

**RÉPONSES DU TRANSPORTEUR  
À LA DEMANDE DE RENSEIGNEMENTS NUMÉRO 1 DE  
NEWFOUNDLAND AND LABRADOR HYDRO  
(« NLH »)**



1 **HQ TransÉnergie Hearing R-3669-2008- Phase 2**

2 **Information Requests Submitted by: Robert A. Sinclair, Potomac**  
3 **Economics, on Behalf of Newfoundland and Labrador Hydro.**

4

5 Qualifications: Dr. Sinclair is an energy economist specializing in wholesale electricity  
6 market monitoring and transmission system monitoring.

7 In the forgoing information requests please observe the following:

8 “HQT” refers to Hydro Quebec TransÉnergie

9 “HQD” refers to Hydro Quebec Distribution

10 “HQT 890 OATT” refers to the Open Access Transmission Tariff HQT has proposed in  
11 connection with Demande R-3669-2008 – Phase 2 (version March 27, 2009).

12 “*Pro forma* 890 OATT” refers to the pro forma OATT attached as Appendix C to U.S.  
13 Federal Energy Regulatory Commission Order 890 (“Order 890” refers to Final  
14 Rule in Federal Energy Regulatory Commission Docket Nos. RM05-17-000 and  
15 RM-05-25-000. “Order 890 A” refers to Final Rule in Federal Energy  
16 Regulatory Commission Docket Nos. RM05-17-001, 002 and RM-05-25-  
17 001,002).

18 The phrase “consistent with or superior to” is used as these words are meant in  
19 paragraph 135 of the *pro forma* 890 OATT

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21 HQT’s filing text entitled: “*Fiches sur les modifications proposées aux tarifs et*  
22 *conditions des services de transport d’Hydro-Québec*” (HQT-2, Document 1) lists the  
23 themes of the modifications proposed to the text of HQT’s OATT. These themes along  
24 with the related OATT articles are as follows:

25

- 26 • Uniformité et transparence pour le calcul de la capacité de transfert  
27 disponible: Appendice C; Appendice C-1
- 28 • Crédits pour clients du service en réseau intégré propriétaires d’installations  
29 de transport; Article 30.9.
- 30 • Cession ou revente de capacité: Articles 23.1; 23.2; 23.3; Appendice A-1
- 31 • Pénalités liées à l’exploitation : pénalités pour utilisation du réseau sans  
32 réservation ou au-delà de la capacité réservée: Articles 3; 28.6; 36.5.
- 33 • Services Complémentaires; Annexes 2, 3, 6, 7.

- 1       • Service ferme conditionnel et nouvelle répartition de la production: Articles
- 2       13.4; 13.5; 13.6; 14.7; 15.14; 19.1; 19.3; 27; 32.3; 40.3.
- 3       • Droit de renouvellement: Article 2.2.
- 4       • Acquisition du service de transport : délais pour études d'impact,
- 5       prolongation pour commencement du service et priorité des réservations:
- 6       Article 13.2; 14.2; 17.2; 17.7; 18.2; 19.9; 32.5.
- 7       • Désignation des ressources en réseau, justification et suppression: Articles
- 8       1.50; 1.51; 29.2; 30.1; 30.2; 30.3; 30.4; 37.1; 38.1; 38.2; 38.3; 38.5.
- 9       • Service secondaire: Articles 28.4; 36.3.
- 10      • Normalisation des règles et pratiques d'affaires: affichage sur sites OASIS et
- 11      Web; Article 4.
- 12      • Réciprocité: Article 6.
- 13      • Solvabilité: Article 11; Appendice L

14  
15

16 The Final Rule issued by FERC in Order 890 organizes the reform under the following  
17 headings:

- 18      I. Consistency and Transparency of ATC Calculations
- 19      II. Coordinated, Open and Transparent Planning
- 20      III. Transmission Pricing
- 21      IV. Non-Rate Terms and Conditions (which includes redispatch and conditional firm
- 22      notions as well as Designation of Network Resources)
- 23      V. Enforcement.

24

25 The information requests in this document are grouped by FERC's five categories of  
26 reform and also by the themes identified by HQT.

27

28 The information requests are predicated on the principle that an OATT text that does  
29 not exactly match the Pro Forma 890 OATT must meet the standard of being  
30 "consistent or superior". In this context, the information requests take into  
31 consideration FERC "Commission Determinations" by which FERC directs or requires  
32 that certain actions be taken by transmission providers in order to ensure that the  
33 text of the OATT meets the requirements of the reform.

34

35 The requirements and directions given by FERC should be reflected in the actions  
36 taken by HQT in the context of the reform, if the HQT text is to be "consistent or  
37 superior". Thus the information requests are based on a consideration of the  
38 proposed HQT modifications relative to the FERC final order 890 and 890A.

1 **I. CONSISTENCY AND TRANSPARENCY OF ATC CALCULATIONS**

- 2  
3 • HQT Theme: Uniformité et transparence pour le calcul de la capacité de  
4 transfert disponible: Appendice C; Appendice C-1  
5

6  
7 **1. Preamble Consistency and Transparency of ATC Calculations of FERC**  
8 **890**  
9

10 *Order 890 Paragraph 193. In the NOPR, the Commission proposed to take action*  
11 *under FPA section 206 to remedy undue discrimination in the provision of*  
12 *transmission service. The Commission recognized that while Order Nos. 888 and 889*  
13 *require transmission providers to offer and post any available transfer capability*  
14 *(ATC) on their OASIS, and file the methodology they use to calculate ATC as*  
15 *Attachment C to their OATTs, the industry has not developed a consistent*  
16 *methodology for evaluating ATC nor have transmission providers adequately made*  
17 *their ATC calculation methodology transparent. This inconsistency and lack of*  
18 *transparency creates the potential for undue discrimination in the provision of open*  
19 *access transmission service.*  
20

21 *Order 890 Paragraph 196. In light of these concerns, we direct public utilities, working*  
22 *through NERC reliability standards and NAESB business practices development*  
23 *processes, to produce workable solutions to complex and contentious issues*  
24 *surrounding improving the consistency and transparency of ATC calculations.*  
25

26 **Questions**

- 27 1.1 Has HQT engaged with the NAESB on a development process to insure that  
28 the proposed ATC calculation and posting requirements match the standards  
29 that are developed in the industry in light of the above captioned FERC  
30 requirement?

31 **R1.1**

32 **Non. NAESB ne fait que le développement de standards**  
33 **d'affaires selon un processus ouvert à tous les participants de**  
34 **l'industrie électrique. NAESB ne travaille pas directement avec**  
35 **un intervenant en particulier pour la mise en œuvre de ses**  
36 **standards, chaque entité visée étant responsable de leur**  
37 **application selon ses propres conditions.**

- 38 1.2 If the answer to 1.1 is affirmative, is it possible to have details of the  
39 comments and recommendations made by the NAESB? If the answer is

1 negative, please provide the reasons why it was deemed irrelevant to  
2 proceed in collaboration with NAESB.

3 **R1.2**

4 **Voir la réponse à la question 1.1.**

5 **2. Preamble “Necessary Degree of Consistency”**

6

7 *Order 890 Paragraph 210. Accordingly, we conclude that industry-wide consistency of*  
8 *all ATC components (TTC, ETC, CBM, and TRM) and certain data inputs and exchange,*  
9 *modeling assumptions, calculation frequency, and coordination of data relevant for*  
10 *the calculation of ATC will reduce the opportunities for the exercise of discretion that*  
11 *may lead to undue discrimination against unaffiliated transmission customers.*

12

13 **Questions**

14 2.1 On the notion of ETC (existing transmission commitments), how has HQT  
15 established that the data inputs and assumptions are consistent and meet the  
16 “necessary Degree of Consistency” required?

