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# **Request for Information No. 24-004**

## **Supply of Renewable Natural Gas**

October 2024

**NOTICE TO RESPONDENTS**

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**Request for information: 24-004**

**Issued on: Thursday, October 17, 2024**

**Response submission deadline: Thursday, November 7, 2024, at 5 p.m. EST**

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**For additional information:**

**Email:** [aognr@energir.com](mailto:aognr@energir.com)

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## INSTRUCTIONS TO RESPONDENTS

### **1. INTRODUCTION**

Énergir, L.P. (“Énergir”) owns and operates the largest natural gas distribution system in Quebec and has an exclusive right to distribute natural gas in Quebec.

To date, Énergir has delivered volumes of renewable natural gas (hereinafter “RNG”) to meet the 2% RNG delivery target for 2023 fiscal year<sup>1</sup> established by the *Regulation respecting the quantity of renewable natural gas to be delivered by a distributor*<sup>2</sup> (hereinafter the “Regulations”). In addition, Énergir has contracted almost all the RNG volumes equivalent to the 5% delivery target for the 2025 fiscal year.

Under the Regulations, Énergir is required to deliver 7% of its actual natural gas volumes in RNG during its fiscal year starting on October 1, 2028, and 10% of its actual natural gas volumes in RNG during its fiscal year starting on October 1, 2030.

Since 2019, Énergir has launched requests for proposals process on an annual basis. To date, Énergir has met the targets set in its requests for proposals by contracting the planned volumes of RNG.

For clarity, RNG is natural gas produced from non-fossil organic matter degraded through biological processes, including anaerobic digestion, or through thermochemical processes, including gasification.

### **2. PURPOSE:**

- 2.1. Énergir is launching this Request for Information 24-004 (hereinafter the “RFI”) to obtain information on RNG production projects, whether in operation, under construction or under development.
- 2.2. Projects submitted by respondents will be analyzed by Énergir. Following this RFI, Énergir reserves the right to issue, or not, a request for proposals on invitation.
- 2.3. Énergir wishes to evaluate projects that will be ready for a first delivery **no later than October 1, 2026.**

### **3. MANDATE AND CONTENT OF THE REQUEST FOR INFORMATION**

Respondents must complete the RFI response form, “Respondent Form,” included in Appendix 1, taking into account the requirements and information to be considered set out in Section 4 of this document. The form includes the following tabs:

- 3.1. Respondent Information tab  
Respondent contact information, experience and a brief description of the company must be documented in this tab.

This tab should only be completed once by the respondent, regardless of the number of projects submitted.

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<sup>1</sup>Énergir’s rate year begins on October 1 of the current year and ends on September 30 of the subsequent year.

<sup>2</sup> c. R-6.01, r.4.3

### 3.2. Project tabs

The project tab is intended to collect the specific characteristics of a project such as its location, type of main feedstocks and carbon intensity. A questionnaire to assess project progress is also included.

This tab also includes a price schedule to document the characteristics proposed by the respondent to Énergir, including price, contract duration and volumes.

The price schedule is scalable based on the number of variants the respondent wishes to submit for each project. Each project corresponds to a production site or a group of production sites whereas the variants correspond to combinations of price, contract durations and volumes.

Énergir encourages respondents to submit multiple variants for the same project, especially in terms of contract durations and volumes sold to Énergir.

Énergir has provided several project tabs to enable respondents to submit multiple projects to the RFI.

## **4. REQUIREMENTS AND INFORMATION TO CONSIDER**

- 4.1. For a delivery of RNG in Énergir's network, the RNG must meet the composition and calorific value criteria set out in Appendix 2 of this request.
- 4.2. For RNG deliveries outside of Énergir's network, the RNG must meet the composition and calorific value criteria of the gas distributor who claims jurisdiction.
- 4.3. Énergir's core commercial clauses in its RNG contracts are set out in Appendix 3 and will need to be considered by respondents in their responses to the RFI.
- 4.4. The information and specifications of the Out-of-Quebec projects provided by the respondents will have to take into account the delivery of volumes into Énergir's distribution system through an off-grid delivery point, as specified in Appendix 4. Among other things, the proposed price will include transportation costs between the RNG production site(s) and the delivery point chosen by the respondent.
- 4.5. Respondents can submit a response to Énergir with different contract durations, up to a maximum of 20 years.

