

JUSTIFICATION OF THE MODIFICATIONS TO THE RATES AND CONDITIONS

**Justifications of the proposed modifications to the
Transmission service rates and conditions of Hydro-Quebec**

Article	Modification suggested	Justification
Document title	<i>Transmission service rates and conditions of Hydro-Quebec</i>	The document includes several transmission services
1.3	Addition of:... <i>at the request of the Distributor under the terms of...</i>	For Part IV, the Distributor is the customer of the Transmitter
1.5.1	Deletion of: <i>The local load includes all the load supplied with the production of the resources designated by Distributor.</i>	Certain resources designated by the Distributor can also supply loads other than the local load
1.6	Replaced:... <i>(and any retailer of electricity)...</i> with:... <i>or purchase of electricity for the sale or the resale...</i>	To specify that some participants in the market are neither public services, nor electricity generators
1.8	Addition of: <i>For the purposes of Part IV, the Distributor is the customer of the transmission service.</i>	Necessary clarification when one refers to the customer of the transmission service
1.9	Deletion of:... <i>under the terms of the Act, has the obligation...</i>	The law does not envision such obligation for the Transmitter
1.10.1 1.12; 1.21 1.30.1 14.2; 14.7 IV Preamble 36; 37.2; 40; 41.7 Appendix H	Addition of:... <i>transmission service for the supply...</i>	Clarification concerning the name of the transmission service included in Part IV
1.12	Addition of:... <i>found in Appendix G of the current...</i> Deletion of:... <i>signed...</i> Addition of:... <i>apply to Parts II and...</i>	The operation agreement envisioned in Appendix G does not have to be signed to be effective The Operation agreement applies in all the cases
1.14	Deletion of the definition: <i>Annual transmission costs</i>	This definition, which is not used in the text, is useless

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1.19.1	Addition of the definition: <i>Emergency energy</i>	This definition is necessary with respect to the new article 7A concerning the supply and reception of emergency energy between neighboring networks
1.19.2	Replaced:... <i>network of Transmitter...</i> with:... <i>transmission or distribution network of Hydro-Quebec...</i>	A connection agreement is necessary in all cases when connecting a power station to the network
1.20	Replaces:... <i>modifications...</i> with:... <i>additions...</i>	In conformity with Appendix J
1.21; 4 15.4; 15.5 19; 19.6 19.7; 20 20.2; 20.3 27	Deletion of:... <i>firm...</i>	In conformity with the new article 12A. Additions to the network can arise from agreements other than that of a firm transmission service
1.21	Addition of: <i>At the time of a request for the connection of a power station, this study bears the name of integration study.</i>	The network integration study constitutes the impact study for the connection of a power station
1.26	Addition of:... <i>and of reservation...</i>	In conformity with article 4
1.30.2	Addition of the definition: <i>Part V</i>	Harmonization of the text
1.31	Addition of: <i>For the purposes of Part IV, the Parties are the Transmitter and the Distributor.</i>	Clarification concerning the name of the Parties
1.33 13.7 14.5	Deletion of:... <i>of reception... (Montreal)...</i>	Point HQT is not only a point of reception and is not limited to the sole Montreal area
1.37	Addition of:... <i>or when an interconnection whose capacity of transfer is posted on OASIS becomes unavailable or limited.</i>	This condition can cause a reduction of the transmission service, without involving the reliability of the network.
1.40.1	Addition of:... <i>including those coming...</i>	The interconnection itself is an asset of the Transmitter by which means a resource coming from a neighboring network is routed

