
March 23, 2026

Yukon Utilities Board
Box 31728
Whitehorse, Yukon Y1A 6L3

**Attention: Ms. Lesley McCullough
Chair**

**Re: ATCO Electric Yukon (AEY)
AEY-YEC's Extension – Multi-Dwelling Direction**

ATCO Electric Yukon (AEY) and Yukon Energy Corporation (YEC), together (the Utilities), are in receipt of the letter from the Yukon Utilities Board (Board or YUB) dated March 12, 2026, requesting additional details surrounding the Utilities' request for an extension dated February 19, 2026, and provide the following information in response. Specifically, the Utilities were asked three specific requests:

- (1) To provide samples of buydowns for several sites and to include additional details relevant to the implementation of the Board Order 2026-02.
- (2) More detailed explanation of the customized rate or allocation methodology referenced by the Utilities in the request for extension, including an example.
- (3) Details surrounding the execution of new agreements.

The Utilities continue to work through the potential sites which will require adjustments given the direction from Board Orders 2025-13 and 2026-02. For existing sites, this is a manual process to identify the multi-dwelling site and then determine the use of the property (for example, if there are any commercial activities in the building (e.g., restaurant, convenience store, medical facility)). The Utilities are relying on local expertise and Google Streetview in many cases as part of this investigation. Previously the billing system did not require this level of granular information around the properties' use, as common areas and Single Point of Services due to their characteristics were on the General Service rate. For Single Point of Service customers, information such as the number of units and size of common areas was not previously needed to provide service.

To provide a point of reference the Utilities have identified approximately 180 sites from the billing extract, which requires an investigation in determining if they would qualify for the residential rate for common areas or have a Single Point of Service, this would be prior to performing a buydown calculation and engaging the customer. While a detailed review is being undertaken, the manual process to identify existing sites is prone to errors and misses, a concern which does not exist with future or new multi-dwellings sites.

Given this backdrop the Utilities provide a response to each request below.

(1) Buydown Samples

The Utilities have provided the following samples broken down between (1) sites with common areas with individually metered units and (2) Single Point of Service multi-dwelling. In determining the sample, the Utilities pulled sites with various in-service dates, and which have average consumption to avoid bias. A sample that represents average consumption was used as the information retained by the Utilities does not include tracking the size of specific multi-residential units. For the Single Point of Service, absent contacting the customer the Utilities have estimated the number of residential units in the multi-dwelling in determining the rate impact. The residential monthly bill under the Single Point of Service Sample has applied the methodology explained in the Customized Rate and/or Allocation Methodology section below. For reference, the Utilities have provided the calculations for each sample in Excel attached.

As mentioned, for the rate comparison the Utilities have applied the currently approved rates. It is worth noting, however, that while an individual customer bill may go down from a rate switch, in the long run it will be expected as the revenue requirement is impacted by only the buy-down as a result of these rate switches, that future rates will be realigned to best ensure the revenue requirement is fully collected. For example, with all things equal, if the rates today under the previous methodology recovered the revenue requirement of \$100, with the new methodology that switches common areas to the residential rate now recovering \$90, future rates will be realigned to ensure the \$100 is being collected.

Sample 1: Sites with Common Areas with Individually Metered Units

	Installation Date	Number of Units	Buy Down Payment*	Monthly Bill Under General Service	Monthly Bill Under Residential Rate	Customer Simple Payback Period (months)
Sample 1	2025-05-21	11	\$2,027.74	\$119.45	\$71.89	42.6
Sample 2	2022-07-11	29	\$19,225.72	\$1,924.31	\$1,521.46	47.7
Sample 3	2021-08-11	3	\$1,897.48	\$174.65	\$138.88	53.1
Sample 4	2015-08-11	48	\$17,146.53	\$4,666.38	\$4,119.01	31.3
Sample 5	2014-07-21	5	\$1,505.92	\$111.23	\$61.92	30.5
Sample 6	2007-03-15	32	\$4,415.12	\$2,241.67	\$1,924.41	13.9
Sample 7	2005-08-31	8	\$0	\$371.90	\$381.12	N/A

* Please refer to excel sheets for inputs and calculations.

Sample 2: Single Point of Service

	Installation Date	Estimated units*	Buy Down Payment	Monthly Bill Under General Service	Monthly Bill Under Residential Rate	Customer Simple Payback Period (months)
Sample 1	2010-09-30	30	\$19,504.75	\$13,030.91	\$11,248.13	10.9

* Estimated units based on Streetview and news article pulled.

