CANADA

PROVINCE DE QUÉBEC
DISTRICT OF MONTRÉAL

RÉGIE DE L'ÉNERGIE

R-4307-2025

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

AFFIDAVIT OF RYAN LAVERTY
TRANSCANADA ENERGY LTD.

I, the undersigned, **RYAN LAVERTY,** residing in Calgary, province of Alberta, do solemnly affirm as follows:

1. I am Director, Power & Energy Solutions Commercial of TransCanada Energy Ltd. **("TransCanada"),** which has a place of business at 450 – 1st Street S.W., Calgary, Alberta, T2P 5H1.

2. On June 10, 2003, TransCanada concluded an electricity supply contract with Hydro-Québec Distribution **("HQD"),** with regard to the TransCanada's power plant located in Bécancour (the **"Power Plant")** further to the HQD call for tenders A/O 2002-01 (the**"Contract").**[1]

3. On October 30 and November 30 of 2007, HQD and TransCanada concluded a Memorandum of understanding for the temporary suspension of production activities at the Power Plant (the **"Memorandum of Understanding")** and the Final Agreement (the **"Final Agreement"),** which were approved by the Régie de l'énergie (the **"Régie")** in file R-3649-2007.[2]

4. Subsequently, TransCanada concluded with HQD a Suspension Agreement on June 29, 2009 for the temporary suspension of electricity production activities at the Power Plant (the **"Suspension Agreement"),** which was approved by the Régie in file R-3704-2009.[3]

5. Finally, TransCanada concluded with HQD an agreement on December 20, 2013 to amend certain terms of the Suspension Agreement (the **"Amended Agreement"),** which was approved by the Régie in file R-3875-2014.[4]

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1 R-3515-2003: HQD-1, Document 3.

2 D-2007-134.

3 R-3704-2009: HQD-2, Document 1; D-2009-125.

4 R-3875-2014: HQD-1, Document 1; D-2014-086.

6. I have personal knowledge of the administration of the Contract, as amended by the Memorandum of Understanding, the Final Agreement, the Suspension Agreement and the Amended Agreement.

7. I sign this affidavit in support of the application by HQD to obtain a confidentiality order with respect to certain confidential information of TransCanada relating to the Contract, the Suspension Agreement and the Amended Agreement and relative costs relating to the suspension, which appears notably in Schedule A (Table A-1) and Schedule F (Table-F.1) of exhibit HQD-2, Document 1 submitted to the Régie in this present application for approval of the 2026-2027-2028 tariff application corresponding to the annual fixed costs anticipated in the Contract, on a discounted and updated basis – as well as the forecasted costs of the suspension from 2014 to 2026 – also on a discounted and updated basis, which relates to the details of compensation calculations to be paid to TransCanada under the Suspension Agreement.

1. CONTEXT

File R-3515-2003

8. On June 10, 2003, HQD and TransCanada concluded the Contract, which was approved by the Régie.[5] Section 42 of the Contract provides that certain information, including information appearing in or referred to in section 16, in Appendix II (items 1(ii) and (iv), 2(ii) and (iv) and 3(ii) and (iv)) and in Appendix VI of the Contract, shall be treated confidentially.

9. In file R-3515-2003, TransCanada requested and obtained from the Régie the confidential treatment of certain information and provisions contained in the Contract,[6] namely section 16.1 (Amount for capacity), section 16.1.1 (Nominal price for capacity), section 16.1.2 (Capacity price formula), section 16.2 (Price for eligible energy), section 16.3 (Amount for energy made available), section 16.7 (Heat rate referred to in paragraph a)), section 16.8 (Deliveries associated with additional capacity) and Appendix VI (Components of electricity price formula) (D-2003-146).

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5 R-3515-2003: D-2003-159.

