

**YUKON UTILITIES BOARD
2019-20 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

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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 Yukon, the Yukon Energy Corporation (YEC) owned by the Government of Yukon, and the privately owned ATCO Electric Yukon. 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	Robert Laking*
Vice-Chair	Bonnie King
Member	André Fortin
Member	Phillip Fitzgerald*
Member	Meagan Hannam**

*Member's term ended during reporting period

** Member resigned during reporting period

BOARD SUPPORT

Board Support during this reporting period was provided by:

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

Technical Support Alberta Utilities Commission

Regulatory Legal Support Alberta Utilities Commission

THE YEAR IN REVIEW

BOARD MEETINGS

Various Board meetings are held each fiscal year – either in person or electronically. The frequency of meetings is dependent on the workload of the Board during any given year. The Chair or Vice-Chair and two other members constitute a quorum of the Board for decision-making purposes.

CANADIAN ASSOCIATION OF MEMBERS OF PUBLIC UTILITIES 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 Bob Laking and Vice-Chair Bonnie King attended the CAMPUT conference and AGM in Halifax, NS from September 29 to October 2, 2019. The sessions included an update on developments in accounting and finance matters and statistics on the varied approaches regulators across Canada use to review utilities' financial results; issues in cost effectiveness analysis of demand response programs; communication of board decisions; and practical consideration of recent court decisions with respect to the duty to consult.

Chair Bob Laking and Member Phillip Fitzgerald attended the CAMPUT Annual Conference in Calgary, AB on December 30 and 31, 2019. The theme of the conference was Managing the Regulatory Range. Key presentations discussed the following: Grid harmonization – a North American perspective; Bill C-69: The new Canadian Energy Regulator and Impact Assessment Agency – What lies ahead?; Fire and ice – Utility “hardening” for extreme weather events; The uncertain future of carbon pricing in Canada; Indigenous energy projects and initiatives – moving beyond consultation to equity and regulatory involvement; and How data science, open data and artificial intelligence are transforming regulation – Are we prepared?

PROCEEDINGS

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

Yukon Energy Corporation General Rate Application

This YEC GRA proceeding was carried over from the previous fiscal year. On February 25, 2019 YEC submitted a compliance filing. A compliance filing process schedule was issued on March 18, 2019 setting the date for receiving reply argument by May 1, 2019. After completing the compliance filing process ordered by the Board, YEC was directed to submit a second compliance filing and outlined a process schedule which include a technical workshop. On October 23, 2019, the Utilities Consumers' Group filed a motion requesting further and better responses from YEC to information requests (IRs). Following the process for the UCG motion, the Board provided its determinations on the UCG motion in Board Order 2019-07, issued October 25, 2019. The Board also issued an amended process schedule for the remainder of the compliance filing process. The record of proceeding is considered to have closed on November 5, 2019. The Board issued Board Order 2019-08 on November 24, 2019 accepting YEC's second compliance filing, ordering YEC to incorporate certain directions as part of its next GRA, and approving Rider J and Rider J1 for all consumption commencing December 1, 2019.

The cost awards for the YEC GRA proceeding were approved on May 23, 2019. The cost awards specifically for the second compliance filing process were approved on February 14, 2020.

On March 15, 2019 YEC filed an application for Review and Variance (R&V application) of Board Order 2018-10, requesting that the Board convene a second-phase review on the merits of its demand-side management (DSM) programs and associated costs. YEC alleged that the Board erred in law by failing to determine YEC's rate base in accordance with the requirements of section 32 of the *Public Utilities Act*, failing to consider YEC's evidence in relation to YEC's DSM costs and taking into account irrelevant considerations in concluding that the DSM costs were imprudently incurred. The Board issued a process schedule to review YEC's R&V application and, following a review of all submissions, decided that YEC had not shown on a *prima facie* basis that the Board committed an error of law in denying YEC's DSM programs and associated costs. In Board Order 2019-05, issued September 20, 2019, the Board dismissed YEC's application to review and vary Board Order 2018-10.

YEC appealed the Board's decision to the Yukon Court of Appeal.

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
2019-03	May 23, 2019	YEC GRA second compliance filing cost awards
2019-04	September 12, 2019	YEC GRA compliance filing
2019-05	September 20, 2019	YEC request for R&V of Board Order 2018-10 re YEC GRA decision (DSM programs and costs)
2019-06	September 25, 2019	YEC GRA second compliance filing process
2019-07	October 25, 2019	UCG motion re YEC IR responses
2019-08	November 24, 2019	YEC GRA second compliance filing decision
2020-01	February 14, 2020	YEC GRA second compliance filing cost awards