(2) Customized Rate and/or Allocation Methodology

For Single Point of Service sites, a customized rate/methodology is required due to the lack of metering data available for individual units to properly apply the approved rate structure which includes a fixed component applied to each unit and energy block structure which must be applied virtually as if the units were metered. As this calculation is outside the normal billing process this has resulted in additional administration and complexity which would be borne by the site incurring these additional costs. Below is an example of a Modified Pricing Scheme (MPS) for an existing customer as approved in Board Order 2024-02.

The MPS was developed using the number of residential units along with the approved residential rate as a guide to determine a proxy bill, which is billed every month. To be clear, one bill will be sent to the condo board or property owner as the customer to the utility. As intended by the Board to shift these customers from the General Service rate to the residential rate, this methodology would not provide a signal for energy efficiency as the utilities continue not to be able to bill individual units due to the lack of meter infrastructure. In particular, the following custom adjustments are made:

- **Fixed Charges:** Fixed charges are adjusted by the number of units in the building. For example, for MPS the fixed charge is multiplied by 20 to account for the number of units in the building.
- **Energy Blocks:** Without a Measurement Canada-approved meter installed for each individual unit, the Utilities cannot accurately track energy consumption for each unit. As a result, it is not possible to properly allocate usage across the approved energy blocks for every unit within the building. Today's approved Residential Service Rate 1160 includes three energy-charge blocks: \$0.1214/kWh for the first 1,000 kWh; \$0.1282/kWh for the next 1,500 kWh (1,001-2,500 kWh); and \$0.1399/kWh for usage above 2,500 kWh. As the utility only receives one meter read from a single service point (not individual meter reads by unit), each energy block is adjusted using a custom adjustment factor based on both the number of units and an additional multiplier. For instance, the first energy block was increased from 1,000 kWh to 10,000 kWh to accommodate the number of units and lack of individual meter unit reads. Monthly consumption is then assigned to each energy block sequentially until all usage is allocated.
- **Riders and Other Billing Elements:** Riders or other billing elements (such as rebates) are adjusted at AEY's sole discretion. They flow through in a similar fashion and as they would for other non-government residential customers.
- **Administration Costs:** An administrative fee (\$100 in the case of the MPS) is applied monthly with a pre-approved annual escalation. The administrative fee is charged monthly to allow manual bill adjustments. There is no reference in the T&Cs for an allowance of an administration fee, however, this fee is necessary to offset costs related to ongoing manual bill adjustments and ensure no preferential treatment from other customers.

While the Utilities support the go forward practice of requiring individual meters per unit, due to the lack individual unit meters for existing meter configurations with a Single Point of Service, assumptions and methodologies must be used outside the standard rate

schedules. As mentioned above this also does not provide any price or energy efficiency signals, as intended in Board Order 2025-13, as the individual units are not receiving individual bills given the lack of meter data.

(3) New Agreements

To clarify, new agreements would be required for both sites with common areas with individually metered units and Single Point of Service multi-dwelling. However, the level of detail provided will be different. For sites with common areas with individually metered units the agreement will be akin to an updated proposal letter, where the letter would identify the buy-down amounts and shift to the residential rate. For Single Point of Service sites, this will require a more detailed agreement and Board approval given the methodology required due to the lack of individual meters deviates from the standard price which the rate schedules are applied to.

While the Utilities do not intend to relitigate the application of the General Service rate being more aligned with the characteristics of common areas uses (e.g., parkades, elevators, etc.) and identifiable customer being the condo board or property manager, the comment around “customers willing to stay on the General Service rate for special circumstances and commitments” was more focused on Single Point of Service customers. Under this context, the Utilities do not view the T&Cs to allow a Single Point of Service customer “to arbitrarily pick the electricity rate for their own consumption”. Rather, the Utilities are concerned that customers in this cohort, such as senior’s accommodations and government-owned affordable units, might be contractually obligated to operate as a commercial business. While this concern is not an issue for new sites, these concerns must be factored in for existing sites which have chosen to be metered using a Single Point of Service.

The Utilities appreciate the opportunity awarded by the Board to provide clarity on the matters outlined above. Should you have any questions or require further information, please contact Greg Marghella at Greg.Marghella@ATCO.com or Jason Epp at Jason.Epp@yec.yk.ca.

Yours truly,

ATCO ELECTRIC YUKON

Greg Marghella

Greg Marghella
Senior Manager, Regulatory

YUKON ENERGY CORPORATION

Jason Epp

Jason Epp
Vice President, Finance and Chief Financial Officer