RÉGIE DE L'ÉNERGIE

DOSSIER : **R-3888-2014 Phase 2B**

HQT - DEMANDE DE MODIFICATION DE LA POLITIQUE D'AJOUTS

AU RÉSEAU DE TRANSPORT

DEMANDE DE RENSEIGNEMENTS N^{O} 1
DE NALCOR ENERGY MARKETING CORPORATION (« NEMC »)
ADRESSÉE AU TRANSPORTEUR
ET À DR METIN CELEBI

Montréal, le 20 mars 2019

DEMANDE DE RENSEIGNEMENTS N° 1
DE NALCOR ENERGY MARKETING CORPORATION (« NEMC »)
RELATIVE À UNE DEMANDE DU TRANSPORTEUR RELATIVE À LA MODIFICATION DE LA POLITIQUE D'AJOUTS AU RÉSEAU DE TRANSPORT - PHASE 2

PREUVE DU TRANSPORTEUR POUR LA PHASE 2B

1. **Référence : i) Pièce B-0175, page 6, lignes 11 à 14**

ii) Dossier R-3476-2001, Pièce HQT-1, Document 1

Préambule :

i) « La description synthétique des investissements et de leurs objectifs accompagne chaque demande d'autorisation du budget annuel d'investissement pour les projets de moins de 25 M$. Bien que cette description ait quelque peu évolué au fil du temps, les objectifs associés à chacune des catégories sont demeurés les mêmes.(our underline) : »

Demandes :

1.1 Please provide all changes to the investment categories definitions since they were first presented in the first HQT investment files (reference ii)). Please provide the rationales for all definitions modifications including the ones highlighted in exhibit B-0184.

2. **Référence : i) Pièce B-0175, page 8, lignes 8 à 10**

ii) Décision D-2012-152, par 23

Préambule :

i) « La Régie a précisé que dans les cas où les pertes électriques constituent un paramètre de l'analyse économique, les données relatives à l'évaluation de ces pertes doivent être soumises lors du dépôt initial d'une demande d'autorisation d'un projet d'investissement.[13] : »

ii) « [23] De même, il prévoit des travaux pour améliorer la qualité et la continuité du service, en ajoutant un disjoncteur de barre au poste de Bedford, afin d'y éviter qu'un défaut sur un transformateur de puissance ou sur la barre principale à 120 kV n'entraîne la perte complète du poste et de l'interconnexion. Le Transporteur fait valoir que neuf déclenchements de transformateurs ont été constatés à ce poste depuis l'année 2006 : »

Demandes :

2.1 Please explained why you refer to paragraph 23 of decision D-2012-152 in footnote 13 of reference i).

3. **Référence : i) Pièce B-0175, page 9, Section 4**

Demandes :

3.1 Please confirmed that the proposed OATT submitted by HQT in Phase 2A refers to all 4 investment categories definitions.

3.2 Please confirmed that one of the purposes of the definitions presented in section 1 of the OATT is to help the reader better understand the scope of the articles of the OATT.

3.3 As an alternative to adding the definition of investment categories in section 1 of the OATT, would it be preferable to add it in a new attachment?

TÉMOIGNAGE DU DR METIN CELEBI DE THE BRATTLE GROUP

4. **Référence : i) Pièce B-0177, page 2, lignes 14 à 17**

Préambule :

i) « Q. Please summarize your conclusions.

A. I conclude the following based on my review of the relevant provisions of HQT's current and proposed Hydro Québec Open Access Transmission Tariff (OATT) and regulatory filings, the Régie's past decisions, the transmission investment planning practices by HQT, and HQT's evidence filed in this case: »

Demandes :

4.1 Please provide the list of documents you have reviewed pertaining to the reference (i). More precisely, please provide the following lists:

4.1.1. List of documents pertaining to the regulatory filings reviewed;

4.1.2. List of decisions reviewed;

4.1.3. List of documents reviewed pertaining to the transmission investment planning practices by HQT

4.1.4. List of documents reviewed in this case.

4.2 From the documents listed in responses to questions 4.1.1. to 4.1.4, please indicate which ones were translated into English and provide those documents.

5. **Référence : i) Pièce B-0177, page 9, lignes 22 à 24**

ii) Pièce B-0177, page 4, lignes 3 à 4

Préambule :

i) « In general, the HQT's transmission investment categories encompass the same types of investments as the categories of other system operators for meeting objectives that are relevant in the context of HQT system. In addition, HQT's categories are put to similar use as the categories of other system operators, that is, they serve both to identify the types of investments needed to maintain a reliable electric system responsive to their customers' needs, and to allocate the costs across investment categories. (our underline) »

ii) « Transmission investment costs associated with the Growth category are allocated to the specific transmission customers whose needs (such as load growth, new interconnection, and new generation interconnection) triggered the investment. (our underline) »

Demandes :

5.1 Please elaborate on the statement mentioned in reference i) pertaining to the "context of HQT system'' :

5.1.1. Please describe the "context of HQT system'' as stated in reference i), as it pertains to transmission investment;

5.1.2. Please describe the main differences between the HQT system and other similar systems, that are relevant to transmission investment;

5.1.3. Please confirm that you are aware of the notion of the generic "HQT point'' used by HQT.

5.1.4. To your knowledge, are there other jurisdictions that use a generic point such as the HQT point? If so please provide the references.