17 **R2.1**

18 **Tel que défini à l'appendice C-1, HQT-2, Document 1, les**  
19 **quantités de services de transport déjà engagés (ETC)**  
20 **proviennent des capacités réservées suivantes : QCRD,**  
21 **QCRND, NITS, PTP, GF et OS. L'équation pour la détermination**  
22 **des ETC est cohérente avec les normes établies par la North**  
23 **American Electric Reliability Corporation (« NERC »). La**  
24 **provenance des capacités réservées peut être retracée sur le**  
25 **site OASIS du Transporteur.**

26 2.2 Has the Régie de l'énergie ever authorized the “QCRD” concept as a  
27 transmission class?

28 **R2.2**

29 **Les Tarifs et conditions des services de transport**  
30 **d'Hydro-Québec (les « Tarifs et conditions ») définissent la**  
31 **ressource du Distributeur pour l'alimentation de la charge**  
32 **locale, de façon similaire à la ressource en réseau définie dans**  
33 **l'Open Access Transmission Tariff (« OATT ») de la FERC. Les**  
34 **ressources désignées pour l'alimentation de la charge locale**  
35 **sont identifiées dans le site OASIS du Transporteur par le**  
36 **sigle QCRD.**

1 2.3 Has the Régie ever approved or verified the adequacy of the elements that  
2 are included in the QCRD class?

3 **R2.3**

4 **Les ressources désignées pour l'alimentation de la charge**  
5 **locale a fait l'objet de plusieurs décisions de la Régie de**  
6 **l'énergie (la« Régie ).**

7 2.4 If the response to 2.3 is negative, under what authority is HQT using this class  
8 of transmission?

9 **R2.4**

10 **Sans objet.**

11 **3. Preamble Consistent Application of ATC Calculation Principles**

12

13 *Order 890 Paragraph 212. (...) we direct public utilities, working through NERC, to*  
14 *modify related ATC standards by implementing the following principles for firm and*  
15 *non-firm ATC calculations: (1) for firm ATC calculations, the transmission provider*  
16 *shall account only for firm commitments; and (2) for non-firm ATC calculations, the*  
17 *transmission provider shall account for both firm and non-firm commitments,*  
18 *postbacks of redirected services, unscheduled service, and counterflows.*

19

20 **Question**

21 3.1 Are these principles identified in paragraph 212 already followed by HQT? If  
22 not, what is the justification and will they be integrated in the methodology?

23 **R3.1**

24 **Les équations utilisées pour calculer les ATC, décrites dans**  
25 **l'appendice C-1, HQT-2, Document 1, sont similaires à celles**  
26 **des normes de la NERC et visent à respecter les exigences de**  
27 **l'ordonnance 890 de la FERC. Toutes les capacités qui seront**  
28 **affichées en 2009 sur le nouvel OASIS seront donc conformes**  
29 **à l'ordonnance 890, sous réserve de l'approbation par la Régie.**  
30 **En général, les principes identifiés dans le paragraphe 212**  
31 **sont déjà suivis par le Transporteur.**

32 **4. Preamble Process to Achieve Consistency**

33

34 *Order 890 Paragraph 221. The Commission directs public utilities, working through*  
35 *NERC and NAESB, to modify the ATC-related reliability standards and business*  
36 *practices in accordance with specific direction provided in this Final Rule. As we*

1 *explain above, the development of a more coherent and uniform determination of*  
2 *ATC across a region will help limit the potential for undue discrimination in the*  
3 *calculation of ATC. The Commission concludes that the NERC reliability standards*  
4 *development process and the NAESB business practices development process are the*  
5 *appropriate forums for developing this consistency.*

6  
7 Order 890 Paragraph 223. (...) *We also direct public utilities to work through NAESB to*  
8 *develop business practices that complement NERC's new reliability standards within*  
9 *360 days after the publication of the Final Rule in the Federal Register. (...)*

10  
11 *Finally, we direct NERC and NAESB to file, within 90 days of publication of the Final*  
12 *Rule in the Federal Register, a joint status report on standards and business practices*  
13 *development and a work plan for completion of this task within the timeframe*  
14 *established above.*

15  
16 **Question**

17 4.1 How is HQT able to ensure consistency with the NAESB business practices?

18 **R4.1**

19 **Le Transporteur applique déjà les pratiques NAESB dans ses**  
20 **activités courantes et il prévoit continuer de le faire, dans la**  
21 **mesure où celles-ci sont conformes aux *Tarifs et conditions*.**

22 **5. Preamble ATC Components – existing Transmission Commitments (ETC)**  
23

24 Order 890 Paragraph 240. *In the NOPR, the Commission expressed its view that the*  
25 *lack of consistency in modeling of existing transmission commitments (ETC) resulted*  
26 *in excessive discretion in determining how much capacity a transmission provider sets*  
27 *aside for native load, including its network customers. The Commission therefore*  
28 *proposed the development of a consistent methodology for determining the capacity*  
29 *needed and set aside for native load usage. The Commission also proposed that*  
30 *accounting for transmission reservations in an ATC/AFC calculation be more*  
31 *consistent. The Commission further proposed that public utilities, working through*  
32 *NERC, establish and specifically identify the reservations to be used in determining*  
33 *ETC.*

34  
35 Order 890 Paragraph 245. *We agree with TDU Systems that inclusion of all requests*  
36 *for transmission service in ETC would likely overstate usage of the system and*  
37 *understate ATC. We therefore find that reservations that have the same point of*  
38 *receipt (POR) (generator) but different point of delivery (POD) (load), for the same*  
39 *time frame, should not be modeled in the ETC calculation simultaneously if their*

1 *combined reserved transmission capacity exceeds the generator's nameplate capacity*  
2 *at POR. This will prevent overly unrealistic utilization of transmission capacity*  
3 *associated with power output from a generator identified as a POR.*

4

5 Order 890 Paragraph 246. *We agree with NERC that some elements of ETC are*  
6 *candidates for business practices rather than reliability standards. Accordingly, we*  
7 *direct public utilities, working through NAESB, to develop business practices necessary*  
8 *for full implementation of the developed MOD-001 reliability standard.*

9

10 **Questions**

11 5.1 In the modelling of the ETC calculation, does HQT have any situations in its  
12 system where the transmission capacity reserved exceeds the generator's  
13 nameplate capacity at POR?

14 **R5.1**

15 **À la connaissance du Transporteur, cette situation ne se**  
16 **présente pas sur son réseau.**

17 5.2 In the modelling of the ETC calculation, does HQT have any situations in its  
18 system where the transmission capacity reserved plus any other firm  
19 commitments for the generator exceeds the generator's nameplate capacity  
20 at POR?

21 **R5.2**

22 **Non. Voir la réponse à la question 5.1.**

23 5.3 In the modeling of the ETC calculation, is there an adjustment made when the  
24 transmission capacity reserved exceeds the generator's nameplate capacity at  
25 POR in order to identify properly a realistic utilization of the transmission  
26 capacity?

27 **R5.3**

28 **Non. Voir la réponse à la question 5.1.**

29 5.4 If not, is HQT overstating the transmission capacity use through the ETC for a  
30 reason justified by a NAESB business practice?

31 **R5.4**

32 **Voir la réponse à la question 5.1.**

1   **6.     Preamble     Modeling Assumptions and input data**

2  
3    *Order 890 Paragraph 293 We believe that counterflows, if treated inconsistently, can*  
4    *adversely affect reliability and competition, depending on how they are accounted*  
5    *for. Accordingly, we reiterate that public utilities, working through NERC and NAESB,*  
6    *are directed to develop an approach for accounting for counterflows, in the relevant*  
7    *ATC standards and business practices.*

8  
9    **Question**

10 6.1   How are counterflows accounted for in the ATC calculations?

