Public Notice

Régie de l'énergie

APPLICATION CONCERNING GAZIFÈRE INC.'S REGULATORY YEAR-END CLOSING FOR THE PERIODS 1 JANUARY TO 31 DECEMBER 2019 AND 1 JANUARY TO 31 DECEMBER 2020, APPLICATION FOR APPROVAL FOR THE SUPPLY PLAN, AND APPLICATION FOR CHANGES TO GAZIFÈRE INC.'S RATES FROM 1 JANUARY 2021 AND 1 JANUARY 2022

FILE R-4122-2020

The Régie de l'énergie (the "Régie") will hold a public hearing to examine this application from Gazifère Inc. ("Gazifère").

The Régie intends to examine the application in five phases.

The first phase will focus primarily on the following topics: continuation of adjustments to the methodologies and practices approved for the purposes of a two-yearly file, rate of return, yield rates, sharing mechanism, capital structure and proposals for regulatory streamlining (phase 1A). This will be followed by an examination of depreciation rates, the method used to draw up development plans and the criteria used to analyze the cost-effectiveness of network extension projects, and the broadening of commercial programs (phase 1B).

The second phase will focus on the regulatory year-end closing for the period 1 January to 31 December 2019.

The third phase will focus on the 2021-2023 supply plan, the continuation of commercial programs, the purchasing strategy for emission allowances and the annual unit rate in order to ensure Gazifère's compliance with the cap-and-trade system for greenhouse gas emission allowances (SPEDE), rate changes beginning on 1 January 2021 and 1 January 2022, the revenue requirement for rate years 2021 and 2022, projects to extend and upgrade the network with a cost below the threshold of \$1,200,000, the strategy for buying and selling renewable natural gas (RNG) for 2021, the adjustment to the heat value for rate year 2021, and the allocation of costs to regulated and non-regulated activities.

The fourth phase will focus on the regulatory year-end closing for the period 1 January to 31 December 2020.

Last, phase 5 will focus on the updating of the revenue requirement to set the rates for 2022, the 2022-2024 supply plan, the carbon market unit rate for rate year 2022 (SPEDE), the RNG purchasing strategy for 2022, and the adjustment to the heat value for rate year 2022.

Currently, the Régie expects to deal with the topics in phases 1, 2 and 4 by consultation, while the examination of phases 3 and 5 will involve a public hearing.

Interested persons wishing to contribute to the examination must file an application for intervenor status in accordance with the *Rules of Procedure of the Régie de l'énergie* (the "Rules of Procedure") and the instructions issued by the Régie in its decision D-2020-051, by **12 noon on 28 May 2020**. They must state the nature of their interest and the manner in which they intend to intervene, and include for that purpose the topic-listing form (<u>Formulaire liste des sujets</u>) available on the website of the Régie.

As provided for in the guide to the payment of costs (*Guide de paiement des frais 2020*) (the "**Guide**"), interested persons who intend to file an application for the payment of costs must include a participation budget with their application for intervenor status, using the prescribed forms. At this stage, they must include with their application for intervenor status the budget for phases 1A and 1B.

The application filed by Gazifère, the Rules of Procedure, the Guide, the *Formulaire liste de sujets* and Decision D-2020-051 may be viewed on the website of the Régie (www.regie-energie.qc.ca).

Further information can be obtained by contacting the Régie by phone, fax or E-mail.

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