

**YUKON UTILITIES CONSUMERS' GROUP (UCG)**

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September 6, 2023

Yukon Utilities Board  
Box 31728  
Whitehorse, Yukon Y1A 6L3

Attention: Mr. Richar Buchan, Chair

**Re: ATCO Electric Yukon 2023-24 General Rates Application – Phase 1 - UCG Information Requests to AEY**

Dear Mr. Buchan:

The Utilities Consumers' Group submits its information requests to ATCO Electric Yukon (AEY) pursuant to Board Order 2023-13.

UCG asks that AEY provide responses and attachments in word-searchable PDF and/or Word format. Where responses take the form of tables with underlying calculations, UCG asks that AEY provide the related Excel file as well.

If the Board or AEY requires any clarification with respect to UCG's IRs, please direct all inquiries to me by email at [rondeau@northwestel.net](mailto:rondeau@northwestel.net) or by phone at 633-5210.

Yours truly,

Roger Rondeau  
Utilities Consumers' Group

**ATCO ELECTRIC YUKON  
2023-2024 GENERAL RATE APPLICATION**

**Yukon Utilities Consumers' Group  
Information Requests No. 1**

- 1) *Reference:* July 7, 2023-2024 AEY Application

*Request:*

- (a) Provide details of all customer and stakeholder consultations conducted by ATCO Electric Yukon during development of this application prior to submitting it to the YUB.
- (b) Provide specific details on how AEY's customers were informed of proposals being considered for inclusion in the application and how input from customers was used to develop details of the application.
- (c) Provide all documentation related to issues discussed during these consultations and a list of all parties involved in the consultations.
- (d) Provide how and when the leadership / owners of AEY approved the General Rate Application as provided to the YUB. Please identify the dates on which these approvals were provided.

- 2) *Reference:* July 7, 2023 Application page 2of 4

*AEY states: "As such, both parties would propose to address any required changes and/or updates to the T&Cs sometime in mid to late 2024, as a standalone limited scope filing, rather than including any changes as part of a GRA."*

*Request:*

- (a) As YEC is proposing a GRA in late August, will AEY commit to working with YEC to file a T&C at the time of this hearing process.

- 3) *Reference:* July 7, 2023 Application pages 1&2 of 4

*AEY states: "In Section 13 of this Application, AEY has requested approval of a 6.68 percent Interim Refundable Rate Rider (Rider R) for electrical consumption between August 1, 2023 and December 31, 2023. By implementing the rate adjustment on August 1, 2023, Rider R will refund approximately 40 percent of its forecast surplus in 2023. AEY submits that its proposal to refund approximately 40 percent of its forecast surplus is reasonable, like the approach approved by the Board for AEY's 2016 Interim Refundable Rider in Board Order 2016-02 and will reduce future true-ups. For this reason, AEY respectfully requests approval of Rider R by July 21, 2023, to implement the new Rider R on August 1, 2023.*

*Also, in Section 13, AEY is requesting approval for an Interim Refundable Rider R of 13.50 percent effective January 1, 2024. The derivation of the Rider R adjustment for 2024 is like the calculation for the proposed 2023 Rider R adjustment. Based on the expected timing of the Board Order and Compliance Filing to AEY's 2023-2024 GRA, being similar to AEY's 2016-2017 GRA process, AEY estimates that updated Rider R rate adjustments, in the middle of 2024, will result in minimizing future true-ups and promoting rate stability."*

*Request:*

- (a) Please provide details of all expected recoveries through Rider R by month for the period August 2023 through end December 2024 including all recoveries by Yukon Energy Corporation.
- (b) Please provide details of how much of AEY's 2024 revenue shortfall will be recovered from AEY customers and details of how much will be recovered from customers of Yukon Energy Corporation.
- (c) Please explain why customers of Yukon Energy Corporation are required to pay a higher Rider R to allow AEY to recover additional revenues.
- (d) Provide bill calculations for each of these proposed rate adjustments.

- 4) *Reference:* July 7, 2023 Application, Appendices pages iii and iv AEY charts out for Business Cases for: 2016-2017 (#1-3); 2018-2022 (#4-21); 2023-2024 Test Years (#22-38); and Significant Expenditures Outside of Test Years (#39-41).

*Request:*

- (a) For the years 2016-17 provide same chart with \$ amount for each project #'s 1-3 and explain how each was accounted for in rate base. Explain if these were referenced and accounted for in the 2016-17 rate base.
- (b) For years 2018-2022 (#'s 4-21) provide same chart with the \$ amount of each project and explain if these were accounted for in the rate base and for which year. If these were added to the rate base for each of those non-test years, explain under which part of the *Public Utilities Act* this can be done.
- (c) For the years 2023-2024 Test Years #'s 22-38 provide on the same chart with the \$ amount for each project proposed to place into the rate base for each of the test years.
- (d) For the proposed significant expenditures outside of test years #'s 39-41 provide the same chart with the forecast \$ amount of each project and whether AEY plans to place these into the rate base outside of the test year period.

