signed by the Minister.

57. An inspector who has reasonable and probable grounds to believe that a facility or any petroleum equipment presents a danger to the environment or to human safety or is used to sell a petroleum product which does not conform to standards prescribed by regulation may order it to be closed or stopped or partly closed and, if necessary, affix seals thereto and prohibit its use.

58. The chief inspector shall authorize the reopening of the facility or the restarting of a petroleum equipment and, where such is the case, the removal of seals and the lifting of the prohibition to use the facility or equipment where he is satisfied that it no longer presents a danger to the environment or to human safety according to the standards prescribed by regulation or where the petroleum products which did not conform to the standards have been disposed of to his satisfaction.

59. The inspector shall give the holder of a permit or registration certificate a notice of correction in which he specifies the irregularities ascertained and the time allowed to conform to the notice.

If the holder of a permit or registration certificate fails to conform to the notice within the time allowed, the Minister may direct the carrying out of the corrective measures specified in the notice at the expense of the person in default.

60. No person may break a seal affixed by an inspector.

61. No person may hinder an inspector in the performance of his duties, mislead him by concealment or false declarations or refuse to disclose to him information which he is entitled to obtain under this Act.

62. No inspector may be prosecuted for official acts performed in good faith in the performance of his duties.

CHAPTER VII

REGULATORY PROVISIONS

63. The Government may, by regulation,

(1) prescribe the form and content of applications for permits, registration certificates and licences;

(2) prescribe categories and classes of petroleum products used by holders of permits or registration certificates;

(3) prescribe the documents to be produced and the information to be provided by an applicant for a permit or a registration certificate or the renewal thereof;

(4) prescribe fees for the issue or renewal of permits, registration certificates, and master petroleum equipment installer's licences;

(5) prescribe classes of trading permits;

(6) prescribe requirements, restrictions and conditions of issue with respect to permits, registration certificates and classes of trading permits;

(7) prescribe the form and content of permits and registration certificates;

(8) prescribe the information to be displayed by the holder of a permit or registration certificate and the manner of displaying it;

(9) prescribe the form and content of the annual report and the notice of cessation to be produced by the holder of a permit or registration certificate;

(10) prescribe subjects to be covered by the examinations, criteria of eligibility therefor and the cases of exemption therefrom or from any other method of evaluation;

(11) prescribe other qualifications and conditions to be met by a person applying for a master petroleum equipment installer's licence and the information to be provided by him;

(12) prescribe standards relating to the storage, handling and road transportation of petroleum products;

(13) prescribe standards to be complied with by every holder of a permit or registration certificate and every owner of petroleum equipment or of any facility, to prevent contamination by petroleum products;

(14) prescribe standards to be complied with by every holder of a permit or registration certificate or by every owner of petroleum equipment or of any facility, to prevent any contamination which may occur in the storage, handling or road transportation of petroleum products;

(15) prescribe the methods, conditions and modes of sampling and analyzing of petroleum products;

- (16) prescribe standards of quality of petroleum products;
- (17) prescribe standards relating to petroleum equipment and to facilities;
- (18) prescribe the form and content of the notice of correction, establish the application procedure and fix the time limit to comply therewith;
- (19) prescribe the form and content of the statement of offence;
- (20) determine the provisions of a regulation the violation of which constitutes an offence.

CHAPTER VIII

PENAL PROVISIONS

64. Every person who contravenes any of the provisions of sections 5, 6, 7, 11, 14, 18, 33, 35, 36, 37, 38, 39, 42, 43, 48, 49, 50, 51, 52, 53, 60 and 61 or any regulation the violation of which constitutes an offence under paragraph 20 of section 63 is liable, in addition to costs, to a fine of \$200 to \$2 000.

65. Every person who contravenes section 34 is liable, in addition to costs, to a fine of \$2 000 to \$4 000.

66. Every person who fails or refuses to comply, before the expiry of the time prescribed, with a notice of correction provided for in section 59 is liable, in addition to costs, to a fine of \$200 to \$2 000.

67. In the case of any subsequent offence within two years of conviction for an offence under the same provision of section 64 or 66, the offender is liable, in addition to costs, to a fine of \$500 to \$5 000.

68. In the case of any subsequent offence within two years of conviction for an offence under section 65, the offender is liable, in addition to costs, to a fine of \$4 000 to \$8 000.

69. Every director, employee or representative of a legal person who has authorized or allowed the commission of an offence described in sections 64 to 68, or who has consented thereto or otherwise participated therein is guilty of an offence if he knew or should have known that his acts would probably result in the commission of the offence.

The person is liable to the same penalty as that imposed for such an offence.

70. Proceedings under this Act shall be instituted in accordance with the Summary Convictions Act (R.S.Q., chapter P-15).

71. The prosecution may be commenced by notice of the offence handed to or otherwise served on the offender by an inspector. The notice has the effect of an information.

72. The notice of offence shall describe the offence, specify the minimum fine and indicate to the offender that payment of the required amount may be made within 30 days at the place indicated therein.

73. An offender who pays the required amount at the prescribed place within the time limit is deemed to have pleaded guilty, but such payment does not constitute an admission of civil liability.

On failure to make such payment, the notice of offence shall be laid before a justice of the peace who may issue a summons.

74. In any proceedings, the report relating to the analysis of a petroleum product and signed by an analyst recognized by the Minister shall be accepted as evidence of its content and of the authority of the person signing the report without further proof of his appointment or signature.

The cost of such analysis shall form part of the costs of the proceedings.

CHAPTER IX

MISCELLANEOUS AND TRANSITIONAL PROVISIONS

75. The Minister may, by order, delegate the powers conferred on him under sections 8, 9, 12, 15, 16, 22, 29, 32, 36, 41, 47, 59 and 74 to any person, group of public servants or body he may designate.

76. This Act replaces the Petroleum Products Trade Act (R.S.Q., chapter C-31) and the Act to amend the Petroleum Products Trade Act (1976, chapter 22).

77. A permit issued under the Petroleum Products Trade Act remains in force until the date on which it would have expired under the said Act, and its holder may, until that date, carry on the activities authorized under the permit, subject to this Act and the regulations thereunder.

78. The Minister shall issue temporary master petroleum equipment installer's licences until (*insert here the date occurring two years after the date of coming into force of this Act*) to every person who meets the prescribed conditions and upon payment of the fee prescribed by regulation of the Government.

79. The prohibition under section 39 of the delivery of petroleum products to the facility of a person who does not hold a registration certificate has effect only from (*insert here the date occurring three years after the date of coming into force of this Act*).

80. The Minister of Energy and Resources is responsible for the administration of this Act.

81. The provisions of this Act come into force on the date or dates fixed by the Government.

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