

**RÉPONSE À LA DEMANDE DE RENSEIGNEMENTS N° 1 DE LA RÉGIE DE L'ÉNERGIE (LA RÉGIE) À
SUMMITT SUR LA DEMANDE CONCERNANT LA MISE EN PLACE DE MESURES RELATIVES À
L'ACHAT ET LA VENTE DE GAZ NATUREL RENOUVELABLE – ÉTAPE B**

CONDITIONS DE SERVICE ET TARIF

- 1. Références :** (i) Pièce [C-SUMMIT-0018](#), p. 1 et 2;
(ii) Pièce [B-0247](#), p. 2 à 7.

Préambule :

(i) « *The modification to s. 1.3 of the Conditions does not appear to resolve all instances in which “natural gas” (as opposed to RNG) is referred to alone in the Conditions. By way of example, in s. 11.1.2.1 of the Conditions, the text states :*

“...When a customer enters into a fixed-price supply agreement with the distributor, in writing, within the allowed time frame, the specific gas supply price shall be the cost of acquisition of the natural gas from the specific supplier in accordance with the customer’s commitment under the agreement. The distributor does not guarantee the fixed gas supply price agreed upon with the specific supplier. The customer is billed this specific price commencing on the day deliveries from the specific supplier begin and for as long as these deliveries continue. Should the specific supplier no longer be able to meet its commitments to the distributor, the customer will be transferred to the distributor’s variable-price natural gas supply service once the natural gas already delivered by the specific supplier for the customer in question has been fully used.”

The mentions of “natural gas” referred to above would be read to mean traditional natural gas only, which would not be an appropriate interpretation in a scenario of fixed-price RNG. We would ask that Energir review the Conditions to ensure that such inconsistencies are not present in the final modifications ». [nous soulignons]

(ii) Énergir présente sa proposition de modifications aux *Conditions de service et tarif* (CST), au 19 juin 2019, en versions française et anglaise.

Demande :

- 1.1 Veuillez indiquer si Summit voit des incohérences dans les CST déposées à la pièce [B-0247](#) et si oui lesquelles.

Réponse :

In exhibit B-0247, Énergir uses the term “natural gas” to mean traditional natural gas (“**TNG**”), as opposed to renewable natural gas (“**RNG**”). By way of example, at s. 1.3 of the CST, the definition of “Fixed Price Supply Agreement” refers to “*the price of the natural gas or the renewable natural gas supply*”. Therefore, where the CST refers to “natural gas”, the term means TNG only.

Following that interpretation:

- the first three paragraphs and the last sentence of s. 10.2 of the CST refer only to TNG:

TNG	<p><i>10.2 Combination of customer’s and distributor’s services</i></p> <p><i>A customer may not, at a single metering point, for either natural gas supply and transportation service, including make-up gas service, simultaneously use the distributor’s services and provide its own services.</i></p> <p><i>In addition, a customer who wishes to supply the distributor with the natural gas it withdraws at its facilities may not combine supply service with transfer of ownership and supply service without transfer of ownership.</i></p> <p><i>Exceptionally, however, a customer who uses firm service as well as interruptible service at a single metering point shall be entitled to use its own transportation service for the firm portion of its load while using the distributor’s transportation service for the interruptible portion. In addition, a customer using "Make-up Gas Service to Avoid an Interruption" may combine its own natural gas supply and transportation services with those of the distributor for this make-up portion of its load.</i></p>
RNG	<p><i>Also, a customer who provides, in part, renewable natural gas at a single metering point shall be entitled to:</i></p> <p><i>1. use the distributors’ supply service as well as, for renewable natural gas, its own supply service: when this renewable natural gas is produced within the franchise, a customer shall be entitled, furthermore, at a single metering point, to use the distributor’s transportation service as well as, for the renewable natural gas produced within the franchise, its own transportation service;</i></p> <p><i>2. <u>use the renewable natural gas supply tariff for the distributor’s supply service as well as supply its own service.</u></i></p>
TNG	<p><i>The natural gas then provided by a customer must be “with transfer of ownership”.</i></p>

The use of the phrase “then provided” seems to indicate that the last sentence follows from the previous paragraphs relating to RNG, but it only uses the term “natural gas”, referring to TNG.

- the third paragraph of s. 11.1.2.1 of the CST refers to TNG in two places where it should likely refer to the more generic “gas”:

TNG & RNG	<i>11.1.2 Natural Gas Supply Rate 11.1.2.1 Natural Gas Supply Price</i>
TNG	<i>For each m³ of volume withdrawn, the natural gas supply price, as of December 1, 2018, is 15.762¢/m³. The price may be adjusted monthly to reflect actual cost of acquisition.</i>
RNG	<i><u>For each m³ of volume withdrawn, the provisional application of the renewable natural gas supply price, from June 19 to September 30, 2019, is 31.83¢/m³, and from October 1, 2019, is 34.13¢/m³.</u></i>
Mix of RNG and TNG	<i>When a customer enters into a fixed-price supply agreement [RNG & TNG] with the distributor, in writing, within the allowed timeframe, the specific gas supply price shall be the cost of acquisition of the natural gas [TNG] from the specific supplier in accordance with the customer’s commitment under the agreement. The distributor does not guarantee the fixed gas supply price agreed upon with the specific supplier. The customer is billed this specific price commencing on the day deliveries from the specific supplier begin and for as long as these deliveries continue. Should the specific supplier no longer be able to meet its commitments to the distributor, the customer will be transferred to the distributor’s variable-price natural gas [TNG] supply service once the natural gas [TNG] already delivered by the specific supplier for the customer in question has been fully used.</i>

The above reference to fixed-price supply agreements makes it clear that the above paragraph refers to TNG and RNG agreements. However, it then sets the price at the cost of TNG (rather than simply referring to the “specific gas” or “gas”), and eventually refers to the transfer to the variable-price TNG service once the TNG (rather than referring to the “specific gas supply”) already delivered has been used.

The above response does not purport to be a comprehensive review of all potential inconsistencies in the proposed CST, as Énergir’s proposed changes in document B-0247 refer to a limited number of CST sections, and the Régie has already made determinations as to the provisional amendments sought and referred further debate to phase C of the hearings. Summitt reserves the right to raise additional arguments in respect of the CST and other matters at future hearings on the merits of Énergir’s applications.