

Réponse d'Option consommateurs (OC) à la Demande de renseignements no 2 de la Régie de l'énergie (« la Régie ») à OC

Dossier R-3809-2012 Phase 2

1 Référence : Pièce C-OC-0047, page 19, lignes 6 à 10.

Préambule :

« OC suggests first that the Régie direct GM develop econometric models to forecast customer additions and NAC for residential/small volume customers. These models would incorporate many of the variables used in the current GM forecast and would be used together with existing methods to improve the accuracy of forecasts within the favorable/unfavorable band.»

Demande :

1.1 Dans la mesure où :

- la tarification de Gaz Métro ne comporte pas de tarification par usage;
- le tarif D1 regroupe à la fois des clients résidentiels, commerciaux et industriels;
- le tarif D1 regroupe à la fois des clients de très faible consommation et de très grande consommation

Veillez préciser si votre recommandation s'applique à l'ensemble du tarif D1 ou à un palier particulier du tarif D1.

Réponse :

In the OC Report (C-OC-0047, 4.2 Analysis of Historic Forecast, page 17, lines 18-20), we have discussed that there is an average consistent and obvious annual customer addition forecast error of about 1000 customers per year across the D1 rate class. This error was further discussed in Answer to GM's IR 3 to OC (C-OC-0050, p 3). NAC/customer is a useful indicator of the trends in use of small-volume classes. Therefore we believe that GM should develop econometric

models to forecast customer additions and NAC for residential/small volume customers.

In answer to the Régie's question, our recommendation applies to classes that include small-volume, heat-sensitive customers. Therefore our recommendation definitely applies to D1.1, which contains the majority of these customers (and the majority of residential customers).

Absent further research, it is difficult for us to know if other rate blocks (notably D1.2) would contain sufficient heat-sensitive customers to be included our recommendation.

2 Référence : Pièce C-OC-0047, pages 29 et 30.

Préambule :

« In light of the above, OC recommends that GM provide ratepayers with a credit of \$3 million to share the benefits of the debt transfer (valued at over \$18 million), to cover potential transaction costs associated with increased complexity and increased regulatory burden, and to provide a cushion for the risk of ratepayers not being held harmless.

To the extent that the GM's proposal has some costs/risks for ratepayers, the debt transfer could still be beneficial overall for ratepayers if they are being given some benefits to provide a cushion to absorb any costs/risks. OC believes that it is a reasonable compromise for ratepayers to get some benefits, both to compensate for any potential costs/risks and to provide a reasonable sharing of the benefits going to the shareholder.

If GM does not want to proceed with its proposal to transfer the debt should the Régie direct it to share a portion of the benefits with ratepayers, this would be an acceptable outcome and we would then have the assurance that ratepayers are truly held harmless. Moreover, if GM elects not to proceed under our recommendation for sharing of benefits, it is reasonable to conclude that the benefits of the transaction overall were probably limited, since GM was unwilling to proceed given a quite limited share of benefits (\$3 million) flowing to ratepayers. Put another way, if the proposal actually had large benefits (in the order of \$18 million according to IR responses), GM would presumably want to proceed even if ratepayers received a considerable share of the benefits. »

Demande :

- 2.1 Veuillez expliquer comment vous avez déterminé le montant de l'incitatif de 3 M\$ à être versé à la clientèle de Gaz Métro.

Réponse :

Please see OC Answer to GM's IR 4.3 (C-OC-0050, p. 6).