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1.41	Addition of:... <i>and from the reception points to the delivery points...</i>	Necessary clarification, since certain supplementary services also apply to the services provided under the terms of Part II
1.42	Deletion of:... <i>from point-to-point...</i> Addition of:... <i>III and IV...</i>	This modification is required, because the term transmission service applies as much to Parts III and IV as to Part II.
1.47	Addition of:... <i>point-to-point...</i>	In conformity with article 1.48
1.48	Replaced: <i>and</i> with: <i>or</i>	In conformity with article 1.47
1.48.2	Modification:... <i>electricity is transmitted by the Transmitter...</i>	This follows the terms of the <i>Act on the Régie of energy</i>
1.51 (2)	Replaced: <i>control area</i> with: <i>control zone</i>	Harmonization of the text
2.2	Deletion of:... <i>(wholesale and transmission requirements only...)...</i> Replaced:... <i>new eligible customer</i> ... with:... <i>new request of an eligible customer...</i>	Firm transmission service is well characterized and the expression between parentheses adds nothing. Clarification confirming the meaning of this provision
3	Modifications in article 3 Deletion:... <i>and/or remuneration methods...</i> Deletion of: <i>If the Transmitter offers a reduction to an affiliated company... supplementary services... to all without undue discrimination.</i>	Some modifications are proposed to ensure the adequate application of supplementary services Useless detail No reduction applies to the supplementary services provided by the Transmitter

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3.4	Addition of a new supplementary service to point-to-point services: <i>Compensation for variation in reception</i>	The compensation service for variation in reception is necessary to ensure the adequacy between the programs and receptions whose source is located in the control zone of the Transmitter
4	Addition of: Information and reservation system	OASIS is used to inform and allows to reserve transmission
6	Deletion of:... <i>(Power pool)</i> ...	Unnecessary expression
7.1	Addition of:... <i>in Canadian dollars.</i> Addition of: <i>In the case of the Distributor and of the Generator, the payment is made by accounting entry.</i>	Payments to the Transmitter must be done in Canadian dollars There is no monetary exchange between the divisions of Hydro-Quebec
7.2	Replaced:... <i>prime annual business rate ... in Montreal, Quebec...</i> with:... <i>Basic rate for loans to businesses as published by the Bank of Canada... or of modification of this one.</i>	Information on the prime rate for loans to businesses (prime rate) published by the Bank of Canada and more easily accessible to all the customers than the rate posted by a given bank
7.3	Modification:... <i>three (3) working days following the expiry date mentioned above ...</i> Addition of:... <i>to compensate for the amounts due within the deposits or financial guarantees received from the customer and...</i>	Modification necessary to eliminate the need to provide a notification when a customer defaults on a payment and for to bring the deadline to three working days Necessary addition to specify the right of the Transmitter to use the guarantees provided by the customer in the event of default of payment by the latter.

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7A	Addition of the article 7A: <i>Emergency energy</i>	New articles 7A.1 and 7A.2 to state the obligation of the Transmitter to carry out or to receive deliveries of emergency energy from neighboring networks and specifying the methods for invoicing the energy delivered and the applicable transmission service, according to the case and in accordance with generally observed practices.
8.2	Replaced:... <i>its own uses...</i> and... <i>including...</i> with:... <i>for the needs of the Distributor and of the Generator...</i> Deletion of:... <i>transmission service customer ...</i>	Necessary clarifications to indicate that this article refers to the studies carried out for sales to third parties by the Generator and the Distributor and not for the studies carried out by the Transmitter to respond to its own needs
9	Deletion of: ... <i>unilateral...</i>	The Transmitter could submit a joint request with one or the other of its customers
10	Addition of a title: <i>Responsibility</i>	Title representing the article contents
10.1	Addition of:... <i>or freezing rain...</i>	Freezing rain constitutes a case beyond the control of the Transmitter
10.2	Addition of article 10.2: <i>Exemption</i>	This addition is necessary to specify the limits of the responsibilities of the Transmitter towards the customers of the transmission service
10.3	Addition of:... <i>gross...</i>	This qualifier is generally used in such cases

