

## **5. LOAD-BALANCING**

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### **5.1 DISTRIBUTOR'S SERVICE**

#### **5.1.1 APPLICABILITY**

For the customer who wishes to purchase from the distributor, in whole or in part, the load-balancing service needed to manage on a daily basis the natural gas he withdraws at his facilities.

#### **5.1.2 LOAD-BALANCING TARIFF**

The load-balancing price may be periodically adjusted to reflect the actual cost of load-balancing tools.

##### **5.1.2.1 Price for Distribution Tariff D<sub>1</sub> Customers**

For each m<sup>3</sup> of volume withdrawn, the unit price, as of October 1, 2008, is 4.695¢/m<sup>3</sup>.

Notwithstanding the above, a Distribution Tariff D<sub>1</sub> customer who opts out of the distributor transportation service in accordance with Article 10.3 is subject to the load-balancing price stipulated in Article 5.1.2.2 below.

##### **5.1.2.2 Price for other Distribution Tariff Customers**

For each m<sup>3</sup> of volume withdrawn, excluding "Competitive Make-up Gas" and "Make-up Gas to Avoid an Interruption" volumes, the unit price in ¢/m<sup>3</sup>, as of October 1, 2008, is calculated as follows:

$$\frac{192.9 \times (P - W) + 1,317.9 \times (W - A)}{\text{Annual Volume}}$$

Where **A:** Annual Average Daily Load

**W:** Winter Average Daily Load

**P:** Daily Peak Load

The calculation of the A, W and P parameters are provided in Article 5.1.3. For D<sub>5</sub> Distribution Service customers, the A, W and P parameters used in the formula are modified to take account of the interruption days.

The price cannot however be less than -3.601¢/m<sup>3</sup> nor greater than 7.259¢/m<sup>3</sup>.

Subject to Articles 5.1.2.3 and 5.1.2.4, the price established as of October 1 is applicable for the following 12 months.

##### **5.1.2.3 Average Price**

Article 5.1.2.2 does not apply in the following situations:

- a new customer at an existing service address or a customer whose service address is newly connected to the natural gas distribution network after October 1, 2008;
- an existing customer as of October 1, 2008 but that has less than 12 months of past history as of October 1;
- an existing customer as of October 1, 2008 whose consumption is 0 m<sup>3</sup> for the last 12 months;

- an existing combined tariff customer as at October 1, 2008 whose interruptible service consumption is 0 m<sup>3</sup> for the last 12 months.

For each m<sup>3</sup> of volume withdrawn, these customers will be subject to an average unit price based on their distribution tariff and, if applicable, the interruptible tariff category in accordance with the following table as of October 1, 2008:

<b>Distribution Tariff</b>	<b>Price ¢/m<sup>3</sup></b>
D <sub>M</sub>	1.833
D <sub>3</sub>	0.226
D <sub>4</sub>	0.307
D <sub>5</sub> – Category A	-1,325
D <sub>5</sub> – Category B	1.312

#### 5.1.2.4 Contract Change

The load-balancing price will be revised during the year, following any contract change to the distribution D<sub>5</sub> service: Interruptible, resulting in a sub-tariff or category change or if the customer transfers from firm service to interruptible service and vice versa.

The price will be evaluated in accordance with the terms and conditions set forth in Articles 5.1.2.1 to 5.1.2.3, if applicable, based on the volume of the 12 months preceding October 1, 2008.

#### 5.1.2.5 Load-Balancing Service Settlement

A load-balancing service settlement is billed when:

- a) a customer ceases to use the distributor's load-balancing service. The settlement is calculated at the moment he ceases to use the distributor's service as follows:
  - i) price based on volume of 12 months preceding the cessation of service, in accordance with Article 5.1.2.2, multiplied by the volume of the 12 months preceding the cessation; less
  - ii) total amounts billed for load-balancing during the 12 months preceding the cessation.
- b) a customer subject to Articles 5.1.2.2 and 5.1.2.3 requests settlement. The settlement is calculated as of September 30, 2009 as follows:
  - i) price based on volume of last 12 months, in accordance with Article 5.1.2.2, multiplied by the volume of the last 12 months; less
  - ii) total amounts billed for load-balancing during the last 12 months.

To avail himself of this option, the customer must have, at the time of the settlement calculation, 12 months history and consumption of more than 0 m<sup>3</sup> for the last 12 months.

The request must be sent to the distributor in writing before October 1, 2008. The customer then remains subject to the load-balancing service settlement for a minimum of 3 years. Similarly, if the customer withdraws from this option, he must wait another 3 years to avail himself of it.

For any customer subject to Article 5.1.2.2 who requests a settlement, a load-balancing service settlement will be billed based on the volume of the 12 months preceding October 1, 2008, in accordance with Article 5.1.2.2, in the case of a debit balance only.

