

CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

RÉGIE DE L'ÉNERGIE

NO: R-4011-2017

HYDRO-QUÉBEC, legal person in the public interest constituted by the *Hydro-Québec Act*, R.S.Q., c. H-5, having its head office at 75 René-Lévesque Blvd. West, Montréal, Province of Québec, H2Z 1A4

Applicant

AFFIDAVIT OF TERRY BENNETT, TRANSCANADA ENERGY LTD.

I, the undersigned, **TERRY BENNETT**, residing in Toronto, province of Ontario, do solemnly affirm as follows:

1. I am Vice President of TransCanada Energy Ltd. ("**TCE**"), which has a place of business at 200 Bay Street, Suite 2400, Toronto, Ontario, M5J 2J1.
2. In such capacity, I am familiar with TCE's administration of the interests of TransCanada Corporation, TCE and their affiliates (collectively, "**TransCanada**") in Cartier Wind Energy (AAV) Inc., Cartier Wind Energy (BDS) Inc., Cartier Wind Energy (LM) Inc., Cartier Wind Energy (MS) Inc., Cartier Wind Energy (GM) Inc. and Cartier Wind Energy (CAR) Inc. (collectively, the "**Cartier Wind Energy Group**").
3. The Cartier Wind Energy Group comprises companies acting as agents, mandatary, operators and managers for limited partnerships which concluded on 25 February 2005 six electricity supply contracts with Hydro-Québec Distribution ("**HQD**"), which HQD submitted to the Régie de l'énergie (the "**Régie**") for approval in file R-3569-2005, i.e:
 - a) HQD-1, Document 1.1: Anse-à-Valleau Contract;
 - b) HQD-1, Document 1.2: Baie des Sables Contract;
 - c) HQD-1, Document 1.3: Carleton Contract;
 - d) HQD-1, Document 1.4: Les Méchins Contract;
 - e) HQD-1, Document 1.5: Montagne Sèche Contract;
 - f) HQD-1, Document 1.6: Gros Morne Contract;(collectively, the "**Contracts**").
4. In file R-3740-2010, the information requested by the Régie in question 22 of its Request for information n° 1 fell within the information already protected by the Régie from publication or disclosure and the confidentiality of which TransCanada requested to be maintained and supported by my affidavit submitted in that file. More specifically, the request to HQD in that file to indicate the projected cost of each of the post-heritage

supply contracts for the years 2009, 2010 and 2011 (which includes the cost of the Contracts) related to information already protected by the Régie in the past. I hereby reiterate the grounds asserted in my affidavit submitted in file R-3740-2010.


5. Section 42 of the Contracts requires HQD to treat certain information in confidence; in particular the information contained or contemplated in sections 10, 14, and 18.2 of the Contracts.
6. Further, as it appears in paragraph 22 of HQD's application and in the letter dated 21 April 2005 (HQD-1, Document 1) in file R-3569-2005, the Cartier Wind Energy Group requested HQD to treat in confidence certain information appearing in the Contracts and requested that the Régie prohibit the disclosure, publication and dissemination of the following information contained in each of the Contracts:
 - a) the quantity of contract energy mentioned in section 6.2;
 - b) the percentage of contract energy mentioned in section 30.2;
 - c) section 14.1 in its entirety (price information and formulae);
 - d) the value of B mentioned in section 17.2 (cost collector network);
 - e) Appendix 1 - maps in figures A-1, A-2 and A-3 (for Les Méchins only);
 - f) Appendix V, sections 1.1 and 2.1, the deadlines for the installation of the facilities for nacelle assembly tower manufacture and the plants and the deadlines for the installation of the facilities for the manufacture of blades.
7. An affidavit was submitted for the Cartier Wind Energy Group in file R-3569-2005 in support of the request for confidentiality mentioned in paragraph 6, asserting that the information appearing in sections 6.2, 30.2, 14.1 and 17.2 of the Contracts and in Appendix 1 of the Les Méchins Contract for which the Cartier Wind Energy Group requested a confidentiality order were financial and commercial information of a confidential nature which were habitually treated as confidential information and which were clearly identified as such in the bids submitted further to call for tenders A/O 2003 02. TransCanada hereby reiterates the grounds asserted in such affidavit.
8. TransCanada habitually treats the information appearing in sections 6.2, 30.2, 14.1 and 17.2 of the Contracts as confidential information of a financial and commercial nature. This information shows the project development strategy and price structures of the Cartier Wind Energy Group and of TransCanada, and their disclosure would likely cause a loss to the Cartier Wind Energy Group and to TransCanada, procure a considerable benefit for their competitors or substantially reduce their competitive margin.
9. More particularly, the disclosure of the information relating to contract energy mentioned in section 6.2 of the Contracts would show the results of the wind studies carried out by the Cartier Wind Energy Group, as well as the way in which these results are treated, for example, in terms of climatic adjustment. The disclosure of this information could give the competitors of the Cartier Wind Energy Group and of TransCanada knowledge of their project development strategy and harm their competitiveness in future bids.
10. The disclosure of section 14.1 dealing with the calculation of the energy price would disclose all the elements taken into account in the calculation of the price of eligible

energy and would permit competitors to know the pricing strategy of the Cartier Wind Energy Group and of TransCanada, procuring for such competitors a considerable benefit and substantially reducing the competitive margin of the Cartier Wind Energy Group and of TransCanada.