- 4.6. The first delivery date for each project submitted in the response must be no later than October 1, 2026.
- 4.7. The respondents can adjust volumes based on the expected injection start date.
- 4.8. The carbon intensity provided in the RFI response is indicative and is preferably calculated with the model published by the Canadian government under the Clean Fuels Regulation ("CFR") using the OpenLCA tool<sup>3</sup>.
- 4.9. The price quoted shall be the price that would be paid by Énergir for each unit of RNG delivered at the delivery point, including environmental attributes and the transport, in \$CAD/GJ or \$US/GJ as set out in Appendix 3.
- 4.10. This RFI and the responses that will be provided by respondents are not intended to be binding on the parties. The exchange of information with this RFI shall not be construed as a promise to enter into any contract or other agreement of any kind.

**5. REQUEST FOR INFORMATION RESPONSE SUBMISSION**

The response must be sent by submitting the Respondent Form, in accordance with Section 3 of this document, to the email address provided below by November 7, 2024, at 5:00 p.m. EST.

Email: [aognr@energir.com](mailto:aognr@energir.com)

**6. QUESTIONS AND CLARIFICATIONS**

Any questions or requests for clarification should be sent in writing to [aognr@energir.com](mailto:aognr@energir.com) no later than October 31, 2024. Énergir reserves the right to agree to respond, or not, to questions and requests for clarification received after the aforementioned deadline.

Responses to questions or requests for clarification will be sent directly to the requester via email and general responses will be posted on the following web page: [Request for information – RNG | Énergir \(energir.com\)](#)

**7. MILESTONES**

The table below outlines the major milestones envisaged for the RFP at this stage.

<b>Request for Information</b>	
Initiation of request for information	October 17, 2024
Deadline for submitting questions	October 31, 2024
Response submission deadline	November 7, 2024, at 5:00 p.m. EST
Response analysis and request for additional information	November / December 2024

**8. CONFIDENTIALITY**

The respondent shall allow Énergir to use their response and associated documents for internal purposes,

<sup>3</sup> [Fuel Life Cycle Assessment Model - Canada.ca](#)

subject to maintaining of their confidentiality. Énergir may use the responses or other documents submitted within the scope of its representations to the Régie de l'énergie while maintaining confidentiality and in a depersonalized manner.

Énergir provides a confidentiality agreement to respondents (Appendix 5). Énergir leaves it to the respondent's discretion to sign this confidentiality agreement. If the respondent wishes to enter into this agreement before submitting their proposal, they must return the signed document to [aognr@energir.com](mailto:aognr@energir.com) within at least a week of the targeted submission date.

**APPENDIX 1**  
**RESPONDENT FORM**

See the attached Excel file



**APPENDIX 2**

**PRESSURE, COMPOSITION AND CALORIFIC VALUE CRITERIA OF THE RENEWABLE NATURAL GAS DELIVERED BY THE PRODUCER TO ÉNERGIR'S NETWORK<sup>4</sup>**

**Continuously monitored parameters**

Parameter	Unit	Requirements
Temperature	°C	Depending on the injection point
Pressure	kPa	Depending on the injection point
Gross heating value	MJ/m <sup>3</sup>	≥ 36
Relative density		≤ 0.583
Wobbe Index	MJ/m <sup>3</sup>	≥ 47.23
Yellowness Index		≥ 0.86
Weaver Index		≤ 0.05
Hydrocarbon dew point	°C	≤ -10
Carbon dioxide (CO <sub>2</sub> )	% vol	≤ 2
Oxygen (O <sub>2</sub> )	% vol	≤ 0.4
Hydrogen sulfide (H <sub>2</sub> S)	mg/m <sup>3</sup>	≤ 7
Total sulfur (S)	mg/m <sup>3</sup>	≤ 115
Water (H <sub>2</sub> O)	mg/m <sup>3</sup>	≤ 35
Diluent gases (CO <sub>2</sub> + N <sub>2</sub> + O <sub>2</sub> )	% vol	≤ 4
Hydrogen (H <sub>2</sub> )	% vol	≤ 0.1

Reference: 15°C and 101.325 kPa

**Parameters monitored by periodic sampling**

Parameter	Unit	Requirements
Volatile organic compounds (VOC)	ppm vol	≤ 3.7
Siloxanes (L2, D3, D4, D5, D6)	ppm vol	≤ 0.5
Mercury, Hg	µg/m <sup>3</sup>	≤ 80
Copper, Cu	µg/m <sup>3</sup>	≤ 600
Arsenic, As	µg/m <sup>3</sup>	≤ 190
Chlorine, Cl (TO-15)	mg/m <sup>3</sup>	≤ 10
Fluorine, F (TO-15)	mg/m <sup>3</sup>	≤ 10
Ammonia, NH <sub>3</sub>	mg/m <sup>3</sup>	≤ 10
Bacteria (free of...)	#/m <sup>3</sup>	≤ 200,000

Reference: 15°C and 101.325 kPa

<sup>4</sup> For deliveries outside Quebec, the producer must comply with the pressure, heat content and composition criteria of the network receiving the RNG.