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11	Modification to the title:... <i>and management of the non-payment risk</i> Addition in article 11.1 and addition of articles 11.2 and 11.3	Additions necessary to specify the rights and obligations of the parties with respect to credit in order to protect the Transmitter from non-payment risks
12A	Addition of the article 12A: <i>Connection of power stations to the transmission and distribution networks.</i>	Article necessary to specify the obligations of the owner of a power station which requires a connection to the network, as well as the order of priorities for connection requests
Part II – Preamble	Addition of:... <i>including when the reception or delivery on the network of Hydro-Quebec is carried out with a voltage lower than 44 kV.</i>	The point-to-point services apply to any transit on the Hydro-Quebec network
13.2	Modification:... <i>access equal to that of the transmission service for the supply...</i>	Necessary clarification since the Distributor does not have to carry out reservations for the service to supply the local load
13.5	Addition of:... <i>transmission service in...</i> , of:... <i>customers...</i> and of:... <i>in accordance with ...</i> Deletion of:... <i>Expenses relative ... which will be invoiced... will be specified...</i>	Necessary clarifications Useless repetition since already specified in article 27
13.7 b) 14.5 a)	Modification:... <i>point HQT is designated as a point of reception...</i>	Necessary clarification. It is HQT which is the point of reception and not the resources

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13.7 d) 14.5 c)	Deletion:... <i>one or the other amount take into account the rate of transmission losses included in article 15.7 of the current...</i> and: ... <i>When the reception point HQT (Montreal) is used, the customer will be invoiced according to the reserved capacity at the delivery point, taking account of the rate of transmission losses included in article 15.7 of the current document</i>	To simplify the concept of invoicing and to maintain coherence with the definition of reserved capacity. The increase to take into account of the transmission capacity of the losses is added to appendices 9 and 10.
13.8 14.6	Addition of: <i>Following any reservation of transmission service...</i>	Clarification to indicate that the programs are associated with a transmission reservation
15.4; 15.5 19; 20	Deletion of:... <i>firm...</i>	In conformity with the new article 12A
16.1	Addition of:... <i>starting from...</i>	Correction of an original clerical error in Regulation 659 from Hydro-Quebec
17.2; 18.2 29.2	Deletion de:... <i>rules...</i>	Harmonization of the text
17.3	Addition of:... <i>long-term...</i> Deletion of:... <i>that is to say the complete price... less than one month</i> Replaced:... <i>with the expiry of the service agreement ...</i> with:... <i>within a maximum of thirty (30) days following the signing of the service agreement... and the deposit of the guarantees...</i> Replaced:... <i>prime annual interest rate... with:... interest rate designated in article 7.2...</i>	The deposit applies only to long-term reservations. In addition, the Transmitter applies its credit management practices included in article 11 in all cases. The financial guarantees required are included in article 11. The deposit must thus be given to the customer as of the reception of these. Harmonization of the text

Article	Modification suggested	Justification
19.1	Addition of:... <i>or a request for the connection of a power station...</i> Addition of:... <i>including the necessary technical data ...</i> Replaced:... <i>its deposit...</i> with:... <i>any deposit carried out...</i>	Article 19 applies to the connection of power stations These data are necessary before the beginning of the impact study The deposit is applicable only for the long-term service
19.2 32.2	Deletion of:... <i>maximum...</i>	Expenses envisioned in the Impact study agreement constitute an estimate and the real amount payable by the customer can vary
19.2	Addition of: <i>In the case of the Distributor, the provisions included in article 40.2 apply.</i>	Article 40.2 specifies that the costs of the impact study of the Distributor is included in its annual rate

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19.3 32.3	<p>Addition of:... <i>and of the necessary technical data</i></p> <p>Addition of:... <i>as well as the estimated costs and the timeframe of the additions to the network...</i></p> <p>Replaced:... <i>within 60 days...</i> with:... <i>hundred twenty (120) days, except in the case of a study which require additional time, which will be specified with the customer.</i></p> <p>Replaced:... <i>completion...</i> with:... <i>reception...</i></p> <p>Addition of: <i>Before the expiry of the period of forty-five (45) days... to ask an extension up to a maximum of three hundred and sixty-five (365) days... will be taken into account for to establish the foreseen commissioning date.</i></p>	<p>The Transmitter cannot carry out the impact study without the reception of the technical data from the applicant.</p> <p>These elements are part of the impact study report</p> <p>The 60 days timeframe cannot apply to all impact study requests. A 120 day timeframe is more realistic, except in the case of certain major projects or those using, for example, a new technology</p> <p>Necessary clarification</p> <p>Necessary option in the case of projects requiring many approvals, in particular of an environmental nature</p>
19.3	Addition of:... <i>either sign an agreement... or, in the case of the connection of a power station, to indicate which conditions ... applies to his project and, if necessary, confirms in writing his intentions... as soon as possible...</i>	The applicant must confirm his request at the expiry of the maximum period of 365 days so that the Transmitter provides him with a preliminary agreement or a connection agreement, according to the case.