6 R-3515-2003: HQD-1, Document 3.1; D-2003-146.

File R-3649-2007

10. On October 30 and November 30 of 2007, HQD and TransCanada concluded the Memorandum of Understanding and the Final Agreement which were approved by the Régie in file R-3649-2007.[7]

11. In file R-3649-2007, TransCanada requested confidential treatment of certain information contained in the Memorandum of Understanding and the Final Agreement. [8]

12. On November 12, 2007, the Régie granted this request for confidential treatment[9] of the following documents, among others:

    a) as for the Contract (Exhibit HQD-1, Document 3): the contents of sections 16.1, 16.3 and 16.8 as well as the heat rate referred to in paragraph a) of section 16.7 of the Contract and the content of Appendix VI of the Contract (Components of electricity price formula);

    b) as for the Memorandum of Understanding (Exhibit HQD-1, Document 1 and its French equivalent, Exhibit HQD-1, Document 2): section 15 (Payment amount for the capacity), sections 16 and 17 (Payment relating to energy), sections 18 to 21 (Replacement steam production), section 23 (Credit granted by TransCanada to HQD for the unutilized firm transportation in the TCPL network with respect to the Power Plant), sections 26 b), c) and e) (Reimbursement of Gaz Métro distribution rate increase), section 28 (Rights of substitution) and section 30 (Lay-up and re-commissioning costs of the Power Plant).

13. On May 30, 2008, the Régie upheld this confidentiality order in the context of a request for a revocation order in decisions D-2007-127 and D-2007-134.[10]

File R-3673-2008

14. On July 2008, HQD asked the Régie in file R-3673-2008 to approve the extension for the year 2009 of the temporary suspension of electricity production at the Power Plant, according to the option provided for this purpose in the Memorandum of Understanding and the Final Agreement.[11]

15. In file R-3678-2008, TransCanada applied to maintain the confidentiality of the information which had been the subject of decision D-2007-127.[12]

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7 D-2007-134.

8 R-3649-200: Exhibits C-6.2 and C-6.3, TransCanada confidentiality request.

9 D-2007-127.

10 D-2008-062, pages 5 to 14.

11 R-3673-2008: Exhibit B-I, HQD-Demande.

12 R-3673-2008: Exhibits C-3.1, C-3.3 and C-3.5, TransCanada confidentiality request.

16. On August 15, 2008, after having requested and received representations from the interested parties, the Régie granted this request for confidential treatment of the information that had been the subject of decision D-2007-127.[13]

File R-3704-2009

17. On June 29, 2009, HQD and TransCanada concluded the Suspension Agreement. Sections 42 to 45 of the Suspension Agreement provide for the confidential treatment of "confidential information" as defined in the Suspension Agreement.

18. On July 2, 2009, HQD applied to the Régie for approval of the Suspension Agreement. [14]

19. In file R-3704-2009, TransCanada applied to maintain the confidentiality of certain information that had been the subject of decisions D-2003-146, D-2007-127 and D-2008-106.[15]

20. On October 8, 2009, after having requested and received representations from the interested parties, the Régie granted this request for confidential treatment of the TransCanada information.[16]

File R-3740-2010

21. In tariff file R-3740-2010, the Régie issued a request for information[17] to HQD relating to the Contract and the Suspension Agreement, with particular respect to:

    a) the anticipated cost of each post-heritage supply contracts for the years 2009, 2010, and 2011 (which includes the cost of the Contract);

    b) pursuant to decision D-2007-134 in file R-3649-2007, to provide confidential details of the compensation calculations to be paid to TransCanada provided under sections 25 and 26 of the Final Agreement with respect to the Gaz Métro tariff modifications.

22. On December 3, 2010, after having received representations from the interested parties, the Régie granted this request for confidential treatment of TransCanada information.[18]

R-3875-2014

23. On December 20, 2013, HQD and TransCanada concluded the Amended Agreement. For the record, sections 42 to 45 of the Suspension Agreement provide the confidential treatment of "confidential information" as defined in the Suspension Agreement.

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13 D-2008-106.