**APPENDIX 3**  
**ESSENTIAL COMMERCIAL CLAUSES**

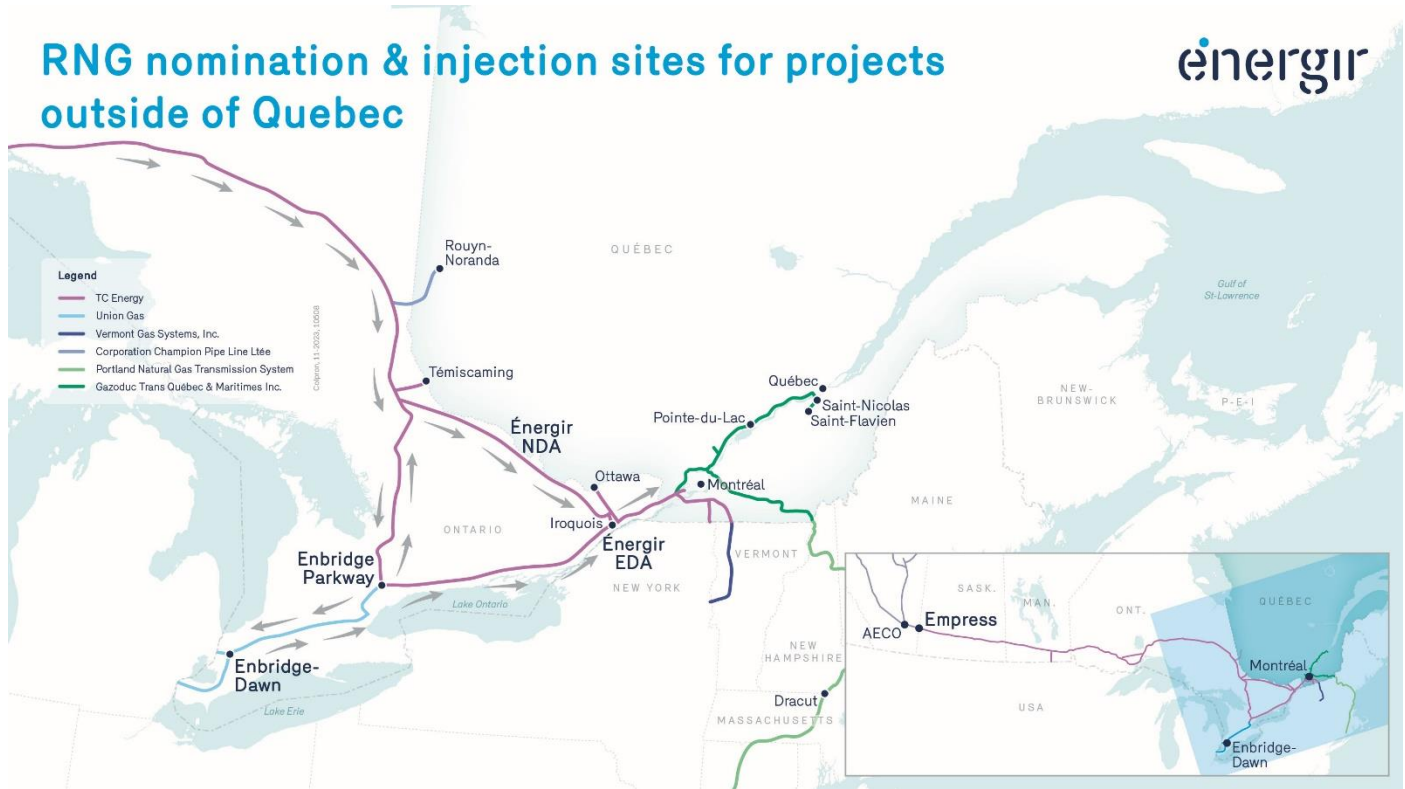
Énergir, L.P. (“**Énergir**”) is an entity regulated under the *Act respecting the Régie de l’énergie* and subject to the *Regulation respecting the quantity of renewable natural gas to be delivered by a distributor*. As such, Énergir must (i) ensure that the renewable natural gas (“**RNG**”) it purchases respects the obligations imposed by the above regulations, (ii) receive the expected economic benefits associated with the RNG and its associated Environmental Attributes (as they are defined in the table below), and (iii) be able to anticipate the volumes of RNG that it will receive from the Sellers with which it decides to enter into long-term contractual relationships for the purchase of RNG and its associated Environmental Attributes.