11 **R6.1**

12           **Le calcul des capacités de transfert disponibles (ATC) non**  
13           **fermes tient compte des transactions inverses.**

14    *Order 890A Paragraph 868. In response to a commenter request, the Commission*  
15    *clarified in Order No. 890 that a customer may not designate as a network resource a*  
16    *seller's choice power purchase agreement that is sourced by generating units internal*  
17    *to the transmission provider's control area, since evaluating the effect on ATC would*  
18    *be problematic. The Commission stated that, if a customer wishes to have a choice of*  
19    *resources that are internal to the particular transmission provider's control area from*  
20    *which to dispatch power, it must designate each of the resources as network*  
21    *resources.*

22  
23    *Order 890A Paragraph 891. The Commission affirms the finding in Order No. 890 that*  
24    *on-system seller's choice contracts generally do not provide enough information to*  
25    *satisfy the requirements for designation as a network resource. For on-system*  
26    *resources, the location of the capacity is necessary for determining the effect of a*  
27    *proposed designation on transmission capacity, both for evaluating the acceptability*  
28    *of the resource itself, and for allowing future transmission service requests to be*  
29    *evaluated*

30  
31 **Questions**

32 6.2   Does section 37.1(iii) of the HQT OATT meet the 890A requirements as noted  
33        in paragraphs 868 and 891, by requiring an annual submission to HQT from  
34        HQD of a description of each of the resources which contributes to the  
35        Heritage Pool (including its designated capacity)? If the response is  
36        affirmative, please provide a copy of the most recently filed current and 10  
37        year projection.

1 **R6.2**

2 **Le Transporteur ne propose aucune modification à ce sujet**  
3 **dans la présente demande de modifications aux Tarifs**  
4 **et conditions.**

5 6.3 If the answer to 6.2 is negative, how does HQT monitor the need for a  
6 particular facility to schedule point-to-point service when the facility's  
7 designated capacity is exceeded when servicing non-designated loads?

8 **R6.3**

9 **Voir la réponse à la question 6.2.**

10 **7. Preamble Transparency**

11  
12 *Order 890 Paragraph 327. We also require transmission providers to document their*  
13 *processes for coordinating ATC calculations with their neighboring systems.*  
14

15 **Question**

16 7.1 How is HQT meeting this requirement with each of the neighboring systems  
17 namely: Ontario, New York, New England, New Brunswick and Newfoundland  
18 and Labrador?

19 **R7.1**

20 **Le Transporteur satisfait l'exigence du paragraphe 327 de**  
21 **l'ordonnance 890 en affichant les documents pertinents sur**  
22 **son site OASIS.**

23 **8. Preamble Additional Data Posting**

24  
25 *Order 890 Paragraph 413. The Commission adopts the proposed requirement to post*  
26 *on OASIS metrics related to the provision of transmission service under the OATT.*  
27 *Specifically, transmission providers must post (1) the number of affiliate versus non-*  
28 *affiliate requests for transmission service that have been rejected and (2) the number*  
29 *of affiliate versus non-affiliate requests for transmission service that have been made.*  
30 *This posting must detail the length of service request (e.g., short-term or long-term)*  
31 *and the type of service requested (e.g., firm point-to-point, non-firm point-to-point or*  
32 *network service). The Commission also will require transmission providers to post*  
33 *their underlying load forecast assumptions for all ATC calculations and, to post on a*  
34 *daily basis, their actual daily peak load for the prior day. The Commission directs*  
35 *transmission providers to work through NAESB to develop standards for consistent*  
36 *methods of posting the new requirements on OASIS.*

1  
2 *Order 890 Paragraph 416 (...)* We direct transmission providers to post load forecasts  
3 and actual daily peak load for both system-wide load (including native load) and  
4 native load, as this data will be useful to customers and regulators.

5

6 **Questions**

7 8.1 How will HQT proceed with the posting of this information? Would you  
8 please provide an example using 2008 transmission reservations.

9 **R8.1**

10 **Sous réserve de la décision de la Régie dans la présente**  
11 **demande, le Transporteur appliquera les nouvelles règles**  
12 **d’affichage selon les pratiques de l’industrie.**

13 8.2 What NAESB standard has HQT adopted to meet this requirement?

14 **R8.2**

15 **Les pratiques NAESB n'ont pas à être adoptées par les entités.**  
16 **Voir également la réponse à la question 8.1.**

17 **II. Coordinated, Open and Transparent Planning**

18

- 19 • HQT Theme No planning provisions provided; an equivalent process exists  
20 (Attachment K).

21

22 **9. Preamble The Need for reform**

23

24 *Order 890 Paragraph 422.* We do not believe that the existing pro forma OATT is  
25 sufficient in an era of increasing transmission congestion and the need for significant  
26 new transmission investment. We cannot rely on the self-interest of transmission  
27 providers to expand the grid in a non-discriminatory manner. Although many  
28 transmission providers have an incentive to expand the grid to meet their state-  
29 imposed obligations to serve, they can have a disincentive to remedy transmission  
30 congestion when doing so reduces the value of their generation or otherwise  
31 stimulates new entry or greater competition in their area.

32

33 *For example, a transmission provider does not have an incentive to relieve local*  
34 *congestion that restricts the output of a competing merchant generator if doing so*  
35 *will make the transmission provider’s own generation less competitive. A*  
36 *transmission provider also does not have an incentive to increase the import or export*  
37 *capacity of its transmission system if doing so would allow cheaper power to displace*

1 *its higher cost generation or otherwise make new entry more profitable by facilitating*  
2 *exports.*

3

4 *Order 890 Paragraph 424. The existing pro forma OATT does not counteract these*  
5 *incentives in the planning area because there are no clear criteria regarding the*  
6 *transmission provider's planning obligation. Although the pro forma OATT contains a*  
7 *general obligation to plan for the needs of their network customers and to expand*  
8 *their systems to provide service to point to-point customers, there is no requirement*  
9 *that the overall transmission planning process be open to customers, competitors,*  
10 *and state commissions.*

11

12 *Order 890 Paragraph 437. Accordingly, each public utility transmission provider is*  
13 *required to submit, as part of a compliance filing in this proceeding, a proposal for a*  
14 *coordinated and regional planning process that complies with the planning principles*  
15 *and other requirements in this Final Rule. In the alternative, a transmission provider*  
16 *(including an RTO or an ISO, as discussed below), may make a compliance filing in this*  
17 *proceeding describing its existing coordinated and regional planning process,*  
18 *including the appropriate language in its tariff, and show that this existing process is*  
19 *consistent with or superior to the requirements in this Final Rule. Under either of*  
20 *these approaches, the process must be documented as an attachment to the*  
21 *transmission provider's OATT.*

22

23 *Order 890 Paragraph 438. At the outset, we note that the planning obligations*  
24 *imposed in this Final Rule do not address or dictate which investments identified in a*  
25 *transmission plan should be undertaken by transmission providers. Furthermore,*  
26 *except for the discussion below of cost allocation for transmission investments under*  
27 *Principle 9, the planning obligations included in this Final Rule do not address*  
28 *whether or how investments identified in a transmission plan should be*  
29 *compensated. Through the principles described below, we establish a process*  
30 *through which transmission providers must coordinate with customers, neighbouring*  
31 *transmission providers, affected state authorities, and other stakeholders in order to*  
32 *ensure that transmission plans are not developed in an unduly discriminatory*  
33 *manner.*

34

35 **Question**

36 9.1 On what basis is HQT's investment authorization process to be considered  
37 "consistent with or superior" (as this test is described at paragraph 14 of Order 890)  
38 with the coordinated planning process envisaged in proforma 890? Please provide a  
39 copy of the OATT required attachment which documents the process.