Article	Modification suggested	Justification
19.4	<p>Replaced:... <i>its deposit...</i> with:... <i>any deposit provided...</i></p> <p>Addition of:... <i>if it is not already done or, in the case of a connection of a power station, to take one of the commitments included in article 12A and to sign a power station connection agreement as soon as possible ...</i></p> <p>Deletion of:... <i>and to provide the letter of credit...</i></p>	<p>The filing under the terms of the article 17.3 is not always necessary for the connection of a power station</p> <p>The customer must make the necessary commitments at the expiry of the maximum period of 180 days</p> <p>Useless repetition</p>

Article	Modification suggested	Justification
19.4 32.4	<p>Addition of:... <i>and that the Transmitter established it is necessary to realize a preliminary study... following ... a written request of the customer... (365) days... of the reception...</i></p> <p>Deletion of:... <i>Wording of ...</i></p> <p>Replaced:... <i>period of 60 days...</i> with:... <i>the timeframe envisioned in the preliminary study agreement...</i></p> <p>Addition of: <i>Before the expiry of the period of thirty (30) days indicated above, the eligible customer can however ask for an extension of this to a maximum of one hundred eighty (180) days... that will be taken into account to establish the foreseen commissioning date.</i></p>	<p>To specify that the preliminary study might not be necessary due to, in certain cases, the limited scope and duration of the work envisioned</p> <p>Uniformity of the text</p> <p>The time to carry out a preliminary project is variable and depends generally on the complexity of the file and the regulatory and environmental authorizations necessary.</p> <p>Necessary option in the case of projects requiring many approvals, in particular of an environmental nature</p>
19.5	<p>Replaced:... <i>will require...</i> with:... <i>will be able to require...</i> and:... <i>will be...</i> with:... <i>will be able...</i></p>	In order to envision the case where such requirements would not be necessary
19.8	<p>Addition of:... <i>and, according to the case, to sign a power station connection agreement...</i></p> <p>Replaced:... <i>in fifteen (15) days</i> With: <i>thirty (30) days...</i></p>	<p>In conformity with the new article 12A</p> <p>More realistic timeframe</p>
20.2	<p>Addition of:... <i>and, according to the case, that it amend the power station connection agreement already signed ...</i></p>	In conformity with the new article 12A

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24.3	Addition of:... <i>or, according to the case, with the power station connection agreement...</i>	The power-factor is envisioned in the connection agreement.
25	Modification to the Appendix numbers	The point-to-point rates are provided in appendices 9 and 10
27	Addition of:... <i>who confirms his request to carry out the project is held to provide the financial guarantees required by Transmitter and...</i> Deletion of:... <i>in the conditions fixed by the Régie that are found...</i> Addition of:... <i>The estimated expenses relating to the additions to the network which will be invoiced to the customer of the transmission service under the terms of the current document will be specified in the operation agreement, or in the connection agreement, according to the case, before the beginning of the service.</i>	Financial guarantees are required when the Transmitter carries out additions to the network to ensure the realization of the applicants project. Useless detail, since the text of <i>the Rates and conditions</i> is approved by the Régie For more clarity, this text applies to all the additions to the network to which article 27 refers.
III Preamble IV Preamble	Deletion of:... <i>economic...</i>	The Transmitter does not have any criterion of this nature
28.2; 30.6 30.8; 31.3 31.4; 33.7 36.2; 38.7 39.3; 41.2 41.4; 41.6 41.7	Deletion of:... <i>of transmission.</i>	To lighten the text

