

**YUKON UTILITIES BOARD
2015-16 ANNUAL REPORT**

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THE BOARD

The Yukon Utilities Board was established pursuant to the *Public Utilities Act*, Revised Statutes, 1986. c. 143, as amended. Section 2 of the Act defines the Board as comprised of not less than three and not more than five members. Section 4 provides for the appointment of a substitute member to act in the absence of a member of the Board. The Chair, Vice-Chair and members are appointed by the Minister of Justice for terms of three years. Members can also be appointed to serve subsequent terms, at the discretion of the Minister of Justice.

The Board office is located at Unit 19, 1114 Front Street (second floor of the Horwood's Mall) in Whitehorse, Yukon. Our mailing address is:

Yukon Utilities Board
Box 31728
Whitehorse, Yukon Y1A 6L3

Phone (867) 667-5058
Fax (867) 667-5059
E-mail yub@utilitiesboard.yk.ca

The Board retains independent legal advisors and qualified technical consultants, and it contracts with a part-time Executive Secretary.

The Board regulates two electrical utilities in the Yukon, the Yukon Energy Corporation (YEC) owned by the Government of Yukon, and the privately owned Yukon Electrical Company Limited (YECL). The Board carries out such other functions as are required by the *Public Utilities Act* and as directed by the Minister of Justice as ordered through the territorial government's Orders-in-Council.

Under Section 52 of the *Public Utilities Act*, and following the principles of natural justice, the Board may, with respect to an inquiry:

- exercise the exclusive jurisdiction and authority to determine any question of fact, law or mixed fact or law required to be decided;
- receive such evidence or other information as it considers appropriate, whether or not such evidence is given under oath or affirmation, and whether or not it would be admissible in a court of law;
- exercise the powers, privileges, and immunities of a Board of Inquiry under the *Public Utilities Act*;
- determine the persons to whom notice of any proceedings shall be given; and
- determine its own procedures.

Board Orders are reviewable by the Yukon Court of Appeal.

The Board's authority includes carrying out investigations and reviews at the request of the Minister of Justice pursuant to the *Public Utilities Act*, namely Regulation of Public Utilities (Part II) and the regulation of Energy Projects (Part III). The Board is also empowered to investigate complaints and initiate investigations it deems necessary in the interest of ratepayers generally (Part IV).

Funding for public hearings can only be authorized by the Minister of Justice.

MEMBERSHIP

Board membership during the reporting period consisted of:

Chair	Bruce McLennan
Vice-Chair	Robert Laking
Member	André Fortin
Member	Meagan Hannam
Member	Bonnie King
Member	Naresh Prasad*

*Member's term ended during reporting period

BOARD SUPPORT

Board Support during this reporting period was provided by:

Executive Secretary Deana Lemke, Beyond Words Business Services
Whitehorse, Yukon

Technical Support Alberta Utilities Commission

Regulatory Legal Support Alberta Utilities Commission

THE YEAR IN REVIEW

Board Meetings

There were five Board meetings in this fiscal year, held on the following dates:

- April 27, 2015
- June 1, 2015
- June 30, 2015
- August 18, 2015
- December 31, 2015

CANADIAN ASSOCIATION OF MEMBERS OF PUBLIC UTILITY TRIBUNALS (CAMPUT)

The Yukon Utilities Board continues to be an active member of the Canadian Association of Members of Public Utilities Tribunals (CAMPUT). The Board relies on CAMPUT and the Alberta Utilities Commission to be the primary provider of Board member training.

Chair Bruce McLennan and Board Member André Fortin participated in a CAMPUT conference in Calgary, AB from May 10 to 13, 2015. The theme of the conference was A Century of Regulation – Honoring the Past, Shaping the Future. Sessions and presentations addressed topics such as: Environmental Issues Impacting Energy Regulators; The Challenges That Lie Ahead - What will energy and utility industries look like over the next century?; The Regulation of Government-Owned Utilities: Why and How?; and Regulating Oil and Gas Companies: Energy Tribunals or Government Departments – Is There a Difference in Approach?

Board Members Bonnie King and Meagan Hannam participated in the CAMPUT Energy Regulation course at Queen's University in Kingston, ON from June 22 to 26, 2015. The course offered an excellent overview of all aspects of energy regulation in Canada.

Chair Bruce McLennan attended the CAMPUT conference and AGM in Charlottetown, PEI from September 13 to 15, 2015.

Chair Bruce McLennan attended a CAMPUT Regulatory Key Topics meeting in Ottawa, ON from February 21 to 22, 2016.

PROCEEDINGS

The Board was involved in the following proceeding during this fiscal year:

Yukon Energy Corporation-Yukon Electrical Company Ltd. Diesel Contingency Fund (DCF) and Energy Reconciliation Adjustments (ERA) Proceeding

This proceeding was carried over from the previous fiscal year.

On April 7, 2015, the Yukon Energy Corporation (YEC) filed an application with the Yukon Utilities Board (Board) in compliance with Board Order 2015-01 seeking an Order from the Board for approval of its revised proposals for revisions to the Diesel Contingency Fund (DCF) and Energy Reconciliation Adjustment (ERA). The Board set out a process schedule for dealing with Information Requests related to the compliance application.

The Board did not accept the ERA portion of the compliance filing as submitted by YEC. YEC was directed to issue its refund of excess DCF contributions (Rider E) estimated at 0.68 cents/kW.h effective September 1, 2015. YEC was also directed to update its Rate 42 schedule based on the determinations made by the Board. The Board did not approve the request of YEC for the change to the quarterly returns. YEC was directed to file quarterly returns and applications when the balance in the DCF falls outside of the +/- \$8 million range, in accordance with Board Order 2015-01.

For more information on the above-noted proceedings, please refer to the original submissions and Board Orders located on the Board's website:

<http://yukonutilitiesboard.yk.ca/proceedings/>

BOARD ORDERS

Below is a summary of Board Orders approved by the Board during this reporting period. All Board Orders can be viewed on the Board's website at <http://yukonutilitiesboard.yk.ca/policy/board-orders/>

Order No.	Date	Order
2015-03	April 27, 2015	YEC-YECL DCF-ERA Compliance filing
2015-04	June 1, 2015	YEC-YECL DCF-ERA Proceeding cost awards
2014-05	June 30, 2015	YECL Rider R
2015-06	August 18, 2015	YEC-YECL DCF-ERA Compliance Filing decision
2015-07	December 31, 2015	YEC Request for R&V of DCF-ERA Decision