1 **R9.1**

2 **Voir la réponse à la question 6.1 de la demande de**  
3 **renseignements n° 1 du Regroupement national des Conseils**  
4 **régionaux de l'environnement du Québec (« RNCREQ ») et de**  
5 **l'Union des consommateurs (« UC »).**

6 **Le test proposé par la FERC au paragraphe 14 de l'ordonnance**  
7 **890 n'est pas applicable à l'évaluation du processus de**  
8 **planification du Transporteur pour les motifs suivants.**  
9 **Premièrement, ce test découle de l'adoption d'un appendice K,**  
10 **et le Transporteur ne formule aucune demande en ce sens**  
11 **dans la présente cause. Deuxièmement, le Transporteur n'est**  
12 **pas sous la juridiction de la FERC.**

13 **La situation décrite au paragraphe 422 de l'ordonnance 890 en**  
14 **préambule n'a rien de comparable avec la situation au Québec.**

15 **Outre ses obligations règlementaires, le principal « test » que**  
16 **le Transporteur doit satisfaire est de soumettre et de justifier**  
17 **ses projets d'investissements à la Régie pour obtenir les**  
18 **autorisations requises.**

19  
20 **10. Preamble Planning Principles**

21 *Order 890 Paragraph 453. (...)Transmission providers are, however, required to craft a*  
22 *process that allows for a reasonable and meaningful opportunity to meet or*  
23 *otherwise interact meaningfully.*

24  
25 *Order 890 Paragraph 454. (...) we fully intend that the planning process adopted*  
26 *herein provide for the timely and meaningful input and participation of customers*  
27 *into the development of transmission plans. This means that customers must be*  
28 *included at the early stages of the development of the transmission plan and not*  
29 *merely given an opportunity to comment on transmission plans that were developed*  
30 *in the first instance without their input.*

31  
32 *Order 890 Paragraph 471. In addition transmission providers will be required to*  
33 *reduce to writing and make available the basic methodology, criteria, and processes*  
34 *they use to develop their transmission plans, including how they treat retail native*  
35 *loads, in order to ensure that standards are consistently applied. This information*  
36 *should enable customers, other stakeholders, or an independent third party to*

1 replicate the results of planning studies and thereby reduce the incidence of after-the  
2 –fact disputes regarding whether planning has been conducted in an unduly  
3 discriminatory fashion.

4  
5 Order 890 Paragraph 486. The Commission adopts the information exchange principle  
6 as to both network and point-to-point transmission customers. Accordingly, we will  
7 require transmission providers, in consultation with their customers and other  
8 stakeholders, to develop guidelines and a schedule for the submittal of information. In  
9 order for the Final Rule’s planning process to be as open and transparent as possible,  
10 the information collected by transmission providers to provide transmission service to  
11 their native load customers must be transparent and, to that end, equivalent  
12 information must be provided by transmission customers to ensure effective planning  
13 and comparability.

14  
15 Order 890 Paragraph 487. We also believe that it is appropriate to require point-to-  
16 point customers to submit any projections they have of a need for service over the  
17 planning horizon and at what receipt and delivery points.

18  
19 Order 890 Paragraph 524. (...)as discussed above, it is not in the economic self-  
20 interest of transmission providers to expand the grid to permit access to competing  
21 sources of supply. A transmission provider has little incentive to upgrade its  
22 transmission capacity with its interconnected neighbors if doing so would allow  
23 competing suppliers to serve the customers of the transmission provider. We  
24 therefore find, as discussed in greater detail above, that greater coordination and  
25 openness in transmission planning is required, on both a local and regional level, to  
26 remedy undue discrimination.

27  
28 Order 890 Paragraph 543. Some commenters argue that economic upgrades should  
29 be considered only in the context of individual requests for service under the pro  
30 forma OATT. The Commission disagrees. The process for addressing individual  
31 requests for service under the pro forma OATT is adequate for customers who request  
32 specific transmission rights to purchase power from a particular resource in a  
33 particular location during a defined time period. However, it does not provide an  
34 opportunity for customers to consider whether potential upgrades or other  
35 investments could reduce congestion costs or otherwise integrate new resources on  
36 an aggregated or regional basis outside of a specific request for interconnection or  
37 transmission service.

38  
39 Order 890 Paragraph 546. (...) we direct transmission providers, in consultation with  
40 their stakeholders during development of their Attachment K compliance filings (as

1 *discussed above), to develop a means to allow the transmission provider and*  
2 *stakeholders to cluster or batch requests for economic planning studies so that the*  
3 *transmission provider may perform the studies in the most efficient manner. We will*  
4 *also require the requests for economic planning studies, as well as the responses to*  
5 *the requests, be posted on the transmission provider's OASIS or web site, subject to*  
6 *confidentiality requirements.*

7  
8 Order 890 Paragraph 547. *The Commission will modify the principle to allow*  
9 *customers to choose the studies that are of the greatest value to them. Specifically,*  
10 *we are modifying the principle to require that stakeholders be given the right to*  
11 *request a defined number of high priority studies annually (e.g., five to ten studies) to*  
12 *address congestion and/or the integration of new resources or loads. The intent of*  
13 *this approach is to allow customers, not the transmission provider, to identify those*  
14 *portions of the transmission system where they have encountered transmission*  
15 *problems due to congestion or whether they believe upgrades and other investments*  
16 *may be necessary to reduce congestion and to integrate new resources.*

17  
18 Order 890 Paragraph 586. *(...)We direct transmission providers to work with other*  
19 *participants in the planning process, as part of the collaborative process described*  
20 *above, to develop their cost recovery proposals in order to determine whether all*  
21 *relevant parties, including state agencies, have the ability to recover the costs of*  
22 *participating in the planning process.*

### 23 **Questions**

24 10.1 Please explain how the interaction with customers defined in the above  
25 referenced paragraphs from Order 890 is included in the planning process in  
26 place at HQT?

### 27 **R10.1**

28 **Le Transporteur réitère ici sa réponse R9.1.**

29  
30 **Les références à l'ordonnance 890 citées comme préambule à**  
31 **cette question concernent la mise en place d'un appendice K**  
32 **et diverses problématiques propres aux réseaux américains**  
33 **dont la gestion d'importants problèmes de congestion. On ne**  
34 **retrouve pas au Québec un problème comparable.**

35  
36 10.2 Please explain how the information is gathered and distributed to the  
37 customers, stakeholders, regulators and interconnected neighbours?

### 38 **R10.2**

39 **Le Transporteur réfère NLH à sa réponse R9.1. Le Transporteur**  
40 **ajoute que par ailleurs, lors des études de planification, les**

1           **clients et publics concernés ont l'occasion de prendre**  
2           **connaissance des problématiques, enjeux et alternatives qui**  
3           **sont envisagés lors de leurs échanges avec le Transporteur.**  
4

5    10.3   Please explain how HQT’s planning process is “consistent with or superior to”  
6           the process referred to at paragraph 453 of the *pro forma* 890 OATT whereby  
7           transmission providers are required to “craft a process that allows for a  
8           reasonable and meaningful opportunity to meet or otherwise interact  
9           meaningfully” with customer and other stakeholders.

10   **R10.3**

11           **Le Transporteur réfère NLH à sa réponse R9.1. Par ailleurs, le**  
12           **Transporteur dispose de différentes procédures dans son**  
13           **processus de planification actuel pour interagir avec les**  
14           **clients concernés par des projets d'investissements en**  
15           **transport. La réponse fournie aux questions 10.1 et 10.2 en**  
16           **illustre quelques exemples.**

17    10.4   Please explain how HQT’s planning process is “consistent with or superior to”  
18           the process referred to at paragraph 460 of the *pro forma* 890 OATT whereby  
19           transmission providers are required to establish transmission planning  
20           meetings [that are] open to all affected parties including, but not limited to,  
21           all transmission and interconnection customers, state commissions and other  
22           stakeholders.