Article	Modification suggested	Justification
29.1	Deletion of:... <i>and (iv) the eligible customer concludes a network operation agreement with the Transmitter in accordance with appendix G.</i>	The Network operation agreement does not have to be signed since it is a part of <i>the Rates and conditions</i> and that article 35 already specifies that it applies to the integrated network transmission service.
29.4	Addition of: <i>Moreover, the integrated network customer will respects the technical requirements of the Transmitter, as well as the disruptive emission limits... the load imbalances supplied to the satellite stations respects the emission limits authorized on the network.</i>	To ensure that the obligation to respect the technical requirements of the Transmitter applies as much to the loads or productions of Part III (Article 29.4) as to Part IV (Article 37.2). Similar provisions are envisioned in article 12A.1 for the connection of power stations.
32.1	Addition of:... <i>and of the necessary technical data</i>	Same as 19.1
32.2	Deletion of:... <i>(iii) as for network impact studies ... will register the cost in accordance with article 8.</i>	Useless detail in Part III and already specified for all transmission services in article 8.2
32.3 32.4	Addition of:... <i>or to amend the service agreement in force...</i>	The customer of Part III does not necessarily have to sign a new service agreement for each request
32.4	Deletion of:... <i>and to provide a letter of credit...</i>	Useless repetition
33.3 41.3	Deletion of:... <i>under the provisions relative to the supply of heritage electricity....</i>	The Transmitter is not affected by the provisions of this supply which concerns the Generator and the Distributor
34.4	Replaced:... <i>Transmitter...</i> with:... <i>Distributor...</i>	It is the customers and the Distributor which assume the cost of the new allocation
Title – Part IV	Replaced:... <i>Conditions of supply...</i> with:... <i>Transmission service for the supply...</i>	Uniformity of the text

Article	Modification suggested	Justification
40.2	<p>Deletion of: <i>The cost of the impact studies will be refunded... of the Régie.</i></p> <p>Addition of: <i>No cost will be charged to the Distributor for carrying out the impact studies required for the purpose of supplying the local load.</i></p>	The necessary expenditure for the impact studies of call for tenders and the growth of the load of the Distributor are part of the basic activities in the annual budget of the Transmitter
40.4	Deletion of: <i>If the Distributor does not transmit a written request in the forty-five (45) days following the completion of the network impact study, its request will be considered withdrawn.</i>	It is not necessary to envision such a timeframe when these requests are for the local load
42.1	Replaced:... <i>required annual revenues of the Transmitter...</i> with:... <i>the amount...</i>	In conformity with the Appendix H
44.1 44.2	Removal of text deemed useless by the passage of time and addition of the date of entry into effect of the proposed modifications	
Appendix 3	Addition of:... <i>for all transactions of transmission services...</i> and of... <i>for supplying this service by installations located in the control zone...</i>	Frequency regulation applies to any point-to-point transaction and cannot be provided by an installation located in the control zone of the Transmitter
Appendix 4	Addition of a supplementary service : <i>Compensation of reception variation</i>	This service is used to price the differences between the scheduled deliveries by a customer of which the source is located in the control zone of the Transmitter and those which are actually received