### 5.1.3 CALCULATION OF PARAMETERS

#### 5.1.3.1 Parameters for Distribution Tariffs D<sub>M</sub>, D<sub>3</sub> and D<sub>4</sub>

$$A = \frac{\text{Volume of Last 12 Months}}{\text{No. Days of Last 12 Months}}$$

$$W = \frac{\text{Volume of Winter Months}}{\text{No. Days of Winter Months}}$$

$$P = \text{Maximum Daily Load of Winter Months}$$

For customers without daily readings, the maximum daily load of winter months is estimated as follows:

$$P = (\text{MaxDL}) \times \text{multiplier}$$

Where MaxDL = Maximum of average daily load for each of the winter months

Where multiplier =  $2.1 - (1.1 \times A \div \text{MaxDL})$ , minimum = 1

### 5.1.3.2 Parameters for Distribution Tariff D<sub>5</sub> Customers

Parameters **A**, **W** and **P** are modified as follows to consider interruption days:

$$A = \frac{\text{Volume of Last 12 Months}}{\text{No. Days of Last 12 Months}} \times \frac{(\text{No. Days of Last 12 Months} - \text{MaxD})}{(\text{No. Days of Last 12 Months} - \text{ActualD})}$$

$$W = \frac{\text{Volume of Winter Months}}{\text{No. Days of Winter Months}} \times \frac{(\text{No. Days of Winter} - \text{MaxD})}{(\text{No. Days of Winter} - \text{ActualD})}$$

$$P = \text{Maximum Daily Load of Winter Months} \times \text{Maximum} \left[ \frac{(74 - \text{MaxD})}{74}; 0 \right]$$

Where **MaxD** = Maximum number of interruption days referred to in Article 7.4.6

Where **ActualD** = Actual number of interruption days of last 12 months of billings

Volumes withdrawn under "Competitive Make-up Gas" service or "Make-up Gas to Avoid an Interruption" service are not considered in the parameters calculations.

## 5.1.4 VOLUME TRANSPOSITION

For customers subject to the load-balancing price stipulated in Article 5.1.2.2, who supply the distributor with the natural gas or "Seasonal Make-up Gas" they withdraw at their facilities, or who have entered into, with the distributor, an agreement of fixed-price supply provided by a specific supplier, the calculation of the load-balancing price is based on a transposed load profile determined as follows:

$$TL = L + TUD - DCV$$

Where **TL** = Transposed Load (monthly or daily, as the case may be);

**L** = Load (monthly or daily, as the case may be);

**TUD** = Theoretical Uniform Delivery (sum of the DCVs of last 12 months  $\div$  no. days of last 12 months having a DCV);

**DCV** = Daily Contract Volume (including "Seasonal Make-up Gas", as applicable).

The TUDs and DCVs are calculated on a monthly basis for customers without daily readings.

## 5.1.5 TERMS AND CONDITIONS

### 5.1.5.1 Notice of Entry

The customer who wishes to avail himself of the distributor's load-balancing service must provide the distributor with at least 60 days' advance written notice thereof. Notwithstanding the required advance notice, the customer would be able to avail himself of the distributor's load-balancing service only if it were possible for the distributor to provide it.

### 5.1.5.2 Notice of Withdrawal

The customer who wishes to opt out of the distributor's load-balancing service, in order to provide the full service himself, must provide the distributor with at least 60 days' advance written notice thereof. The customer who fails to provide the required notice would be able to opt out of the distributor's load-balancing service only if it were possible for the distributor to agree to it.

### **5.1.5.3 Contract Term**

The term for load-balancing service contracts must be a minimum of 12 months, except for make-up gas service contracts for which the contract term may be less than 12 months

## **5.2 CUSTOMER-PROVIDED SERVICE**

### **5.2.1 APPLICABILITY**

For the customer who wishes to provide the distributor, in whole or in part, with the load-balancing service needed to manage on a daily basis the natural gas he withdraws at his facilities. The customer who wishes to provide his full load-balancing service shall agree to deliver to the distributor each day a volume (DCV) equal to his load for that same day; the terms and conditions relative to volume imbalances stipulated under the "Customer-Provided Service" section under Supply Service shall apply.

### **5.2.2 TARIFF**

#### **5.2.2.1 Service Price**

The customer shall not be billed for the price of the load-balancing service he provides for himself in whole or in part.

### **5.2.3 TERMS AND CONDITIONS**

#### **5.2.3.1 Notice of Entry**

The customer who wishes to provide his full load-balancing service must provide the distributor with at least 60 days' advance written notice thereof. The customer who fails to provide the required notice would be able to provide full load-balancing service only if it were possible for the distributor to agree to it.