11. In a 2007 securities filing, the contract energy price for the year 2004 and the contract energy was disclosed for the Carleton, Gros Morne and Montagne Sèche Contracts. In the same 2007 filing, the contract energy price for the year 2004 and the projected volume of energy to be generated in 2008 were disclosed for the Baie-des-Sables and Anse-à-Valleau Contracts. The 2007 filing did not disclose the contract energy or the energy price for the Les Méchins Contract.
12. The 2007 filing did not disclose all the elements taken into account in the calculation of the price of eligible energy mentioned in section 14.1 of the Contracts. Moreover, it did not disclose the contract energy for the Baie-des-Sables, Anse-à-Valleau and Les Méchins Contracts.
13. TransCanada continues to treat all this information, more specifically, the elements and energy price calculation formula set forth in section 14.1 of all the Contracts, and the contract energy set forth in section 6.2 of the Carleton, Gros Morne, Montagne Sèche and Les Méchins Contracts as confidential.
14. By its decision D-2005-129, the Régie upheld the confidentiality of the information mentioned in sections 6.2 and 30.2 (contract energy), 14.1 (price for eligible energy), 17.2 (cost of the collector system), essentially on the grounds that, with respect to the contract energy, this information was treated in confidence by the Supplier, and, with respect to the price for eligible energy, the disclosure of such information would disclose all the elements taken into account in the calculation of the price of eligible energy and would permit competitors to know the pricing strategy of the Supplier. The Régie therefore prohibited the disclosure, publication and dissemination of such information.
15. In the application before the Régie bearing file number R-3776-2011, HQD submitted in its evidence (HQD-5, Document 1, Schedule B (B-22)) the energy price (post-heritage costs) related to the Contracts for the years 2010, 2011 and 2012. Further to TransCanada's request, the Régie, in its decision D-2011-144, ordered the confidentiality and non-disclosure of this information.
16. In the application before the Régie bearing file number R-3814-2012, HQD submitted in its evidence (HQD-5, Document 1, Schedule B (B-21)) the energy price (post-heritage costs) related to the Contracts for the years 2011, 2012 and 2013. Further to TransCanada's request, the Régie, in its decision D-2012-119, ordered the confidentiality and non-disclosure of this information.
17. In the application before the Régie bearing file number R-3854-2013, HQD submitted in its evidence (HQD-5, Document 1, Schedule A (B-20)) the energy price (post-heritage costs) related to the Contracts for the years 2012, 2013 and 2014. Further to TransCanada's request, the Régie, in its decision D-2013-148, ordered the confidentiality and non-disclosure of this information.

18. In the application before the Régie bearing file number R-3905-2014, HQD submitted in its evidence (HQD-6, Document 1, Schedule A (B-20)) the energy price (post-heritage costs) related to the Contracts for the years 2013, 2014 and 2015. Further to TransCanada's request, the Régie, in its decision D-2014-160, ordered the confidentiality and non-disclosure of this information.
19. In the application before the Régie bearing file number R-3933-2015, HQD submitted in its evidence (HQD-6, Document 1, Schedule A (Table A-1)) the energy price (post-heritage costs) related to the Contracts for the years 2014, 2015 and 2016. Further to TransCanada's request, the Régie, in its decision D-2015-153, ordered the confidentiality and non-disclosure of this information.
20. In the application before the Régie bearing file number R-3980-2016, HQD submitted in its evidence (HQD-6, Document 1, Schedule A (Table A-1)) the energy price (post-heritage costs) related to the Contracts for the years 2015, 2016 and 2017. Further to TransCanada's request, the Régie, in its decision D-2016-135, ordered the confidentiality and non-disclosure of this information.
21. In the present application, HQD is also submitting in its evidence (exhibit HQD-6, Document 1) application for approval of the 2018-2019 tariff application, including the anticipated cost of each of the post-heritage supply contracts for the years 2018 and 2019 (which includes the cost of the Contracts).
22. The grounds justifying the order of confidentiality and non-disclosure of the information mentioned in paragraphs 14 to 17 herein remain valid today.
23. TransCanada continues to require that all the information mentioned in paragraphs 13 and 21 be treated in strict confidence, for the reasons mentioned above.
24. I sign this affidavit in support of the application by HQD to obtain a confidentiality order prohibiting the disclosure, publication and dissemination of such information mentioned in this affidavit contained in exhibit HQD-6, Document 1 in the present tariff application for 2018-2019.

AND I HAVE SIGNED:



TERRY BENNETT

Solemnly affirmed before me, in Toronto
this 28 day of September, 2017



NOTARY PUBLIC