Article	Modification suggested	Justification
Appendix 5	<p>Addition of:... <i>by the Transmitter...</i></p> <p>Replaced:... <i>with respect to involuntary energy ...</i> with:... <i>for supplying this service by installations located in the control zone of the Transmitter...</i></p> <p>Replaced:... <i>the customer of the transmission service will compensate the Transmitter for this service...</i> with:... <i>the compensation will be established according to...</i></p> <p>Addition of: Moreover...</p>	<p>Necessary detail</p> <p>Uniformity of the text. Involuntary energy apply between neighboring networks</p> <p>Applicable clarification according to the case.</p> <p>To specify that variations within the margin of variation are cumulated over 30 days and that the compensation applies in an hourly fashion for the variations larger than the margin of variation</p>
Appendix 6 Appendix 7	Addition of:... <i>for all reservations of transmission service...</i> and of... <i>for supply... in the control zone of the Transmitter...</i>	The revolving reserve and supplementary reserve are used to maintain all transactions of transmission services and they must be provided by an installation located in the control zone of the Transmitter
Appendix 7	Addition of:... <i>for all reservations of the firm transmission service ...</i> and of... <i>for supplying... in the control zone of the Transmitter...</i>	The supplementary reserve is used to maintain the transactions of the firm service and it must be provided by an installation located in the control zone of the Transmitter.

Article	Modification suggested	Justification
Appendix 8	<p>Deletion of two (2) supplementary services to the transmission service for the supply of the local load :</p> <p><i>Compensation for reception variation</i></p> <p><i>Maintenance of the quality of the wave produced</i></p> <p>Moreover, some clarifications are brought to the definition of supplementary services provided by the Distributor</p>	<p>The Distributor provides at all times the resources necessary for the supply of the local load</p> <p>This is not a supplementary service, but forms part of the technical requirements of the Transmitter</p>
Appendices 9 and 10	<p>Addition of: ... <i>increased by the rate of transmission losses included in article 15.7 of the current document</i></p>	<p>Harmonization with 13.7 and 14.5 to specify that the increase due to the transmission losses apply</p>
Appendix 9	<p>Addition of:... in firm transmission service ...</p> <p>Replaced:... <i>price</i> with:... <i>rates</i>...</p> <p>Deletion of: 5) <i>Reduction: ... inclusively.</i></p>	<p>Harmonization with Appendix 10</p> <p>Harmonization of the text</p> <p>This period is finished</p>

Article	Modification suggested	Justification
Appendix 10	<p>Replaced:... <i>for a service...</i> with:... <i>reserved capacity in non-firm transmission service...</i></p> <p>Replaced:... <i>price...</i> with:... <i>rates...</i></p> <p>Deletion of: <i>The basic price is that... to exceed...</i> 5) <i>Reduction: ... inclusively.</i> 6) <i>transitory reductions: ... 2003.</i></p>	<p>Harmonization with Appendix 9</p> <p>Harmonization of the text</p> <p>No policy of reductions apply since the end of the application period of transitory reductions on January 15, 2004</p>
Appendix A	Addition of:... <i>long term...</i>	The Agreement of Appendix A applies to the long term point-to-point service (lasting one year or more)
Appendix A 5.0 Appendix B 5.0 Appendix F 5.0	Deletion of:... <i>to use and...</i>	The customer must pay its reservation whether it uses it or not.
Appendix A 8.2 Appendix F 10.1	Deletion of:... <i>and of the preliminary studies..</i>	The costs of a preliminary study, if necessary, are included in Appendix J and included in 8.6, Appendix A and 10.4, Appendix F, if necessary
Appendix A 8.6 Appendix F 10.4	Addition of:... <i>estimated... payable by the customer of the transmission service.</i>	The Appendix J includes the costs payable by the customer. At the time of the signing of the transmission service Agreement, the specified amount is an estimate of the foreseen costs.
Appendix A 8.7 Appendix F 10.5	Addition of: <i>Estimated price of the additions to the network whose real cost is payable by the customer of the transmission service in the event of abandonment:</i>	Additional clause in a case of abandonment, certain expenses incurred by the Transmitter could be refunded