23   **R10.4**

24           **Le Transporteur réfère NLH à sa réponse R9.1.**

25    10.5   Please explain how HQT’s planning process is “consistent with or superior to”  
26           the process referred to at paragraph 471 of the *pro forma* 890 OATT whereby  
27           transmission providers are required to reduce to writing and make available  
28           the basic methodology, criteria, and processes they use to develop their  
29           transmission plans, including how they treat retail native loads, in order to  
30           ensure that standards are consistently applied.

31   **R10.5**

32           **Le Transporteur réfère NLH à sa réponse R9.1. Le Transporteur**  
33           **est responsable de la planification du réseau de transport au**  
34           **Québec et la Régie exerce une pleine juridiction à l'égard de ce**  
35           **dernier pour approuver les projets d'investissements et leur**  
36           **justification.**

1 10.6 Will HQT’s planning process make sufficient information available such that it  
2 will enable transmission customers to replicate planning studies? If so, how?  
3 If not, please explain.

4 **R10.6**

5 **Le Transporteur réfère NLH à sa réponse R9.1.**

6 10.7 Please explain how HQT’s planning process is “consistent with or superior to”  
7 the process referred to at paragraph 472 of the pro forma 890 OATT whereby  
8 transmission providers make available information regarding the status of  
9 upgrades identified in their transmission plans in addition to the underlying  
10 plans and related studies [and provide] ready access to this information in  
11 order to facilitate coordination and oversight.

12 **R10.7**

13 **Le Transporteur réfère NLH à sa réponse R9.1.**

14 10.8 Please explain how HQT’s planning process is “consistent with or superior to”  
15 the process referred to at paragraph 494 of the pro forma 890 OATT whereby  
16 the transmission provider is required after considering the data and  
17 comments supplied by customers and other stakeholders, to develop a  
18 transmission system plan that (1) meets the specific service requests of its  
19 transmission customers and (2) otherwise treats similarly-situated customers  
20 (e.g., network and retail native load) comparably in transmission system  
21 planning.

22 **R10.8**

23 **Le Transporteur réfère NLH à sa réponse R9.1.**

24 10.9 Please explain how HQT’s planning process is “consistent with or superior to”  
25 the process referred to at paragraph 501 of the *pro forma* 890 OATT whereby  
26 a dispute resolution process should be available to address both procedural  
27 and substantive planning issues, as the purpose for including a dispute  
28 resolution process is to provide a means for parties to resolve all disputes  
29 related to the [the] planning process.

1 **R10.9**

2 **Le Transporteur réfère NLH à sa réponse à la question 9.1.**

3 10.10 Please explain how HQT’s planning process is “consistent with or superior to”  
4 the process referred to at paragraph 542 of the *pro forma* 890 OATT whereby  
5 the process must consider both reliability and economic considerations. The  
6 purpose of this principle is to ensure that the latter is considered adequately  
7 in the transmission planning process.

8 **R10.10**

9 **Le Transporteur réfère NLH à la réponse R9.1. Le Transporteur**  
10 **ajoute que le respect des normes et exigences de fiabilité fait**  
11 **partie de son processus de planification actuelle. Ces**  
12 **éléments sont également considérés dans le cadre des projets**  
13 **d'investissement présentés à la Régie en vertu du Règlement**  
14 **sur les conditions et les cas requérant une autorisation de la**  
15 **Régie de l'énergie.**

16 10.11 When initiating HQT’s planning process will HQT be providing sample  
17 expansion plans and analysis of recent peak load operating situations so that  
18 customers can establish a benchmark for assessment?

19 **R10.11**

20 **Le Transporteur ne propose aucune modification à ce sujet**  
21 **dans la présente demande de modifications aux Tarifs**  
22 **et conditions.**

23 **III. Transmission Pricing**

24

25 **HQT Themes:**

- 26 • Crédits pour clients du service en réseau intégré propriétaires d'installations  
27 de transport; Article 30.9.  
28 • Cession ou revente de capacité: Articles 23.1; 23.2; 23.3; Appendice A-1  
29 • Pénalités liées à l'exploitation: pénalités pour utilisation du réseau sans  
30 réservation ou au-delà de la capacité réservée: Articles 3; 28.6; 36.5.  
31 • Services Complémentaires; Annexes 2, 3, 6, 7.

32 **Preamble IESO Agreement**

33

34 Letter From IESO dated March 27, 2009 where by the IESO and HQT issued a joint  
35 statement that Schedule 4 and 5 do not apply to generators located within the IESO  
36 Control Area such as are OPG Saunders generation facilities.

1  
2 *Order 890 paragraph 669. Some commenters stated that the Commission should*  
3 *require transmission providers to establish, or permit market participants to establish,*  
4 *markets or pools for the netting and settlement of imbalances. As explained*  
5 *previously, the purpose of this rule is to strengthen the pro forma OATT to remedy*  
6 *undue discrimination and not to impose any particular market structure. If*  
7 *transmission providers offer to modify their OATTs to allow such pools, we will*  
8 *consider such proposals.*

9

10 **Questions**

11 11.1 Please provide more detail explaining the conclusion that imbalances “can be  
12 dealt with at a balancing authority level”.

13 **R11.1**

14 **Conformément à la décision D-2009-056, le Transporteur**  
15 **dépose sa preuve concernant le texte des annexes 4 et 5 des**  
16 **Tarifs et conditions concernant les écarts de réception et de**  
17 **livraison dans un document distinct.**

18 11.2 How will the balancing authorities deal with the imbalances? What steps are  
19 included in the process to make it transparent and verifiable?

20 **R11.2**

21 **Voir la réponse à la question 11.1.**

22 11.3 What is the nature of the agreement made with the IESO? Is it the creation of  
23 a “pool” as described in the above cited “Final Order” text par.669? Please  
24 provide a copy of the agreement.

25 **R11.3**

26 **Voir la réponse à la question 11.1.**

27 11.4 Can similar arrangements as are considered with the IESO be made with other  
28 neighbouring areas? What are the standard terms and conditions for others  
29 to avail of such an arrangement?

1 **R11.4**

2 **Voir la réponse à la question 11.1.**

3 11.5 Is there a process whereby such agreements are approved by the Régie?

4 **R11.5**

5 **Voir la réponse à la question 11.1.**

6 **Preamble Capacity Reassignment**

7

8 HQT Theme:

- 9 • Cession ou revente de capacité: articles 23.1; 23.2; 23.3; Appendice A-1

10

11 *Order 890 paragraph 85. We find that the existing cap on the reassignment of point-*  
12 *to-point service is no longer just and, therefore, we eliminate the cap. We believe that*  
13 *removing the cap will eliminate an unnecessary impediment to the resale of capacity,*  
14 *which in turn should increase utilization of the grid and otherwise ensure that point to*  
15 *point service is just, reasonable, and not unduly discriminatory.*

16

17 In Québec the majority of the effective firm “wheel out” service to the U.S. has been  
18 requested by HQP (Phase I/II; Highgate; Massena; Derby). HQP has also booked firm  
19 service on 100% of the export capacity of the 1250 MW DC interconnection to  
20 Ontario. The only paths not completely under control of HQP are the paths to  
21 Labrador and to New Brunswick and 100MW on the Dennison path that requires  
22 payment of an extra \$1.52/MWh to get into the New York ISO.

23

24 **Questions**

25 12.1 How can the removal of a cap on the resale of transmission be viewed as an  
26 incentive to increase the resale of transmission capacity in the Québec  
27 context described above in the preamble?

