



INDUSTRIAL ECONOMICS, INCORPORATED

VIA ELECTRONIC MAIL

28 August 2014

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REFERENCE: Gaz Métro Limited Partnership
Application Concerning Gaz Métro's Cost of Service and Rate Structure
Docket No. R-3867-2013
IGUA Reference Number: IGUA-2014-GMi-3

Dear Guy:

Further to our telephone conversation earlier today, I reviewed the Régie's procedural decision dated 20 August 2014. As I understand it, the Régie requests that IGUA prepare and submit a budget for its intervention in the referenced proceeding by 4 September 2014. I also understand that this submission should contain a listing of issues, conclusions and recommendations that IGUA intends to present during the proceeding.

Based on my review of the initial evidence filed by Gaz Métro, and based on my participation in the technical sessions for this proceeding, I expect that this will be a difficult matter, with a number of complicated cost allocation issues to be reviewed, analyzed and litigated. Moreover, I understand that Gaz Métro has filed additional evidence since the end of the technical sessions, which is not yet available for review in English.

In order to assist you in preparing a budget, an issues list, and a summary of preliminary conclusions and recommendations, it will be necessary for me to review the updated evidence in English. Based on our conversation, I understand that an English version will be available from Gaz Métro by 15 September.

It would therefore be extremely helpful if the due date for your submission were extended to a time at least two weeks following the availability of an English version of the Company's evidence. This extension will allow me sufficient time to review the updated evidence, evaluate any material changes that have been made in the filing, prepare a rough budget estimate for expert services, and identify preliminary issues, conclusions and recommendations. Based on my understanding of the overall schedule in the procedural decision, it appears that such an extension would not result in any delay in the overall timing for the proceeding.

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I note also that any conclusions and recommendations that can be formulated at this time will necessarily be preliminary, as Gaz Métro will be filing additional evidence in this matter, and the discovery process is yet to take place. I expect that conclusions and recommendations may be refined or modified to reflect a more detailed analysis of the filing, review of the new evidence and analysis of discovery responses.

Please do not hesitate to contact me if you have any questions.

Best Regards,

A handwritten signature in black ink, appearing to read 'R. D. Knecht', with a stylized flourish at the end.

Robert D. Knecht
Principal