14 R-3704-2009: HQD-Demande.

15 R-3704-2009: Exhibit C-1.1, TransCanada confidentiality request.

16 D-2009-125, paragraphs 1 to 7.

17 R-3740-2010: Exhibit A-4, Request for information n° 1 from the Régie, question 22, pages 22-23.

18 D-2010-151.

24. On February 5, 2014, HQD applied to the Régie for approval of the Amended Agreement.[19]

25. In file R-3875-2014, TransCanada applied to maintain the confidentiality of certain information that had been subject to decisions D-2003-146, D-2007-127, D-2008-106, D-2009-125, D-2010-151, D-2011-144, D-2012-119 and D-2013-148.[20]

26. On February 26, 2014, the Régie granted this request for confidential treatment of TransCanada information (D-2014-029).

HQD Tariff Applications

27. In its tariff applications R-3776-2011, R-3814-2012, R-3854-2013, R-3905-2014, R-3933-2015, R-3980-2016, and R-4011-2017 HQD submitted to the Régie the anticipated costs of each post-heritage supply contracts for the years 201O to 2019, inclusively (which includes the cost of the Contract). Further to decisions D-2011-144, D-2012-119, D-2013-148, D-2014-160, D-2015-153,D-2016-135, D-2017-121, D-2018-140 and D-2025 the D-2025-088 Régie granted the requests for confidential treatment of the TransCanada information.

II. SUSPENSION OF THE POWER PLANT ACTIVITIES FOR THE YEARS 2010 TO 2018, AND UP TO THE END OF THE INITIAL TERM OF THE CONTRACT

28. In the applications before the Régie bearing file numbers R-3734-2010, R-3765-2011, R-3803-2012, R-3850-2013, and R-3875-2014, HQD submitted to the Régie applications for the approval of the suspension of energy production activities at the Power Plant for the years 2011 to 2018, inclusively. In decisions D-2010-127, D-2011-110, D-2012-118, D-2013-129, and D-2014-086, the Régie approved HQD's applications.

29. In the application before the Régie bearing file number R-3925-2015, HQD submitted to the Régie an application for the approval of an agreement for the use of the Power Plant in Peak Supply periods. As a part of that application, HQD requested approval to extend the suspension of the Power Plant on an annual basis at the option of HQD up until the end of the initial term of the Contract without requiring further approval of the Régie. In decision D-2015-179, the Régie approved HQD's application in that particular respect.

III. SUBJECT OF THE CONFIDENTIALITY REQUEST

30. In accordance with the previous decisions on the subject, TransCanada hereby respectfully requests that the Régie uphold the order for the confidentiality, protection and non-disclosure to any person, other than the Régie, of certain information contained in the following provisions of the Contract, the Suspension Agreement and the Amended Agreement:

a) as for the Contract:

(i) the content of sections 16.1, 16.2, 16.3 et 16.8 as well as the heat rate referred to in paragraph a) of section 16.7 of the Contract;

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19 R-3875-2014: HQD-Demande (B-1).

20 R-3875-2014, TransCanada confidentiality request (B-6).

(ii) the content of Appendix VI of the Contract - components of electricity price formula;

b) as for the Suspension Agreement:

(i) Section 13 (Continued Capacity Payment);

(ii) Sections 4 to 16 (Energy Payment);

(iii) Sections 18, 19 and 21 (Replacement Steam Production);

(iv) Section 24 (Credit granted by TransCanada to HQD for the unutilized firm transportation on the TCPL network with respect to the Power Plant);

(v) Sections 25 and 26 (Indemnification of Gaz Métro gas distribution tariff costs of Gaz Métro, including the calculation of indemnities payable to TransCanada with respect to the Gaz Métro rate changes);

(vi) Section 29 (Substitution Rights);

(vii) Sections 32 and 34 to 36 (Lay-Up and Re-commissioning Costs);

(viii) Appendix 3, paragraph 1 (ESC provisions to be adjusted after re-commissioning period);

(ix) Appendix 3, paragraphs 2 to 4 (ESC provisions to be adjusted after re-commissioning period);

c) as for the Amended Agreement:

(i) Preamble, Paragraph E (Volume of unutilized firm transportation on the TCPL system in regards to the power plant (the "Unutilized Transportation"));

(ii) Part B, Section 24 of the Agreement as amended (Volumes of firm transportation and Unutilized Transportation; credit granted to HQD by TransCanada for Unutilized Transportation and details of the formula; use by TransCanada of all or part of the Unutilized Transportation and credit granted to HQD by TransCanada in connection thereof);