28 **R12.1**

29 **Le Transporteur ne connaît pas l'origine du contexte indiqué**  
30 **ci-dessus débutant par les mots In Québec (nos soulignés),**  
31 **lequel ne fait pas, par ailleurs, partie de la preuve déposée par**  
32 **le Transporteur et il ne peut donc pas commenter.**

33 12.2 Should the Québec OATT provide for automatic posting of unscheduled  
34 transmission prior to the close of the day-ahead markets in neighbouring  
35 areas to provide access to firm service and mitigate the potential of hoarding  
36 by HQT's affiliate? Please explain.

1 **R12.2**

2 **Le Transporteur ne propose aucune modification à ce sujet**  
3 **dans la présente demande de modifications aux *Tarifs***  
4 ***et conditions*.**

5 12.3 In the reassignment process, considering that a “wheel through” service in  
6 Québec, is comprised of a combination of “wheel in” and “wheel out”; will  
7 HQT allow transmission customers to manage their transmission portfolios by  
8 allowing the assignment of transmission “in part”? For example, will a  
9 customer with a wheel in – wheel out service be permitted to reassign the  
10 wheel-out leg?

11 **R12.3**

12 **Le Transporteur ne propose aucune modification à ce sujet**  
13 **dans la présente demande de modifications aux *Tarifs et***  
14 ***conditions*. Le Transporteur ajoute par ailleurs que cette**  
15 **question fait l'objet d'un litige avec NLH.**

16 12.4 If the answer to 12.3 is negative, please explain why this restriction is just and  
17 reasonable?

18 **R12.4**

19 **Voir la réponse à la question 12.3.**

20 **Preamble Operational Penalties**

21  
22 **HQT Theme:**

- 23 • Pénalités liées à l'exploitation : pénalités pour utilisation du réseau sans  
24 réservation ou au-delà de la capacité réservée: Articles 3; 28.6; 36.5.

25  
26 *Order 890 paragraph 840. In order to ensure that the transmission provider has a*  
27 *basis for charging an unreserved use penalty, we modify section 13.4 of the pro forma*  
28 *OATT to provide that a customer that takes unreserved point-to-point transmission*  
29 *service and does not have a service agreement with the transmission provider is*  
30 *deemed to have executed the transmission provider's form of service agreement for*  
31 *point-to-point service. In addition, we clarify that a customer that uses more*  
32 *transmission service than it has reserved is also subject to charges for ancillary*  
33 *services.*

34

1 **Question**

2 13.1 How will section 13.4 be applied in relation with the imbalance service? Will  
3 HQT charge ancillary services to a client using transmission without  
4 reservation as FERC stated in paragraph 840 of the final rule? If so, which  
5 ancillary charges will be charged?

6 **R13.1**

7 **Concernant la première question, voir la réponse à la question**  
8 **6.2 de la demande de renseignements n° 1 de la Régie.**  
9 **Concernant la seconde question, le Transporteur indique à la**  
10 **pièce HQT-2, document 1, article 3 qu'il propose d'appliquer**  
11 **une disposition identique à celle adoptée par la FERC dans**  
12 **l'ordonnance 890. Concernant la troisième question, le texte**  
13 **proposé à l'article 3 indique que les services complémentaires**  
14 **associés au service non réservé vont s'appliquer.**

15 Section 38.5 of the HQT 890 OATT states, in part:

16 The Distributor shall not operate its designated resources located in the  
17 Transmission Provider's Control Area such that the output of those facilities  
18 exceeds its designated Native Load plus losses, plus power sales under a  
19 reserved sharing program, plus sales that permit curtailment without penalty  
20 to serve its designated Native Load, unless the Distributor has to this effect  
21 entered into a Service Agreement with the Transmission Provider for Point-to-  
22 Point Transmission Service under Part II herein.

23  
24 **Questions**

25 13.2 Section 30.4 of the Pro-forma 890 OATT states “ *The Network Customer shall*  
26 *not operate its designated Network Resources located in the Network*  
27 *Customer’s or Transmission Provider’s control area such that the output of*  
28 *those facilities exceeds its designated Network Load, plus Non-firm sales*  
29 *delivered pursuant to Part II of the Tariff, plus losses.” Why does the HQT 890*  
30 *OATT allow the Distributor to operate its designated resources in excess of*  
31 *the Native Load plus losses - up to the total of the amount of power sales*  
32 *under a reserve sharing program plus sales that permit curtailment without*  
33 *penalty to serve its designated Native Load?*

34 **R13.2**

35 **Le texte de l'article 38.5 des *Tarifs et conditions* proposé par le**  
36 **Transporteur est conforme au texte de l'OATT émis par la**  
37 **FERC en vertu de l'ordonnance 890-B. Le texte de l'article 30.4**  
38 **de l'OATT cité dans la question est désuet.**

1 13.3 If the output of the designated resources located in the Transmission  
2 Provider’s control area exceeds the Distributor’s designated Native Load plus  
3 losses, plus power sales under a reserve sharing program, plus sales that  
4 permit curtailment without penalty to serve its designated Native load, what,  
5 if any, penalty applies?

6 **R13.3**

7 **Voir la réponse à la question 13.2.**

8 **IV Non-Rate Terms and Conditions**

9

10 **14. Preamble Planning Redispatch and Conditional Firm options**

11

12 Refer Attachment A - screen shots of two transactions where HQT “forced  
13 acceptance” of the requested service. One transaction was for HQM (production  
14 affiliate); the second transaction was for HQD the distributor affiliate.

15

16 **Questions**

17 14.1 Will transactions of this nature be treated as conditional firm service requests  
18 under HQT 890 OATT? If not, what is the process for requesting service of this  
19 nature on the OASIS?

20 **R14.1**

21 **Cette question n'est pas pertinente à la présente demande de**  
22 **modifications aux *Tarifs et conditions* du Transporteur.**

23 14.2 Are these “forced acceptances” authorized in virtue of an existing OATT rule?  
24 If so, please cite the rule.

25 **R14.2.1**

26 **Cette question n'est pas pertinente à la présente demande de**  
27 **modifications aux *Tarifs et conditions* du Transporteur.**

28 14.2 Has the Régie de l’énergie authorized these types of service? If so, please  
29 reference the decision number.

1 **R14.2.2**

2 **Cette question n'est pas pertinente à la présente demande de**  
3 **modifications aux *Tarifs et conditions* du Transporteur.**

4 14.3 What are the consequences on the firmness of the service thus provided?

5 **R14.3**

6 **Cette question n'est pas pertinente à la présente demande de**  
7 **modifications aux *Tarifs et conditions* du Transporteur.**

8 14.4 Are such procedures in conformity with the NAESB business practices? If so,  
9 please cite the rule or reference permitting these procedures.

10 **R14.4**

11 **Cette question n'est pas pertinente à la présente demande de**  
12 **modifications aux *Tarifs et conditions* du Transporteur.**

13 **15. Preamble Hourly Firm Service**

14

15 Order 890 paragraph 1177 does not require that transmission providers offer hourly  
16 firm service. However, the situation in Québec could enable HQT to offer such as  
17 service, since no congestion exists on the system.

18

19 **Questions**

20 15.1 Are there reliability or any other issues that could prevent the deployment of  
21 hourly firm service?

22 **R15.1**

23 **Le Transporteur ne propose aucune modification à ce sujet**  
24 **dans la présente demande de modifications aux *Tarifs***  
25 ***et conditions*.**

26 15.2 Are there Business practice issues that could not be resolved that would  
27 prevent HQT from offering hourly firm service?