5.2 To your knowledge, are there other jurisdictions where the injection point [point of receipt] of a transmission reservation used to justify a new interconnection project (reference ii) is a generic point, not associated with specific generation assets. If so, please provide the reference.

5.3 To your knowledge, are there other jurisdictions where the interconnection of a new generation source that is partly or totally used for export purposes using firm point-to-point services has a generic point as a withdrawal point [point of delivery]. If so, please provide the reference.

6. **Référence : i) Pièce B-0177, page 10, lignes 3 à 5**

Préambule :

i) « Yes. I reviewed the investment categories and the underlying objectives used by British Columbia Hydro (BC Hydro) in Canada and PJM in the U.S. to assess commonalities and differences in investment categories. (our underline) »

Demandes :

6.1 What was the decisional process for selecting BC Hydro and PJM for the comparison exercises you performed? Was it a choice of your own or was it a selection done by HQT?

6.2 Did you consider other potential markets as comparable? If so, please provide the list of those other jurisdictions considered, and explain the decision not to include those jurisdictions in your testimony.

6.3 Why have you not reviewed a utility similar to HQT (p. ex. Bonneville Power Administration (BPA)) in the US for the comparison exercises?

7. **Référence : i) Pièce B-0177, page 10, lignes 11 à 13**

Préambule :

i) « But there are also differences in categories arising from the contextual differences among the systems, such as the lack of need for new transmission to address congestion costs in the HQT system, as also recognized by the Régie. (our underline) »

Demandes :

7.1 To your knowledge, does HQT currently have congestion issues on some of its internal paths? If so, please explain your assessment of that congestion in relation to your statement mentioned at reference i).

7.2 To your knowledge, are there other transmission providers in North America that plan their system with no congestion? If so please provide the reference.

8. **Référence : i) Pièce B-0177, page 10, lignes 20**

Préambule :

i) « BC Hydro uses four categories to classify transmission investments. »

Demandes :

8.1 Please provide the reference documents (e.g. web links) you used to access the review of BC Hydro investment categories.

8.2 Do BC Hydro investment categories specifically address transmission investment required as a result of power plant closures. If so, are such investments automatically considered as "System Plan Network Upgrades''? If not, please explain how are such investments are considered and how costs are allocated among existing clients (Local Load, Network Load, Point-to-Point and Generators).

8.3 Does BC Hydro use a generic point such as the "HQT point'' in its planning and commercial activities? Please provide reference.

9. **Référence : i) Pièce B-0177, page 11, lignes 12 à 14**

Préambule :

i) « PJM classifies its transmission investments under five categories: Baseline Reliability, Operational Performance, Generation and Transmission Interconnection, Public Policy Requirements, and Market Efficiency. »

Demandes :

9.1 Please provide the reference documents (e.g. web links) you used to access the review of PJM transmission investment categories.

9.2 How does PJM address the impact of power plant closures pertaining to potential transmission investment that they may trigger and how are the costs allocated among existing clients (Local Load, Network Load, Point-to-Point and Generators).

10. **Référence : i) Pièce B-0177, page 12, lignes 6 à 7**

Préambule :

i) «The Market Efficiency category in the case of PJM captures upgrades aimed to reduce congestion costs, which is not applicable to the HQT system as explained above.»

Demandes :

10.1 Please define the terms “Congestion cost’’ as mentioned at reference i)

10.2 Is PJM planning its transmission system with congestion? If so please explain the rationale of that planning process.

SUIVI DE LA LETTRE DE LA RÉGIE DE L’ÉNERGIE EN DATE DU 14 MARS 2019

11. **Référence : i) Pièce B-0184, page 6, lignes 21 à 24**

Préambule :

i) « Les investissements attribués à cette catégorie sont destinés au maintien ou à l’amélioration de la qualité du service rendu par le Transporteur à l’égard de la capacité de service offerte. Ils incluent notamment les investissements requis pour maintenir la fiabilité du réseau à la suite de la fermeture de centrales ou d’un retrait ou d’un déplacement de charges.(our underline) : »

Demandes :

11.1 Please indicate if other transmission providers in other jurisdictions do refer to power plant closure in their definitions of investment categories? If so, please provide reference.

11.2 Please indicate if HQT considered the following plant closure scenarios as having the same impact on its system and therefore as being part of the same investment category:

11.2.1. Scenario 1 : A plant owner decides to shut down a power plant permanently which would result in a net loss of transited energy on HQT system.

11.2.2. Scenario 2 : A plant owner decides to shut down a power plant permanently but decides to increase the production (including additional capacity) of others of its power plants located in a different location in order to maintain its overall level of energy generation unchanged.

11.3 In reference to scenario 2 mentioned in question 12.2. please indicate, in the event that transmission investment is needed to accommodate the increased generation, if HQT would consider that investment in the category of ‘’Croissance des besoins de la clientèle’’.