(iii) Part C, Article 1, Section 1 (Potential use by TransCanada of all or part of the Unutilized Transportation and date related to the exercise of the Supplier's Option);

(iv) Part C, Article 1, Section 2 (Date related to the exercise of the Supplier's Option);

(v) Part C, Article II, Paragraph 1(b) (Date related to the Payment Relief Date);

(vi) Part C, Article II, Paragraph 2(b) (Volume of Unutilized Transportation);

(vii) Part C, Article III, Section 2 (Provision regarding the extension or renewal of the TCPL Contract for the Steam Transport);

(viii) Part C, Article III, Section 4 (Provision regarding New Transmission Arrangements);

as well as any aggregated or disaggregated information that may allow for the identification of such confidential information.

31. In the present HQD application, TransCanada requests to maintain the confidentiality of the confidential information relating to the Contract, the Suspension Agreement and the Amended Agreement and relative costs relating to the suspension, which appears notably in in Schedule A (Table A-1) and Schedule F (Table-F.1) of exhibit HQD-2, Document 1 submitted to the Régie in this present application for approval of the 2026-2027-2028 tariff application corresponding to the annual fixed costs anticipated in the Contract, on a discounted and updated basis – as well as the forecasted costs of the suspension from 2014 to 2026 – also on a discounted and updated basis, which relates to the details of compensation calculations to be paid to TransCanada under the Suspension Agreement.

This information flows from the provisions of the Contract, the Suspension Agreement and the Amended Agreement and have been protected by the Régie on an ongoing basis in the past.[21]

IV. GROUNDS FOR THE CONFIDENTIALITY REQUEST BY TRANSCANADA

32. Information mentioned in paragraphs 30 and 31 of the TransCanada request for non-disclosure is industrial, financial, commercial and technical information of a confidential nature habitually treated as confidential information by TransCanada.

33. As mentioned above, the Régie has prohibited on an ongoing basis in the past the disclosure, publication and dissemination of information mentioned in paragraphs 30 and 31_22

34. The disclosure of this information would be in clear infringement of the Régie[23] decisions and would harm evidence already in the above mentioned files.[24]

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21 D-2003-146, D-2007-127, D-2008-106 D-2009-125, D-2010-151, D-2011-144, D-2012-118, D-2012-119, D-2013-148, D-2014-029, D-2014-160, D-2015-153, D-2016-135 and D-2017-121, D-2018-140 and D-2025-088.

22 See note 21.

23 See note 21.

35. More particularly, under section 42 of the Contract and sections 45 to 48 of the Suspension Agreement, all information mentioned in paragraphs 30 and 31 of the TransCanada request for non-disclosure are defined as "confidential information", whose disclosure or communication is prohibited.

36. This information shows the project development strategy of TransCanada, its business and operation strategies and its cost and price structures. The disclosure would cause certain harm to TransCanada, procure considerable benefits to its competitors and risk substantial harm to its competitiveness.

37. This information is also likely to show certain technical characteristics of the Power Plant, including its heat rate value and seasonal efficiency. From this information, one could infer information on the price structure of the Power Plant, the project development strategies of TransCanada, its business and operation strategies and its cost and price structures.

38. Most particularly, the information contained in sections 13 to 16, 24 to 26 and in paragraphs 2 to 4 of Appendix 3 of the Suspension Agreement relate to the price for capacity and energy under the Contract and the credit granted by TransCanada to HQD for the firm transportation. Disclosure of this information would give indications to competitors and other potential clients of TransCanada on its project development strategy and cost and price structure. This disclosure would procure considerable benefit to competitors of TransCanada and adversely affect its competitiveness with respect to other projects. As mentioned above, the Régie has prohibited on an ongoing basis in the past the disclosure, publication and dissemination of this information.[25]