- 5) *Reference:* July 7, 2023 Application, page 1-5

**1.8 Deferral Accounts**

16, The previously accepted criteria for establishing a deferral account have not changed from AEY's 2016-17 Phase 1 GRA. The criteria are as follows:

- (a) Costs are not under the control of the company and are not reasonably forecastable; or
- (b) A variance in forecasting could produce a loss or gain of a substantial order.

Deferral Accounts requested: Sec. 1-B Board Orders or Legislative Changes  
Sec. 2- Industrial Rider R Flow Through

Sec. 3- Purchase Power Flow Through  
Sec. 3- IPP Flow Through  
Sec. 4- Diesel Fuel Deferral Account (Rider F)

*Request:*

- a) Please fully explain (b) above. Does this mean that AEY plans to have a variance for surplus/ or loss of earnings that will be returned/charged to ratepayers?
- b) Will AEY be applying for Federal or Territorial grants for the Energy Transition proposals or fuel charges or other charges by various governments for climate change rebates? If not, why not?
- c) Will the Industrial Rider R extra earned income be returned to ratepayers?
- d) Will AEY confirm to working with YEC to propose a new wholesale rate during the upcoming YEC GRA?
- c) Is this Purchase Power Flow Through the same as ERA? Explain.
- d) Explain why an IPP flow-through mechanism is necessary when you have a contract with the providers.
- e) For Diesel Rider F will there not be a diesel cost true-up for 2023 test year?
- f) Provide all the Rider F regulatory reports for actual costs from January to August 2023 and the Sept. to Dec.2023 forecast.
- g) Provide the Rider F reports for forecast 2024 test year.

6) *Reference:* July 7,2023 Application, page 1-5

AEY states: "For 2023, in-scope (subject to Collective Agreement) labour has been escalated by 2.00 percent. This escalation is based on AEY's existing Collective Agreement that expires on December 31, 2023. For 2023, out-of-scope (not subject to a Collective Agreement) labour has been escalated by 2.90 percent, which is consistent with approved increases in Alberta. For 2024, in-scope and out-of-scope labour has been escalated by 2.50 percent. This escalation rate is consistent with the inflationary increase being applied for and approved in Alberta for 2024.

*Request:*

- a. Provide copies of the referenced Alberta approvals.
- b. Provide details of the labour cost escalation rates in the Yukon for 2023 and the source of the documents for these forecasts.
- c. What labour escalation rates are currently used for 2023 by Fortis BC Utilities, which AEY uses as their proxy? Provide details from Fortis.

7) *Reference:* July 7,2023 Application, page 1-5

AEY states "For non-labour costs, an inflation rate of 2.2% has been applied for 2016 based on the Yukon Economic Outlook issued by the Yukon Economic Development in October 2015. For 2017, no public forecast of Yukon inflation is available, therefore the 2.2 percent inflation rate has also been used for 2017."

*Request:*

- (a) Provide details of the actual monthly inflation rate for the Yukon for 2016 to date and forecast and copies of the related source documents.
- (b) Please confirm that Yukon Economic Outlook released in May 2016 indicates that following deflation in 2015, the Whitehorse CPI is expected to grow by 2.0 per cent in 2016 and just under 2.0 per cent in 2017.
- (b) Provide non-labour escalation rates are currently used for 2023 and 2024 by FortisBC Utilities. Please provide copies of the reference material relating to these rates.

8) *Reference:* July 7,2023 Application, page 1-5

AEY states: 20. A vacancy rate of 3.65 percent (approximately three FTEs) has been applied to labour expenses for the 2023-2024 Test Period. This is based on a five-year historical average normalized for exogenous events, such as vacancies driven by vaccine policies, 1 Decision 27062-D01-2023, ATCO Electric 2023-2025 GTA and NSA. 2023-2024 General Rate Application (GRA) 1-7 which AEY believes to be reasonable and is consistent with the methodology approved in Board Orders 2014-06 and 2017-01.

*Request:*

Please provide details of the calculation of the 5-year vacancy rate for ATCO Electric Yukon including details of the positions that were vacant at any time.

9) *Reference:* July 7,2023 Application, page 1-7 Staff Positions

AEY proposes: 22. The additional positions outlined below are required to manage system growth over the six-year period and continuing into the test period and energy transition. 23. Growth to new extension has grown 4% requiring adequate numbers to accommodate capital program; maintenance requirements in both distribution and production. According to chart 9 additional staff are required.

*Request:*

- a. Explain how these job responsibilities identified for the new positions are or will be currently fulfilled.
- b. Provide details of the total additional costs included in the 2023 and 2024 revenue requirements for these new positions.
- c. Please provide details on the alternatives that were considered to hiring new staff.

10) *Reference:* July 7,2023 Application, page 1-7 Staff Positions

AEY identifies 3 new positions being added in Engineering including Engineering Technologist and Supervisor, Business Support Services.

