

QUÉBEC

NO : R-4058-2018 phase 2
Études PMF

RÉGIE DE L'ÉNERGIE

DEMANDE DE MODIFICATION DES TARIFS
ET CONDITIONS DES SERVICES DE
TRANSPORT D'HYDRO-QUÉBEC POUR
L'ANNÉE 2019

HYDRO-QUÉBEC
(ci-après le «Transporteur»)

Demanderesse

et

L'ASSOCIATION QUÉBÉCOISE DES
CONSOMMATEURS INDUSTRIELS
D'ÉLECTRICITÉ
(ci-après « AQCIE »)

et

LE CONSEIL DE L'INDUSTRIE FORESTIÈRE
DU QUÉBEC
(ci-après « CIFQ »)

Intervenants

**Requête pour traitement confidentiel de documents produits
par Pacific Economics Group Research, LLC (« PEG »)
(article 33 du *Règlement sur la procédure de la Régie*)**

1. PEG produit ce jour son rapport d'études PMF et statistiques comparatives intitulé « *Transmission Productivity and Benchmarking Study* ».

2. Tel que demandé par la Régie, PEG produit également divers documents de travail ou de support à l'appui de son rapport.
3. Parmi ces documents, il s'en trouve qui, de l'avis de PEG, doivent recevoir un traitement confidentiel.
4. Voici comment PEG expose la nature des documents en cause et les motifs de la demande :

« PEG's working papers include numerous files that we used in our productivity and benchmarking studies in this proceeding. We hereby request that the Regie declare some of these files to be confidential and accessible to other parties in this proceeding only upon signing a confidentiality agreement.

We specifically request confidential treatment for 1) U.S. government data that we have gathered and processed over the years on the operations of U.S. electric utilities and 2) data for two business condition variables (addressing forestation challenges and weather-related construction standards) which were developed by Power Systems Engineering in studies for utility clients in recent Ontario MRI proceedings. Here is the list of the confidential files involved:

- *Hwdata19(confidential).xls*
- *PEG TFP Calcs WP (Confidential).xlsx*
- *Tx Line Miles (Confidential).xlsx*
- *Supporting Calcs for Table 7 (Confidential).xlsx*
- *HQTDB (confidential).xlsx*
- *f1_substations_2009_db (confidential).xlsx*
- *f1_substations_2019_db (confidential).xlsx*
- *Substation Readme (Confidential).pdf*
- *SubstnDataProcessing (Confidential).pdf*
- *PEGBMdata (Confidential).xlsx*

Upon the conclusion of the proceeding we request that other parties destroy these data. We are not requesting confidential treatment of our various formulas or econometric research documents.

The reasons that we request confidentiality for these data are as follows.

- *Benchmarking and productivity research require many years of data on the operations of U.S. electric utilities. These data must either be gathered laboriously from FERC Form 1 reports or rented from commercial data vendors like SNL Financial. A subscription to use SNL data for one year costs around \$25,000. This fee is indicative of the market value of these data. Customers of such data vendors are expected to request confidentiality when the data are used in a regulatory proceeding such as this one. PEG has gathered its own data at great effort and believes that it can reasonably expect the same treatment.*

- *In addition to using data gathered for past projects, PEG gathered data for the 2017-19 period for this project. This work included development of indexes to compare the input price levels of sampled utilities in 2019, and the development of substation variables that we thought would improve the performance scores of Hydro-Quebec.*
 - *In Section 3.4 of our report, we discuss the benefits of beginning calculation of the capital quantity index many years before the start of the study period. We began calculation of our capital cost indexes in 1964, many years before the first year (typically around 1995) for which the requisite data for capital cost calculations are available from commercial vendors such as SNL. Our older capital data (from 1964 to 1995) were for the most part manually entered into our datasets from U.S. government documents. PEG has spent a great deal of time during this project reviewing and cleaning up these data.*
 - *Possession of such data permits a consultancy to offer a lower bid in competitive solicitations for new projects.*
 - *We will be paying Power Systems Engineering (“PSE”) for the rights to use forestation and construction standards variables that they developed for utilities in Ontario MRI proceedings. These variables improve the performance of HQT in our models. A great deal of effort went into the development of both variables. It is part of our understanding with PSE that these data will be available for examination only to parties who sign a confidentiality agreement.*
 - *Confidentiality agreements for statistical cost research like that which we are requesting are commonplace in Ontario and other jurisdictions that have MRI proceedings.*
5. PEG requiert que le caractère confidentiel des documents soit maintenu sans limite de temps.

Lévis, le 19 février 2021

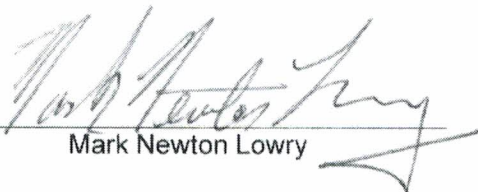


Me Pierre Pelletier, avocat
Procureur de l'AQCIE-CIFQ

**Déclaration assermentée à l'appui de la requête pour
traitement confidentiel de documents produits par PEG**


I, **Mark Newton Lowry**, being duly sworn, do depose and say:

1. I am the president of Pacific Economics Group Research, LLC.
2. All the facts recited in the "requête pour traitement confidentiel de documents produits par PEG" are true to my personal knowledge.



 Mark Newton Lowry


Sworn to before me,



 (name)
 a notary public

 on the 18th day of February 2021
 in MADISON, Wisconsin, USA
 (city)

Subscribed and sworn to before me, in
 my presence, the 18 day of FEB
2021 a Notary Public in and for the
 state of Wisconsin.



 (Signature)
 Notary Public
 My commission expires 04/24/2021