39. The information appearing in sections 18, 19 and 21 of the Suspension Agreement relates to the replacement steam production costs for the steam client of TransCanada. Disclosure of this information would provide indications to competitors and other potential clients of TransCanada on its project development strategy and its cost and price structures, thus reducing the competitive margin of TransCanada with respect to other projects. The Régie has prohibited on an ongoing basis in the past the disclosure, publication and dissemination of this information.[26]

40. The information appearing in section 29 of the Suspension Agreement relates to the right of substitution of TransCanada with respect to the electricity production under section 7.5 of the Contract and the replacement electricity rate that TransCanada may implement outside Québec. Disclosure of this information would give indications to competitors of TransCanada on its electricity production substitution strategy and capacity. This disclosure would procure considerable advantage to competitors of TransCanada and reduce its competitive margin with respect to the access to

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24 R-3515-2003, R-3649-2007, R-3673-2008, R-3704-2009, R-3740-2010, R-3776-2011, R-3814-2012, R-3854-2013, R-3875-2014, R-3905-2014, R-3933-2015, R-3980-2016 and R- 4011-2017, R-4270-2024.

25 See note 21.

26 See note 21.

interconnections. The Régie has prohibited on an ongoing basis in the past the disclosure, publication and dissemination of this information.[27]

41. The information appearing in sections 32 and 34 to 36 of the Suspension Agreement relates to the lay-up and re-commissioning costs of the Power Plant as well as the price for capacity and energy under the Contract. Disclosure of this information would provide indications to competitors and other potential clients of TransCanada on its project development strategy and its cost and price structures. This disclosure would procure considerable advantage to competitors of TransCanada and adversely affect its competitiveness with respect to other projects. The Régie has prohibited on an ongoing basis in the past the disclosure, publication and dissemination of this information.[28]

42. The information appearing in Schedule 3, paragraph 1 of the Suspension Agreement relates to replacement major maintenance years for the Power Plant. This information is likely to show certain technical characteristics of the Power Plant, including its performance and efficiency. From this information, one could infer information on the price structure of the Power Plant, the project development strategies of TransCanada, its business and operation strategies and its cost and price structures. The Régie has prohibited on an ongoing basis in the past the disclosure, publication and dissemination of this information.[29]

43. The information of the Amended Agreement describes:

a) in paragraphs 30.c)(i) and 30.c)(ii) above relating to the volume of unutilized firm transportation, price structure under the Contract and credit granted by TransCanada to HQD for the firm transportation. Disclosure of this information would give indications to competitors and other potential clients of TransCanada on its project development strategy and its costs and price structures. This disclosure would therefore procure considerable advantage to competitors of TransCanada and adversely affect its competitiveness with respect to other projects;

b) in paragraphs 30.c)(iii) and 30.c)(iv) above relating to the terms and conditions relative to the exercise of the option, volume of unutilized firm transportation and potential volumes of firm transportation by TransCanada. Disclosure of this information would give indications to competitors and other potential clients of TransCanada on its project development strategy, business and operation strategies, cost and price structures, and quantity of unutilized firm transportation, thus adversely affecting the competitiveness of TransCanada with respect to other projects. The disclosure would cause certain harm to TransCanada, procure competitors considerable benefit and risk substantially reducing its competitive margin;

c) in paragraphs 30.c)(vii) and 30.c){viii) above relating to the renewal period of the firm transportation contract and the reactivation of the Power Plant. Disclosure of

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27 See note 21.

28 See note 21.

29 See note 21.

this information would give indications to competitors and other potential clients of TransCanada on its project development strategy and cost and price structures, thus adversely affecting the competitiveness of TransCanada with respect to other projects;

as mentioned above, the Régie has prohibited on an ongoing basis in the past the disclosure, publication and dissemination of this information.[30]

44. On these grounds, TransCanada applies to the Régie to grant the present confidentiality request and the prohibition of the disclosure, publication and dissemination of the information and documents mentioned above in paragraphs 30 and 31.

45. All the facts contained in the present affidavit are true.

AND I HAVE SIGNED:

Ryan Laverty

Solemnly affirmed before me, in Calgary,
Alberta this 6th day of October, 2025

Kara Levis, Barrister & Solicitor
Notary Public in and for the Province of Alberta

30 See note 21.