28 **R15.2**

29 **Le Transporteur ne propose aucune modification à ce sujet**  
30 **dans la présente demande de modifications aux *Tarifs***  
31 ***et conditions*.**

32

1 **16. Preamble Designation of Network Services**

2

3 *Pro forma 890 OATT Section 30.1 (Designation of Network Resources) Any*  
4 *owned or purchased resources that were serving the Network Customer's*  
5 *loads under firm agreements entered into on or before the Service*  
6 *Commencement Date shall initially be designated as Network Resources until*  
7 *the Network Customer terminates the designation of such resources.*

8

9 **Questions**

10 16.1 Does Part III of the pro forma 890 OATT (Network Transmission Integration  
11 Service) establish the “minimum terms and conditions of non-discriminatory  
12 service” applicable to Part IV of the HQT 890 OATT (Native-Load Transmission  
13 service)?

14 **R16.1**

15 **Dans sa décision D-2002-95, la Régie a ordonné au**  
16 **Transporteur d'ajouter la Partie IV des *Tarifs et conditions*,**  
17 **laquelle régit le service de transport pour l'alimentation de la**  
18 **charge locale.**

19 16.2 If the response to (16.1) is affirmative, please explain the response.

20 **R16.2**

21 **Voir la réponse à la question 16.1.**

22 16.3 If the response to (16.1) is not affirmative, please indicate the sections of the  
23 pro forma 890 OATT, if any, which establish the “minimum terms and  
24 conditions of non-discriminatory service” applicable to Part IV of the HQT 890  
25 OATT.

26 **R16.3**

27 **Voir la réponse à la question 16.1.**

28 16.4 If no sections of the pro forma 890 OATT are indicated in response to 16.3,  
29 please explain the basis for Part IV of the HQT 890 OATT meeting the  
30 “minimum terms and conditions” of the pro forma 890 OATT.

31

32 **R16.4**

33 **Voir la réponse à la question 16.1.**

1 16.5 Is it the position of HQT that Section 30.1 of the pro forma 890 OATT  
2 (Designation of Network Resources) establishes the “minimum terms and  
3 conditions of non-discriminatory service” applicable to Section 38.1 of the  
4 HQT 890 OATT (Designation of Distributor Resources)?

5 **R16.5**

6 **Voir la réponse à la question 16.1.**

7 16.6 If the response to (16.5) is affirmative, please explain the response.

8 **R16.6**

9 **Voir la réponse à la question 16.1.**

10 16.7 If the response to (16.5) is not affirmative, please indicate the sections of the  
11 pro forma 890 OATT, if any, which establish the “minimum terms and  
12 conditions of non-discriminatory service” applicable to Section 38.1 of the  
13 HQT 890 OATT.

14 **R16.7**

15 **Voir la réponse à la question 16.1.**

16 16.8 If no sections of the pro forma 890 OATT are indicated in response to 16.7,  
17 please explain the basis for Section 38.1 of the HQT 890 OATT meeting the  
18 “minimum terms and conditions” of the pro forma 890 OATT.

19 **R16.8**

20 **Voir la réponse à la question 16.1.**

21 16.9 Do the distributor resources designated under section 38.1 of the HQT 890  
22 OATT consist in whole or in part of “owned or purchase resources that were  
23 serving [native-load] customers under long term firm agreements entered  
24 into on or before the Service Commencement Date” (as the term Service  
25 Commencement Date is used in the pro form 890 OATT)?

26 **R16.9**

27 **Le Transporteur ne propose aucune modification à ce sujet à**  
28 **l'article 38.1 de la présente demande de modifications aux**  
29 **Tarifs et conditions.**

1 16.10 If the response to (16.9) is affirmative, please indicate whether any distributor  
2 resources consisting of “purchases” under “firm agreements” are designated  
3 under section 38.1 of HQT 890 OATT. Please identify any such firm  
4 agreements.

5 **R16.10**

6 **Le Transporteur ne propose aucune modification à ce sujet à**  
7 **l'article 38.1 de la présente demande de modifications aux**  
8 ***Tarifs et conditions.***

9 16.11 For any such “firm agreements” identified in, response to 16.10 please  
10 indicate whether the agreement contains “make-whole” liquidated-damages  
11 provisions as discussed in paragraph 1455 of the pro forma 890 OATT. If not  
12 what criteria were applied to qualify this transaction as firm?

13 **R16.11**

14 **Le Transporteur ne propose aucune modification à ce sujet à**  
15 **l'article 38.1 de la présente demande de modifications aux**  
16 ***Tarifs et conditions.***

17 16.12 Can an individual resource i.e., a physical plant or a purchase power  
18 agreement be designate as a native-load resource under section 38.1 of the  
19 HQT 890 OATT or is the Heritage Pool the designated native-load resource  
20 under section 38.1?

21 **R16.12**

22 **Le Transporteur ne propose aucune modification à ce sujet à**  
23 **l'article 38.1 de la présente demande de modifications aux**  
24 ***Tarifs et conditions.*** **Le Transporteur ajoute par ailleurs que**  
25 **cette question fait l'objet d'un litige avec NLH.**

26 16.13 Does HQD pay HQT for the entire cost of the Heritage Pool Service ( i.e.  
27 generation and transmission) or just for transmission service?

28 **R16.13**

29 **Cette question n'est pas pertinente à la présente demande de**  
30 **modifications aux *Tarifs et conditions* du Transporteur.**

31 16.14 If the response to 16.9 is not affirmative, please indicate the sections of the  
32 pro forma 890 OATT which are the basis for meeting the “minimum terms and  
33 conditions of non-discriminatory service” for the designation of distributor  
34 resources in section 38.1 of the HQT 890 OATT.

1 **R16.14**

2 **Le Transporteur ne propose aucune modification à ce sujet à**  
3 **l'article 38.1 de la présente demande de modifications aux**  
4 ***Tarifs et conditions.***

5 **R16.15**

6 **Pas de question 16.15.**

7 Section 38.1 of the HQT 890 OATT contains the following: “Distributor Resources  
8 cannot include resources, or any portion thereof, that are committed for sale to  
9 third-party load other than the Native Load or otherwise cannot be called upon to  
10 supply the Distributor's Native Load on a non-interruptible basis except for purposes  
11 of fulfilling obligations under a reserve sharing program”.

12

13 **Questions**

14 16.16 Please describe what is meant by a “reserve sharing program”.

15 **R16.16**

16 **Le concept de partage de réserve est abondamment décrit par**  
17 **la FERC dans son ordonnance 890-A, notamment aux**  
18 **paragraphe 932 à 948.**

19 16.17 Does HQT currently have in place any such reserve-sharing program? If the  
20 answer is affirmative:

21 a) Please indicate with whom and to what extent the capacity of distributor  
22 resources designated under section 38.1 of HQT's current OATT is committed  
23 under such a program.

24 b) Please indicate during the past 12 months whether distributor resources  
25 designated under 38.1 of HQT's current OATT have been obliged under such a  
26 program to provide electricity. If any such instances have occurred, please  
27 indicate how much electricity was provided from the distributor resources.

28 c) Under what conditions are distributor resources designated under section  
29 38.1 of HQT's current OATT committed to provide electricity under such a  
30 program.

31 d) If distributor resources designated under section 38.1 of HQT's current  
32 OATT are committed at any instance under a reserve-sharing program, does a  
33 native-load transmission customer have to designate replacement resources  
34 to ensure adequate supply to native-load? Please explain.

1 **R16.17**

2 **Voir les réponses aux questions 13.1 et 13.2 de la demande de**  
3 **renseignements n° 1 de ÉBMI.**

4 16.18 Under the reserve-sharing program, does HQT commit to sell electricity from  
5 designated distributor resources? Please explain.

6 **R16.18**

7 **Voir la réponse à la question 16.17.**

8 16.19 If the response to 16.17 is not affirmative, please explain why HQT is  
9 proposing under HQT 890 OATT to allow designated network resource to  
10 supply reserve-sharing programs?

