

The Yukon Electrical Company Ltd. (YECL) 2013-2015 GRA

Information Requests of YECL
from
John Maissan, Leading Edge Projects Inc.

Section 1 Introduction

LE-YECL-1-1	<p>Page 1-6 In “Key Assumptions” the labour inflation in each of the test years of 2013, 2014, and 2015 is stated to be 3.5%.</p> <p>(a) Is the 3.5% figure for 2013 relative to the labour rates last approved by Yukon Utilities Board (“Board” or “the Board”) for the 2009 test year?</p> <p>(b) If not please explain on what figure this percentage increase is to be calculated.</p> <p>(c) Please explain why labour inflation is consistently above general inflation (2008-2009 GRA and each year in this GRA).</p>
LE-YECL-1-2	<p>Page 1-8 Regarding the table of staff positions:</p> <p>(a) Please confirm that relative to Board approved 2009 staffing the increase staff compliment to the end of 2012 is about 15.8%, and forecasted to the end of 2015 is 27.8%.</p> <p>(b) For each of the Board approved 2009 figures for 2012 year-end actuals and the YECL 2015 projected year-end figures, please provide the number of retail customers, the number of capital projects, and the value of capital projects. Please calculate the percentage increases in each of the number of retail customers, number of capital projects, and value of capital projects in 2012 relative to 2009, and 2015 relative to 2009.</p> <p>(c) Please discuss the comparative change in the percentages calculated in (a) to the percentage changes calculated in (b).</p>

Section 3 Purchase Power

LE-YECL-1-3	<p>Page 3-1 Footnote 1 “<i>Yukon Electrical was directed in Board Order 2009-2 to capitalize the incremental purchased power costs incurred due to Fish Lake rebuilds in 2008/2009. Consistent with this order, Yukon Electrical has capitalized the incremental purchase power costs incurred for the period in which Fish Lake Unit #1 was out of service after the catastrophic failure in March 2010</i>”</p> <p>(a) How much down time and purchase power would have been incurred had there <u>not</u> been a catastrophic failure?</p> <p>(b) Should insurance or a reserve for injuries or damages not cover the</p>
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	loss of production from a catastrophic failure that would not have been incurred with a planned / scheduled rebuild rather than being capitalized? Please explain.
LE-YECL-1-4	Page 3-2 “ <i>Deferral Account (b) Diesel Contingency Fund (DCF)</i> ” (a) Please explain how YECL views the impact of the unavailability of Fish Lake Hydro Unit #1 in 2013 on the DCF.

Section 5 Operations and Maintenance Expenses

LE-YECL-1-5	Page 5-1 Please provide an expanded table that includes the 2008 and 2009 actuals.
LE-YECL-1-6	Page 5-1 Based on the expanded table requested above please provide a table showing each of the component costs and the total O&M costs on a \$ per MWh of sales plus losses basis.
LE-YECL-1-7	Page 5-5 Discontinuance of Third Party Distribution Line (Property Insurance) “ <i>Going back to the year 2008, Yukon Electrical has researched its claims history ...</i> ” A 5 year claim history in which the annual premiums do not add up to one deductible would seem to be too short. Please provide a 20 year (or more) claim history.
LE-YECL-1-8	Schedule 5.3 (a) Line 3: ATCO Electric After Hours - call Answering: Please explain and justify the doubling of costs during the test years from actuals in 2012 (and earlier). (b) Line 14: ATCO Electric Financial Reporting and Regulatory Support: Please explain in detail and justify the very substantial increases in costs of this line item.

Section 7 - Depreciation

LE-YECL-1-9	Page 7-2 Deferral on Depreciation Parameters (a) YECL is under the same IFRS requirements as Yukon Energy yet YECL’s approach appears to be very different. Please explain the differences in approach, explain why YECL wants to take the approach proposed here, and show how it is beneficial to ratepayers. (b) Please explain why the changes discussed on pages 7-2 to 7-4 could not be accommodated in appropriate changes in a GRA every 3 years if YECL proposes to make adjustments only if the significant change takes place over 2 or 3 years in any case?
LE-YECL-1-10	Schedules 7.2 to 7.4

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	Please explain in detail why the proposed depreciation rates for a number of asset classes vary so much from year to year within the test period.
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Section 8 Return on Rate Base

LE-YECL-1-11	<p>Page 8-4 and 8-5 Business Risk Analysis</p> <p>(a) Does YECL face greater or less business risk than Yukon Energy? Please explain.</p> <p>(b) For the period of 2008 to 2012 please provide a table showing Board approved and actual ROEs achieved by YECL.</p>
LE-YECL-1-12	<p>Page 8-6 Forecast Long Term Date [sic] Rates</p> <p>Please provide a list of the financial institutions referred to and each of their forecasts for long term debt rates for the period 2013 to 2020.</p>

Section 9 Capital Additions

LE-YECL-1-13	<p>Page 9-3 Street and Sentinel Lights</p> <p>Please confirm that all new street and sentinel lights will LED lights as they are more energy efficient.</p>
LE-YECL-1-14	<p>Page 9-54 Re. Destruction Bay</p> <p>Please describe the features of the capital work completed in the Destruction Bay power plant that will enable the wind energy project being developed by the Kluane First Nation to be incorporated into the power system there and displace a maximum possible amount of diesel generation.</p>

Section 11 Prior Board Directions

LE-YECL-1-15	<p>Attachment 2 Pages 11-15-16, and page 1-6</p> <p>For each of the utility filings listed here please also provide the labour inflation rates requested by these utilities.</p>
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Section 13 Business Cases

