



January 16, 2018

Mr. Robert Laking, Chair
Yukon Utilities Board
Box 31728
Whitehorse, Yukon Y1A 6L3

Dear Sir:

RE: Request for Comments on YEC Response to Board Order 2017-08 Regarding ERA

ATCO Electric Yukon (AEY) has considered YEC's response to Board Order 2017-08 regarding YEC's DCF & ERA mechanisms and the Board's letter dated December 15, 2017, requesting process-related comments and offers the following comments for consideration.

Part 1: 2012-2016 Application

With regard to the Board's request for comment on the sufficiency of a written process, separate from the YEC 2017-2018 GRA Proceeding, to consider Part 1 of the Two-Part Application Regarding Energy Reconciliation Adjustment (ERA), AEY has the below comments.

Given AEY's understanding of the Court of Appeal of Yukon decision 2017 YKCA 15 and the Board's approval of the Purchase Power Flow-Through Deferral Account at Section 3.4.3 of the Reasons for Decision to Board Order 2017-01, AEY intends to flow-through any ERA costs invoiced from YEC to all Yukon ratepayers via a rate rider.

Notwithstanding the above, in reviewing Part 1, AEY has concerns that the amount YEC intends to invoice AEY has now increased to \$501,000 from the original filing amount of \$439,000. AEY is unclear why or how this change occurred, and considers it appropriate to test this change through a round of information requests.

As a result, AEY is of the view that a written process is sufficient to deal with Part 1, provided that it includes an information request process as indicated by the Board in its December 15, 2017 letter. AEY does not anticipate needing to file intervenor evidence, although it reserves its right to do so, and confirms it is prepared to proceed with the contemplated written process.

Part 2: 2017 Forward Application & YECSIM Model

With regard to the Board's request for comment on the nature of a process to consider Part 2 of the Two-Part Application Regarding ERA and the testing of the YECSIM model, AEY has the below comments.

AEY is of the view that Part 2 ought to be considered as part of the current YEC 2017-2018 GRA Proceeding, within which AEY does not, at this time, anticipate a need to file intervener evidence, although it reserves its right to do so. As with Part 1 and the historical costs arising therein, AEY also intends to flow-through any future ERA costs invoiced from YEC to all Yukon ratepayers via a rate rider. Given the foregoing and the implications of the Court of Appeal of Yukon decision 2017 YKCA 15, AEY requests that an additional information request process is incorporated into the YEC 2017-2018 GRA Proceeding schedule.

Turning to the YECSIM model, AEY does not understand the Court of Appeal of Yukon decision 2017 YKCA 15 to have addressed or settled the concerns raised and acknowledged by the Board in the Reasons for Decision to Board Orders 2015-01 and 2015-06, which relate to the ability of interveners and the Board to test and verify YECSIM and its outputs. As a result, AEY submits that the concerns remain relevant and that interveners ought to be provided with the opportunity to test the YECSIM model, as appears to be offered by YEC and contemplated by the Board. In the submission of AEY, testing of the YECSIM model ought to include a workshop to assist interveners and the Board in assessing the model and its use. AEY requests that such a workshop is then followed by an information request process to provide the parties with the opportunity to seek any clarification or further information deemed necessary.

Sincerely,
ATCO Electric Yukon

Original signed by:

Chris Cullingham
Manager, Regulatory

CC/by