Article	Modification suggested	Justification
Appendix B	Addition of:... <i>firm... umbrella... or... short term... periods of less than one year...</i>	The umbrella agreement of Appendix B is used for firm or non-firm short term services (duration of less than one year)
Appendix B 5.0	Addition of:... <i>reserved for periods of less than one (1) year...</i>	Umbrella agreement of Appendix B, later reservations are required
Appendix C		Some modifications are proposed to Appendix C to better reflect the current practices of the Transmitter relating to the calculation of transmission capacity available on interconnections with neighboring networks
Appendix F	Deletion of:... <i>signed...</i> Deletion of the name of the supplementary services in item 8.0	The operation agreement envisioned in the Appendix G does not have to be signed to be effective. Each service purchased from the Transmitter or provided by the customer will be detailed if required
Appendix G 1.4	Modification:... <i>automatic regulation systems...</i>	Necessary clarification
Appendix G 1.5	Addition of:... <i>In order to maintain a level of reliability and safety... the Transmitter can interrupt... when the situation has returned to normal.</i> and of: <i>In order... to rectify the situation.</i>	Addition necessary to specify that the Transmitter must sometimes stop the transmission service for the benefit of the network
Appendix G 2.0	Deletion of:... <i>interconnected network ...</i>	The Appendix G applies to parts II, III and IV
Appendix G 2.1	Deletion of: <i>All these equipment will be installed and maintained at the expense of the customer of the transmission service.</i>	The Appendix J specifies the responsibility for the cost of additions to the network

Article	Modification suggested	Justification
Appendix G 2.5	Deletion of:... <i>at the cost of the transmission service customer.</i>	The Appendix J specifies the responsibility for the cost of additions to the network
Appendix G 3.2	Modification: <i>The Transmitter has the right to supervise the tests...</i>	Correction of an original clerical error in Regulation 659 of Hydro-Quebec
Appendix G 3.3	Deletion of: <i>The customer... within 180 days... put under tension...</i> Deletion of:... <i>with generators who are not...</i> Addition of:... <i>must be in conformity with the technical requirements of the Transmitter relative to the connection of power stations...</i>	Non applicable timeframe Applies to all generators It is preferable to refer to the technical requirements of the Transmitter, rather than to an incomplete summary of them.
Appendix G 3.4	Modification:... <i>installations of the customer... and... of step-down...</i> Deletion of: <i>The latter must provide relay adjustment and recommendations for the design, choice of equipment and servicing.</i>	Correction of an original clerical error in Regulation 659 of Hydro-Quebec This concerns the responsibility of the customer and not of the Transmitter
Appendix G 3.5	Modification:... <i>with the technical requirements of the Transmitter... of power stations.</i>	Conformity clarification
Appendix G 4.0	Deletion of sections 4.0, 5.0 and 6.0 and replacement with section 4.0 requiring the conformity with the technical requirements of the Transmitter	It is preferable to refer to the technical requirements of the Transmitter, rather than an incomplete summary of them
Appendix J Titrate	Deletion of:... <i>Wording...</i>	Uniformity of the text

Article	Modification suggested	Justification
Appendix J – Section A	<p>Deletion of:... <i>firm</i>...</p> <p>Addition of:... <i>including the connections of power stations to which the article 12A refers</i>...</p> <p>Addition of:... <i>increased by an amount of 15%</i>...</p> <p>Addition of:... <i>estimated</i>... and of... <i>the real amount incurred by the Transmitter will be payable</i>...</p>	<p>Additions to the network can arise from firm and non-firm service purchase agreements.</p> <p>In conformity with the new article 1A</p> <p>This addition is necessary to ensure the rate neutrality of additions to the network since the Transmitter will have to operate and maintain all the additions to the network, including those for which the cost is refunded to him by the customer</p> <p>Only an estimate is available at the signing of the Service agreement or the Connection agreement, according to the case</p>
Appendix J – Section B	To add: <i>or rented</i>	Certain telecommunications equipment are sometimes rented by the Transmitter
Appendix J – Section B	<p>Addition of:... <i>in accordance with the provisions of article 12A of the current agreement</i>...</p> <p>Replaced: <i>refundable</i> with: <i>returned</i></p> <p>Addition of:... <i>incurred by the Transmitter before</i>... and of... <i>designated in the Connection agreement</i>.</p>	<p>In conformity with article 12A</p> <p>Clarification, since guarantees are generally not deposited by the Transmitter</p> <p>In conformity with articles 11 and 12A</p>

