

**DEMANDE DE RENSEIGNEMENTS N° 4 DE LA RÉGIE DE L'ÉNERGIE (LA RÉGIE) SUR
LA DEMANDE DE MODIFIER LES TARIFS D'EMMAGASINAGE DE GAZ NATUREL
D'INTRAGAZ À COMPTER DU 1^{ER} MAI 2023**

AMORTISSEMENT – ÉTUDE DE CONCENTRIC ADVISORS

- 1. Références :**
- (i) Pièce [B-0069](#), p. 19, R-5.2.
 - (ii) Pièce [B-0069](#), p. 19, R-5.2.
 - (iii) Pièce [B-0069](#), p. 18, R-5.2.
 - (iv) Pièce [B-0013](#), p. 18.
 - (v) [Le plan pour une économie verte](#), p. 1 et 2.

Préambule :

(i) « *Given the imprecise nature of theoretical accumulated depreciation, it is not practical to prescribe corrective measures to address any variances arising from them. The variances may not be an accurate representation of how over depreciated or under-depreciated accounts are at the time of the study* ».

(ii) « *Reference (ii) refers to page 2-1 of the 2022 Concentric report where the scope focuses on the basis of the results, estimation of average service life, calculation of depreciation and a summary of results. Reference (iii) refers to pages II-12 and II-13 of the 2012 Concentric report where the scope allows for a discussion of the adequacy of the accumulated depreciation reserve with a variance calculation between theoretical and actual accumulated depreciation, in addition to the scope items in reference (ii). The overall variance is less than 5 % in the 2012 study.*

Although the overall variance between theoretical and actual accumulated depreciation exceeds 5 % in the 2022 study, no corrective action is prescribed at this time. A test of adequacy of the booked accumulated depreciation method assumes Intragaz uses group amortization methods, debits original costs of the year they were installed and credits accumulated depreciation. These were part of the assumptions going forward from the 2012 study. In fact, Intragaz's practice is to continue to use a unit basis of accounting where retirements are tracked individually and any variance between accumulated depreciation and original costs are recorded as gains and losses on disposal on the income statement. It also records partial retirements in the manner described in part (a) of this information requests, thus exaggerating the variances ».

(iii) « *The overall variance is due to a lower theoretical depreciation than what is booked. Theoretical cumulative amortization relies on the investment for each vintage year. In the case of Intragaz, a partial retirement is recorded as a new asset in the year it occurs and does not go back and adjust previous years' original costs. This has the effect of increasing the costs used to come up with theoretical accumulated depreciation in recent years but decreasing costs and theoretical accumulated depreciation in older vintages. The net effect is to underestimate total theoretical depreciation because older vintages have had a longer time since their year of installation and*

should have had higher theoretical depreciation. The more time between original investment and partial retirement, the greater the undercalculation of theoretical depreciation ».

(iv)