11 **R16.19**

12 **Voir la réponse à la question 16.17.**

13 16.20 If the response to 16.17 is not affirmative, please explain the extent to which  
14 HQT has discussed such reserve-sharing arrangements with any affiliate.

15 **R16.20**

16 **Voir la réponse à la question 16.17.**

17 Section 36.5 of the HQT 890 OATT states, in part, that: *“In the event that the*  
18 *Distributor uses Native-Load Transmission Service or secondary service pursuant to*  
19 *Section 36.3 to facilitate a wholesale sale that does not serve Native-Load, the*  
20 *dispositions of section 13.7 (d) will apply”.*

21

22 **Questions**

23 16.21 In the event that the Distributor uses Native-Load Transmission Service or  
24 secondary service pursuant to Section 36.3 of the HQT 890 OATT to facilitate  
25 a wholesale sale that does not serve Native-Load, is HQD deemed to have  
26 taken service under Part II of the OATT and if so, what provisions apply and  
27 what priority will this transmission service have compared to existing firm  
28 point-to- point and existing non-firm point-to-point reservations under  
29 section 13.6 of the HQT 890 OATT? Please explain.

30 **R16.21**

31 **L'article 36.5 proposé par le Transporteur prévoit que les**  
32 **dispositions de l'article 13.7 d) s'appliqueront dans ce cas,**  
33 **incluant la pénalité de 150 % applicable aux réservations**  
34 **insuffisantes.**

1 16.22 In the event that the Distributor uses Native-Load Transmission Service or  
2 secondary service pursuant to Section 36.3 of the HQT 890 OATT to facilitate  
3 a wholesale sale that does not serve Native-Load, what will be the  
4 transmission charge for the use of this service? Please explain.

5 **R16.22**

6 **Voir la réponse à la question 16.21.**

7 **17. Preamble Obligation to designate a “Source”**

8

9 Section 17.2 of HQT’s OATT requires disclosure of: (iv) the location of the generating  
10 facility(ies) supplying the capacity and energy, and (v) a description of the supply  
11 characteristics of capacity and energy to be delivered.

12 **Questions**

13 17.1 Are there any new rules within the 890 Orders that would have implications  
14 for the existing requirements under HQT OATT section 17.2, and enable a  
15 point-to-point customer to acquire long term transmission service without  
16 identifying a specific generating facility “Source”?

17 **R17.1**

18 **Le Transporteur ne propose aucune modification à ce sujet**  
19 **dans la présente demande de modifications aux *Tarifs et***  
20 ***conditions.***

21 17.2 Are there any point-to-point transmission requests that have been accepted  
22 by HQT without a specific generating unit identified as a “Source”? If so,  
23 please explain how this is consistent with existing OATT requirements and, on  
24 a go forward basis, how any 890 requirements identified in response to 17.1  
25 would apply to point-to-point service requests of this nature.

26 **R17.2**

27 **Cette question n'est pas pertinente à la présente demande de**  
28 **modifications aux *Tarifs et conditions* du Transporteur.**

1  
2  
3

Attachment A

Remarques du vendeur ATC insuffisants, mais acceptation forcee!`Y%|ht-

4

Hydro-Québec TransÉnergie - Oasis - Microsoft Internet Explorer

Accueil HQ TransÉnergie

Accueil OASIS

TRANSSTATUTS  
200 Opérations

11 mai 2009 14:04:19 HAE

Commercialisation du transport de l'électricité

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Modifier la requête

Liens: [Consulter les réajustages]

No de la demande	548315
Code du vendeur	HQT
No DUNS du vendeur	207262296
Code du client	HQM
No DUNS du client	249224247
Client associé	OUI
Nom du chemin	HQT-HIGH
Point de réception	HQT
Point de livraison	HIGH
Lieu de production	(Masqué)
Lieu de consommation	(Masqué)

Debut du service	Fin du service	Prix d'achat	Prix de vente	Capacité demandée	Capacité attribuée
1 janv. 2008 00:00 HNE	1 janv. 2016 00:00 HNE	\$70820.00	\$70820.00	225	225

Rythme: ANNUEL  
Classe: GARANTI  
Type: POINT\_A\_POINT  
Période: COMPLET  
Fenêtre: FIXE

5

Hydro-Québec TransÉnergie - Oasis - Microsoft Internet Explorer

Sous-classe	STANDARD
Priorité du NERC	7
Autre priorité	0
Prix plafond	\$72000.00
Unité monétaire	CAD/MW-ANNEE
Demande préconfirmée	OUI
No de l'offre	
No de la vente	
No de référence du client	
No du contrat	
Nombre de réajustages	3745
Demande concurrente	N
Type de la demande	ORIGINAL
No de la demande primaire	
Prix négocié	
État	CONFIRME
Adresse du destinataire des avis	
Remarques sur l'état	ATC INSUFFISANTS GJ
Dépôt de la demande	19 avr. 2007 16:37:11 HAE
Échéance imposée au client	5 janv. 2008 00:00:00 HNE
Dernière mise à jour	21 déc. 2007 16:23:39 HNE
Remarques du transporteur	
Référence du vendeur	
Remarques du vendeur	ATC insuffisants, mais acceptation forcee!`Y% ht-
Remarques du client	
Nom du vendeur	TransEnergie
Téléphone du vendeur	514-289-4365
Télécopieur du vendeur	514-289-4693/4688

1

Hydro-Québec TransÉnergie - Oasis - Microsoft Internet Explorer

Accueil HQ TransÉnergie

Commercialisation du transport de l'électricité

11 mai 2009 14:07:58 HAE

**Description de la demande de service de transport**

Modifier la requête

Liens: [Consulter les réajustages]

No de la demande	634845
Code du vendeur	HQT
No DUNS du vendeur	207262296
Code du client	HQD
No DUNS du client	999999999
Client associé	OUI
Nom du chemin	LAB-HQT
Point de réception	LAB
Point de livraison	HQT
Lieu de production	(Masqué)
Lieu de consommation	(Masqué)

Debut du service	Fin du service	Prix d'achat	Prix de vente	Capacité demandée	Capacité attribuée
1 avr. 2009 00:00 HAE	1 avr. 2019 00:00 HAE	\$0.00	\$0.00	4885	4885

Rythme: ANNUEL  
Classe: GARANTI  
Type: RESEAU  
Période: COMPLET  
Fenêtre: MOBILE

2

Hydro-Québec TransÉnergie - Oasis - Microsoft Internet Explorer

Sous-classe: QC\_RD

Priorité du NERC	7
Autre priorité	0
Prix plafond	
Unité monétaire	CAD/MW-ANNEE
Demande pré-confirmée	OUI
No de l'offre	
No de la vente	
No de référence du client	
No du contrat	
Nombre de réajustages	0
Demande concurrente	N
Type de la demande	ORIGINAL
No de la demande primaire	
Prix négocié	
État	CONFIRME
Adresse du destinataire des avis	
Remarques sur l'état	CC force accepte pour 2041
Dépôt de la demande	1 avr. 2009 10:40:18 HAE
Échéance imposée au client	16 avr. 2009 00:00:00 HAE
Dernière mise à jour	1 avr. 2009 10:52:42 HAE
Remarques du transporteur	ATC INSUFFISANTS
Référence du vendeur	
Remarques du vendeur	ATC insuffisants, mais acceptation forcée! Y% p.D
Remarques du client	Cette réservation doit se terminer le 31/08/2041
Nom du vendeur	TransÉnergie
Téléphone du vendeur	514-289-4365
Télécopieur du vendeur	514-289-4693/4688
Adresse courriel du vendeur	hqt_bqc@ccr.hydro.qc.ca

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