Article	Modification suggested	Justification
Appendix J – Section B 1	<p>Addition of:... <i>when the power station belongs to a third party... which is located on the high voltage side ...</i> <i>When the power station belongs to Hydro-Quebec... is located on the low voltage side ... as with the equipment located on the high voltage side ...</i></p> <p>Addition of:... <i>like all equipment and lines connecting various levels of transformation...</i></p> <p>Replaced: <i>could</i> with: <i>are</i></p> <p>Modification:... <i>and maintenance... all refunding of cost is...</i></p> <p>Addition of a column in the table and associated text for column (1) and column (2)</p> <p>Deletion of:... <i>when it station belongs to an entity other than Hydro-Quebec...</i></p> <p>Addition of:... <i>design...</i></p> <p>Addition of:... <i>column (1)... and will include the increase...</i></p>	<p>In conformity with the transmission network definition, which includes the departure station of the power station, when it belongs to Hydro-Quebec</p> <p>Necessary clarification when more than one level of transformation is used, these are connected together by an internal network</p> <p>Clarification applicable to additional costs</p> <p>The Transmitter refunds to the owner of the power station the extra costs required by the Transmitter</p> <p>Clarification necessary to specify that the cost assumed by the Transmitter for departure stations is identical, whether the maintenance is done by the owner (others power stations) or by the Transmitter (power stations belonging to Hydro-Quebec)</p> <p>Necessary clarification to indicate that the owner of the departure station is responsible for the design as well.</p> <p>Clarification concerning the refund of the departure station.</p>

Article	Modification suggested	Justification
Appendix J – Section B 1	Addition of:... <i>to supply the customer...</i> Addition of: <i>When more than one level of transformation is necessary... levels of transformation are necessary... levels of transformation.</i>	Clarification to indicate the circumstances under which the intervention of the Transmitter is necessary This amendment introduces the doubling of the ceiling when 2 levels of transformation are necessary, as it is notably the case for the production of wind power.
Appendix J – Section B 2	Addition of:... <i>as well as the number and capacity of the transmission facilities...</i> Addition of:... <i>including an increase of 15%...</i>	Equipment other than the lines can be necessary for the integration of a power station to the network Same as Appendix J Section A
Appendix J – Section B 3	Addition of:... <i>and telecommunication equipments ...</i> Addition of:... <i>to fulfill reliability requirements...</i>	Necessary clarification This concerns an essential criterion to determine the choice of the necessary solution
Appendix J – Section B 4	Addition of:... <i>the present value over twenty (20) years of the ... costs...</i>	Clarification of conformity
Appendix J – Section B 5	Addition of:... <i>as well as the cost to supply or locate... the power station</i>	Same as Appendix J Section B

Article	Modification suggested	Justification
Appendix J – Section C	<p>Addition of texts to specify the nature of the additions to the network and the sharing of responsibility</p> <p>Addition of:... <i>and that the latter can carry it out...</i></p> <p>Addition of:... <i>Costs relative to the necessary additions to respond to the needs for the growth of the local load supplied from satellite-stations... of the whole load growth which these projects aim to supply over a twenty (20) year period.</i></p>	<p>Precise details necessary to ensure the best comprehension</p> <p>The Transmitter must confirm the final solution</p> <p>To specify that the ceiling of 522\$/kW applies to the all the projects carried out by the Transmitter in one year, on the basis of the forecasted load to supply.</p>
Appendix J – Section E	<p>Addition of:... <i>and of the Tax on applicable public services...</i></p> <p>Deletion of the precise rates of the two taxes</p>	To take account of this new tax and also of the fact that their rates vary through time
Appendix J – Section E	Addition of: <i>In the case of a temporary service of one (1) year and more for the supply of a customer of the local load of the Distributor... compared to a twenty (20) year duration.</i>	This addition is necessary to maintain a maximum contribution of the Transmitter in case of a long-term temporary service for the supply of a customer of the local load.