LE-YECL-1-16	<p>Business Case #2</p> <p>(a) What is the nameplate capacity of the new turbine-generator?</p> <p>(b) Page 4 of 8: this page is virtually unreadable; please provide a copy of this diagram in higher resolution PDF format.</p> <p>(c) Page 5 of 8: please indicate whether the insurance proceeds paid for the additional wholesale power that YECL had to purchase.</p>
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	<p>(d) Page 8 of 8: please provide a PDF of the complete spreadsheet showing all of the parameters and the LCOE calculation. Please also provide this spreadsheet in Excel format with all of the formulae intact.</p> <p>(e) Please provide a PDF drawing of the Fish Lake hydro system indicating all structures for which there are Business Case upgrades or replacements.</p> <p>(f) Please provide a listing of all Fish Lake system related actual and planned capital costs incurred since the 2009 test year up to and including 2015, whether included in Business Cases or elsewhere.</p>
LE-YECL-1-17	<p>Business Case #3</p> <p>(a) Page 3 of 4: please confirm that the total of \$1,474,000 is still the anticipated installed cost of the CUL 258 diesel replacement.</p>
LE-YECL-1-18	<p>Business Case #6</p> <p>(a) Page 3 of 4: please provide information on the northern utility that uses this technology – utility name, location of unit, generating capacity of unit, and date of conversion.</p>
LE-YECL-1-19	<p>Business Case #8</p> <p>(a) Diesel fuel landed in Old Crow is expected to cost in excess of \$2.18 per litre during the test period. Please list the design features of the proposed new plant and control system that would accommodate other new electrical energy sources with minimal disruption to the plant.</p> <p>(b) Is there any non-plant use of the residual heat for community buildings? If not why not?</p>
LE-YECL-1-20	<p>Business Case #11</p> <p>(a) What is the capacity of the proposed new generator?</p>
LE-YECL-1-21	<p>Business Case #12</p> <p>(a) Please confirm that the \$3 million capital cost for the proposed 2MW generator is the complete installed costs incorporating all features described in “Project Description” on page 1.</p>
LE-YECL-1-22	<p>Business Case #26</p> <p>(a) The project description indicates that HPS rather than LED street lights will be used. This goes contrary to the spirit of the DSM program that YECL and Yukon Energy are seeking Board approval for. Please justify in detail why YECL should not be leading by example by installing more energy efficient LED street lighting?</p>
LE-YECL-1-23	<p>Business Case #27</p> <p>(a) Page 4 of 7: what are the human and overall error rates on present</p>

	<p>meter readings?</p> <p>(b) What are the human and overall and overall error rates on Northland Utilities Limited (Yellowknife) AMR meters?</p> <p>(c) Are the new AMR meters “smart meters” that can communicate with other customer facilities?</p> <p>(d) Will they be able to read water meters?</p> <p>(e) Will the new AMR meters have the capability of remote connects or disconnects either built in or as an add-on option?</p> <p>(f) Will the new AMR meters have the capability of remotely turning on or off specific customer appliances (e.g. water heaters and electric thermal storage units) either built in or as an add-on option?</p>
LE-YECL-1-24	<p>Business Case #30</p> <p>(a) Please confirm that the DSM plan is a joint YECL – Yukon Energy plan that will be supported and implemented by both utilities.</p> <p>(b) Please confirm that it will be a separate joint YECL – Yukon Energy witness panel that will be available for cross-examination on the DSM plan.</p> <p>(c) Page 3 of 7: <i>“The plan was developed by the utilities in collaboration with interveners, Yukon NGOs, community leaders, First Nation Governments and the general public”</i></p> <ol style="list-style-type: none"> i. Did any party other than the utilities have any role other than to provide input to the utilities and their DSM consultants? ii. Did any party other than the utilities have final decision making authority as to the content and detail of the final DSM plan? iii. Did any of parties included in the list above indicate to the utilities at any time that they wished to see a more aggressive DSM plan? <p>(d) Page 7 of 7: Please confirm that the utilities were ordered by the Board to work together to develop DSM policies.</p>
LE-YECL-1-25	<p>There are a number of business cases presented that involve reducing electrical loads on power lines by shifting customers to different lines, increasing voltages of lines/distribution systems, and bringing new supply lines into service. Please catalogue all of these into one table and provide the anticipated reduction in line losses individually and cumulatively.</p>

Yukon Five Year Demand Side Management Plan

LE-YECL-1-26	<p>Page 7: 4.2 Yukon Electrical Company Limited (YECL)</p> <p>(a) “... <i>Yukon Electrical will develop and implement ... which meet the economic thresholds ... , as well as Yukon Electrical’s mandate.</i>” Please describe YECL’s ‘mandate’ referred to here, and where it originates.</p>
LE-YECL-1-27	<p>Page 9 The Yukon five year DSM plan description starts in section 5.</p> <p>(a) Please describe the programs each utility has undertaken internally to reduce own building or system wide electrical energy consumption (such as transformer loss reduction).</p> <p>(b) Have any specific peak shaving program components been undertaken in this five year DSM plan?</p> <p>(c) Have any specific peak load shifting (from peak to off-peak) components such as water heater timers/controls or the promotion of electric-thermal storage units (to replace baseboard electric heaters) been undertaken in this five year DSM plan?</p> <p>(d) Has the government given any indication that they would support an approach to regulating the sale of devices of certain design standards to reduce consumer phantom loads (of electronics in particular – e.g. charging transformers that do not turn off when their load is disconnected)?</p>