In order to respect its legal obligations and commercial expectations, Énergir has determined that its contracts for the purchase of RNG and its associated Environmental Attributes must include contractual clauses that reflect the following obligations:

Clause subject	Obligations
Annual Contractual Quantity or ACQ	<p>The Seller shall commit to an ACQ of RNG, measured in GJ, that is to be sold to Buyer during any given contract year.</p> <p>Énergir’s contract year begins on October 1<sup>st</sup> and ends on September 30<sup>th</sup> of the following year.</p> <p>The Seller will represent and warrant that this ACQ will be sold exclusively to the Buyer and that in no case shall any of the ACQ be sold to a third party.</p>
Non-delivery penalty	<p>Seller shall have a firm obligation to produce and deliver a minimum of eighty five percent (85%) of the ACQ per Contract Year to Buyer (the “<b>Minimum ACQ</b>”).</p> <p>If Seller fails to produce and deliver at least the Minimum ACQ to Buyer by the end a Contract Year, Seller shall be liable to account to Buyer for the undelivered volume. In such event, Seller may cure such failure by either:</p> <ul style="list-style-type: none"> <li>(i) replacing all or a portion of the Shortfall Volumes with RNG volumes from a source that is secured by Seller and that is approved by Buyer; and/or</li> <li>(ii) compensating Buyer for the undelivered RNG that is not replaced by Seller, with such compensation to be the payment of an amount equivalent to the value of the undelivered volumes.</li> </ul>
First delivery date and first contract year	<p>Énergir wants to have projects with first delivery date no later than on October 1<sup>st</sup>, 2026.</p>
Environmental Attributes	<p>“Environmental Attribute” means all existing or future right, title, interest, and benefits to the environment that are associated with RNG purchased by Buyer under this Contract, such as but not limited to certificates, compliance units and credits related to the Canada Clean Fuel Regulations, permits, credits, units, reduction rights, allocated pollution rights, Offsets, greenhouse gas attributes, emission reduction allowances, any avoided emissions of pollutants to the air, soil or water,</p>

	<p>or any other benefit or title may have been created, obtained, recognized or associated with:</p> <ul style="list-style-type: none"> <li>(i) a decreased environmental impact from the production, distribution, combustion, and use of the RNG including emission reductions or avoided emissions in greenhouse gases or other pollutants arising from the actual or presumed alternative; and</li> <li>(ii) attributes or characteristics of RNG supply for purpose of sale, exchange, labelling, certification, advertising or other.</li> </ul> <p>“Offsets” shall mean any credits, emission offsets or other tradable or recognized instruments issued or granted by a government or program authority or recognized under a regulation, in recognition of emission reductions or sequestration that may be applied to achieving compliance with any emissions related obligations or commitments whether voluntary or mandatory.</p> <p>Title to all Environmental Attributes shall pass from Seller to Buyer at the agreed upon delivery Point. Seller shall use best efforts in its collaboration with Buyer, including, without limitation, providing Buyer with information and preparing and signing any documents reasonably required for Buyer to be able to receive certificates related to Canadian clean fuel standard regulations.</p>
Condition precedent	Under the current regulatory framework, Buyer shall receive the approval of the Quebec <i>Régie de l'énergie</i> for the main terms and conditions of the Contract.
Inspection and audit rights	Buyer will be authorized to audit or inspect, either itself or through the services of a third-party contractor, the operations, books and files of Seller and Producer (if the Seller is not the Producer of the RNG) or require access to Seller's or Producer's installation(s).
Contract Price	The price paid by the Buyer for the RNG including its Environmental Attributes, delivered to the Delivery Point, will be indicated in \$CAD/GJ or in \$US/GJ.

**APPENDIX 4**  
**MAP OF RNG INJECTION SITES OUTSIDE QUÉBEC**



**APPENDIX 5**  
**CONFIDENTIALITY AGREEMENT**

See attached document