

**DEMANDE DE RENSEIGNEMENTS NUMÉRO 1
DU TRANSPORTEUR À L'ASSOCIATION QUÉBÉCOISE
DES CONSOMMATEURS INDUSTRIELS
D'ÉLECTRICITÉ ET CONSEIL DE L'INDUSTRIE
FORESTIÈRE DU QUÉBEC (AQCIE-CIFQ)**

1 **1.3** If you are not proposing that HQT adopt the entire BCTC process,
2 what is the rationale you used to select among various parts of the
3 process?

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5 **2. Référence :** i) Direct Testimony of Dr. Zak El-Ramly, page 15.

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7 **Préambule :**

8 i) « *Dr. Oran (sic) provides an analysis of a different measure of the*
9 *transmission value. His analysis is, however, rather simplistic and does not*
10 *consider the uncertainties associated with power trading and does not assign*
11 *a risk premium. The analysis reflects only the ability of producers like HQP,*
12 *who have access to storage, to buy low and sell high and may have only*
13 *considered one part of the wheeling charges (for an entity to arbitrage*
14 *between peak and off peak prices it and must pay both a wheeling in and a*
15 *wheeling out charge (for an entity to arbitrage between peak and off peak*
16 *prices it must pay both a wheeling in and a wheeling out charge; I believe*
17 *Dr Orans may have accounted for only one wheeking (sic) charge in*
18 *Quebec).»*

19

20 **Demandes :**

21 **2.1** What type of “risk premium” should be considered in the day trading
22 model used in Dr. Orans analysis?

23 **2.2** How should the “risk premium” be calculated?

24 **2.3** Is it your understanding that HQP, or any other producer who
25 services loads in Québec that are part of the Native Load service,
26 has to use point-to-point service for both import and export
27 transactions?