

Montreal, May 31, 2018

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**RÉGIE DE L'ÉNERGIE**

Tour de la Bourse  
800, rue du Square-Victoria  
Bureau 2.55  
Montréal (Québec) H4Z 1A2

Attention: Me Véronique Dubois

**Re: Document de réflexion**

Demande d'Énergir, s.e.c. concernant la mise en place de mesures relatives à l'achat et la vente de gaz naturel renouvelable  
File: R-4008-2017

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Dear Me Dubois,

We represent Summitt Energy Québec LP / Énergie Summitt Québec S.E.C. (“**Summitt**”), which supplies natural gas to clients of Énergir, s.e.c. (“**Énergir**”). This letter constitutes the Summitt’s “document de réflexion”, pursuant to paragraph 43 of procedural decision D-2018-052 rendered by the Régie de l'énergie (the “**Procedural Decision**”). Based on the Procedural Decision, the documents filed by Énergir and a telephone conversation held between Summitt and Énergir on May 29, 2018, Summitt understands that the purpose of the hearing scheduled for June 14-15, 2018 is not to decide all matters relating to the purchase and sale of renewable natural gas (“**RNG**”), but rather to identify options, questions and concerns about RNG that should be addressed at a future hearing, for which it reserves its rights.

Énergir’s proceedings seek to promote the supply and consumption of RNG in Quebec. In addition to serving the traditional natural gas (“**TNG**”) market, Summitt is interested in supplying RNG to commercial and residential customers of Énergir, with a customer’s total consumption being comprised of:

- 100% RNG supplied by Summitt; or
- a combination of RNG and TNG, either or both supplied by Summitt.

A number of issues are not addressed in Énergir’s proceedings and would require further discussions and consultations. Summitt has concerns about, *inter alia*, the following matters:

1. Summitt understands that the price at which Énergir acquires RNG in Quebec is intended to be high enough to promote the production of RNG in Quebec. However, it should also be high enough to ensure a level playing field, so that suppliers such as Summitt:
  - a. have an economic incentive to supply RNG in Quebec;
  - b. are able to source supplies of RNG from non-subsidized producers of RNG; and
  - c. are able to price their own supply of RNG competitively with that of Énergir.

2. Will Énergir's one-year fixed-price for RNG discourage customers from entering into fixed-price contracts with other suppliers for RNG? Does its proposal satisfy the concerns raised by the Régie de l'énergie in decision D-2001-214 that:

*“(…) la proposition, bien que ne visant que les clients en gaz de réseau, aurait pour effet de modifier de façon importante le rapport de forces entre le distributeur et les autres fournisseurs dans le marché déréglementé de la marchandise. En effet, comme le distributeur propose d’offrir le tarif fixe à l’ensemble de la clientèle, il est à prévoir que le déplacement déjà observé des clients des achats directs vers le gaz de réseau ne pourra que s’accroître de façon importante si le distributeur devait offrir des options à prix fixe à des conditions plus avantageuses que celles disponibles sur le marché auprès des courtiers et autres fournisseurs.”*

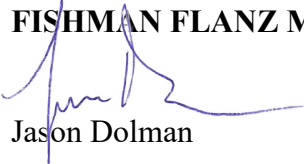
3. Would third-party suppliers be entitled to supply RNG to residential customers?
4. Customers entering into fixed-price contracts for TNG currently receive a notice specifying a historical comparison price for TNG. What comparison price, if any, would be included in a notice sent to a customer that enters into a fixed-price contract for RNG or RNG and TNG?
5. A customer entering into or renewing a fixed-price contract for TNG currently receives an envelope bearing the text “CONFIRMATION OF YOUR FIXED-PRICE CONTRACT”, enclosing a confirmation letter requiring it to actively confirm the contract by returning a coupon to the supplier within a 15 days from the date of the confirmation letter. The delay and wording should be modified for RNG contracts, as Summitt has observed that:
  - a. many commercial customers have difficulty acting within 15 days, due to incorrect delivery of the envelope, personnel absence or for other reasons, and a 21-day delay appears more practical; and
  - b. the wording on the envelope appears to suggest that no action or response is required on the part of the customer, and it would instead be preferable to explicitly indicate on the envelope that action or response is required to confirm the contract.

6. Would a commercial customer receiving a combination of RNG and TNG from Énergir be entitled to sign a fixed price contract with a third-party supplier for a combination of RNG and TNG? If so, would the customer be exempt from the 60-day notice requirement?
7. Who will bear the cost of RNG purchased by Énergir but not sold to customers as RNG?
8. What audit or verification systems will track the profits and losses made by Énergir on its purchases and sales of RNG?

Although the Procedural Decision already states that suppliers such as Summitt are entitled to participate in the hearing scheduled for June 14-15, 2018, it is unclear whether Summitt has thus been granted status as an intervenant. Summitt hereby seeks *de bene esse* to be granted status as an intervenant in the above-mentioned proceedings and requests to be advised by the Régie de l'énergie if a formal motion shall be required for that purpose.

Respectfully submitted,

**FISHMAN FLANZ MELAND PAQUIN LLP**



Jason Dolman