SCHEDULE 1. PRELIMINARY SUMMARY OF RECOMMENDED AVERAGE SERVICE LIFE ESTIMATES

ACCOUNT	DESCRIPTION	ORIGINAL COST DECEMBER 31, 2021	ACCUMULATED DEPRECIATION DECEMBER 31, 2021	NET BOOK VALUE	ESTIMATED SERVICE LIFE	AVERAGE AGE PLANT IN SERVICE	CALCULATED ACCUMULATED DEPRECIATION	VARIANCE IN DEPRECIATION	IS USE OF COMPARABLES APPROPRIATE?	PEER GROUP RANGE	RECOMMENDED
	(1)	(2)	(3)	(4) = (2) - (3)	(5)	(6)	(7)	(8) = (3) - (7)			
DEPRECIABLE PLANT											
14100	RIGHT OF WAY	2,750,548	1,581,929	1,168,619	40	23.4	1,609,434	(27,505)	Yes	45 - 100	40-SQ
14200	SITE PREPARATION AND ACCESS	1,625,787	810,156	815,631	40	21.8	885,817	(75,661)	No	45 - 75	40-SQ
14550	UNDERGROUND STORAGE	8,610,986	5,401,841	3,209,145	40	25.5	5,190,859	210,982	No	30 - 50	40-R4
14600	WELLS	60,406,988	30,544,015	29,862,972	40	18.9	27,699,795	2,844,220	Yes	40 - 55	40-R4
14600.5	WELLS ABANDONMENT ¹	5,892,075 ²	0	5,892,075	21.9	18.9	0	0	No		N/A
14620	WELL EQUIPMENT	3,002,654	1,848,975	1,153,679	30	6.6	635,616	1,213,358	No		30-R3
14630	WELL COMPLETION	13,347,434	4,935,546	8,411,888	40	14.8	4,941,370	(5,824)	No		40-SQ
14640	PIPELINES	7,423,727	4,524,508	2,899,219	40	25.1	4,450,163	74,344	Yes	30 - 70	40-R4
14660	WELL SITE PIPING	6,493,704	2,551,193	3,942,512	40	12.9	2,004,967	546,225	Yes	30 - 50	40-R4
14680	WATER REINJECTION PIPING	8,776	6,100	2,677	40	28.5	5,853	246	Yes	25 - 65	40-R4
14700	MECHANICAL AND STATION PIPING	6,750,007	3,646,205	3,103,802	40	21.2	3,395,713	250,492	Yes	20 - 45	40-R4
15100	BUILDINGS	4,287,202	1,528,136	2,759,066	40	19.1	1,961,276	(433,140)	Yes	25 - 70	40-R4
15120	ELECTRIC SYSTEM AND CABLING	2,025,202	1,174,808	850,394	40	23.4	1,110,386	44,422	Yes	25 - 40	40-R4
15600	COMPRESSION	23,264,321	13,481,519	9,782,801	30	13.9	9,493,947	4,187,572	Yes	25 - 40	30-R3
15620	DEHYDRATION EQUIPMENT	1,854,963	774,236	1,080,727	40	6.2	286,482	487,754	No		40-R4
15650	BOILERS	797,768	737,985	59,783	20	18.1	607,447	130,537	Yes	25 - 50	20-R4
16100	INSTRUMENTATION	2,471,928	1,737,141	734,787	20	17.7	1,378,676	358,466	Yes	25 - 40	20-L3
16200	CONTROL SYSTEMS - GAS AND FIRE DETECTION	1,038,791	1,022,637	16,154	10	17.1	971,031	51,605	Yes	20 - 50	10-R5
16900	TOOLS	470,563	427,631	42,931	10	19.9	425,529	2,103	Yes	7 - 15	10-SQ
17100	COMPUTER SYSTEMS	980,733	854,887	125,846	5	17.6	864,838	(9,951)	Yes	5 - 15	5-SQ
17300	OFFICE FURNITURE	185,556	66,872	118,685	7	13.5	182,131	(115,259)	Yes	10 - 20	7-SQ
17400	TRUCKS	353,000	259,205	93,795	6	11.3	237,093	21,912	Yes	5 - 11	6-L3
TOTAL DEPRECIABLE PLANT		154,044,713	78,115,324	75,929,389			68,338,424	9,776,899			
INTANGIBLE PLANT											
19051	INTANGIBLE ASSETS	1,903,859	1,612,253	291,606							
19101	INCORPORATION COSTS	0	0	0							
19201	GOODWILL	3,490,480	959,882	2,530,598							
TOTAL INTANGIBLE PLANT		5,394,339	2,572,135	2,822,204							
PLANT NOT STUDIED											
14051	LAND	1,113,240	0	1,113,240							
14070	CUSHION GAS	15,896,048	0	15,896,048							
19801	WORK IN PROGRESS	922,050	0	922,050							
19520	LONG TERM SPARE PARTS - COMPRESSORS	390,196	364,722	25,474							
TOTAL PLANT NOT STUDIED		18,321,534	364,722	17,956,812							
TOTAL PLANT		177,760,585	81,052,181	96,708,404							

(v) « Remplaçons notre consommation d'énergies fossiles importées par de l'énergie verte produite au Québec ».

Demandes :

- 1.1 En référence (i), veuillez préciser et élaborer sur « *the imprecise nature of theoretical accumulated depreciation* ».
- 1.2 À la référence (i), il est indiqué que l'écart décrit en référence (ii) n'est pas un bon indicateur permettant d'apprécier si des mesures correctives sont requises. Veuillez préciser quel indicateur devrait alors être utilisé ? Le cas échéant, veuillez élaborer sur les raisons pour lesquelles vous n'avez pas utilisé cet indicateur.
- 1.3 En référence (iii), Concentrics décrit la pratique comptable consistant à radier un actif résiduel et à le remplacer par un nouvel actif. Veuillez déposer la norme comptable applicable et élaborer sur le but de cette pratique comptable.
- 1.4 En complément à la question précédente, veuillez préciser si l'application de cette norme est de pratique courante dans l'industrie ?
- 1.5 Veuillez préciser si l'application de cette norme comptable est susceptible de produire un amortissement accéléré des actifs ?

- 1.6 En référence (v), le gouvernement du Québec précise qu'un des objectifs du *Plan pour une économie verte* est de réduire l'utilisation des combustibles d'origine fossile afin de diminuer les émissions de GES. Dans ce contexte, veuillez élaborer quant à la validité des durées de vie utiles indiquées à la colonne 5 de la référence (iv).