*Request:*

- a. Have these positions already been filled? If yes, when?
- b. Was the position for Engineering Technologist and Supervisor not provided for in the 2016 GRA?

11) *Reference:* July 7,2023 Application, page 1-7 Staff Positions

AEY states: The remaining added FTEs address the need of a growing number of customers, vendors and employee expense payment volumes, additional reporting and energy transition planning and communications.

*Request:*

- a. How many inter-office personnel did you have in your Whitehorse office in 2016? How many of these same positions will you have in your Whitehorse office in 2023?
- b. How much for each of the test year revenue requirements will go to head office support for regulatory work, billing and other? Explain each.

12) *Reference:* July 7,2023 Application, page 1-5 May 11, 2016 Application, page 18-1 Energy Transition.

AEY states: Meeting these targets (i.e., Federal Government 2030 Carbon Emissions and Yukon Government Our Clean Energy Future) is having a dramatic impact on AEY's business responsibility to provide safe and reliable electricity at and affordable cost.

*Request:*

- a. Give examples of these impacts with forecasted costs associated.
- b. How much of these costs will be covered by Federal or Territorial grants application?

13) *Reference:* July 7,2023 Application, page 1-5 May 11, 2016 Application, page 18-2 AEY states: The AMI solution will eliminate the need for a person to physically read the meters for billing purposes.

*Request:*

- a. How much will this save AEY?
- b. Demonstrate how these savings will be adjusted to the revenue requirement.
- c. Will AMI give the consumer options for choice or will AEY control the residential systems, i.e., turn devices within the residences on and off at their whim?

14) *Reference:* July 7,2023 Application, page 18-3 AEY states: AEY is requesting deferral on costs associated with the IPPs.

*Request:*

Give examples of costs that could be associated with IPPs that are to be added to normal business costs.

15) *Reference:* July 7,2023 Application, page 18-4 AEY states: Micro generation may lead to policy changes in MG program that will lead to changes to the electrical grid.

*Request:*

- a. Give forecast costs associated with these possible changes.
- b. Will these costs be covered by the YG initiative and the AMI program changes?

16) *Reference:* July 7,2023 Application, page 18-4 AEY states: Deferral Account for Board Orders and Legislative Changes

*Request:*

- a. Does AEY expect to oversee this account?
- b. How does AEY propose to handle savings related to this proposal.

17) *Reference:* July 7,2023 Application, page 2-1 Table 2.1 Sales by Customer Class

*Request:*

- a. Please confirm that the electricity sales by customer class shown at the top of page 2-1 are weather normalized.

- b. Has the YUB approved a forecast wholesale sales level for 2023 and 2024 for Yukon Energy Corporation? If yes, what is the amount.
- c. Please provide details on when AEY's current sales forecasts for 2023-2024 were determined for this rates application.
- d. Please identify the impact that demand side management had on sales levels in 2018, 2019, 2020, 2021 and 2022. Explain how this impact has been incorporated into the sales forecast for 2023 and 2024 and provide a revised version of Schedule 2.1 showing the actual and forecast sales for 2023-2024 with DSM impacts isolated.
- e. Please provide an updated table with the 2023 Forecast reflecting 6 months of actuals and the impact this would have on the 2023 forecast.

18) *Reference:* July 7, 2023 Application, page 2-1 Sales by Customer Class AEY states; AEY forecasts the total primary retail sales to increase 0.2 per cent in 2023 and to increase 3.7 per cent in 2024. The forecast growth in retail sales for 2023 and 2024 follows year over year growth averaging approximately 1.1 per cent over the period 2020 to 2022.

*Request:*

- a. Please provide details of the referenced population growth analysis undertaken by AEY and copies of the reference documents.
- b. Please provide specific detail on the impact that DSM and other energy efficient initiatives have had on electricity sales for 2020, 2021 and 2022 including how AEY has determined the impact of these initiatives.

19) *Reference:* July 7, 2023 Application, page 2-4 AEY Residential and Commercial Customers and Sales by Community AEY state: For the 2023-24 sales forecast AEY reviewed its two-step approach for determining weather normalized UPC. AEY has maintained the same 10-year timeframe for UPC regression and normalizing HDD as last Board Compliance Order.

*Request:*

- a. Provide evidence and statistical analysis that this 10- year average methodology is a superior forecasting tool when compared to the 20-year average methodology.
- b. Confirm or deny that the proposed 10-year average methodology will be more volatile than the longer-term methodology. Explain.
- c. Provide Board Order referenced.

20) *Reference:* July 7, 2023 Application, page 2.1 and 2.6 Secondary Sales

*Request:*

- a. For the Secondary Sales section of Table 2-1, please expand the table to include data row identifying the costs of providing Secondary Power and a calculation of net revenues.
- b. Explain how secondary power sales income is documented and accounted in revenue requirement.

21) *Reference:* July 7, 2023 Application, page 3-1

AEY claims Primary and Secondary Purchase Power costs are forecast to remain relatively flat over the Test Period.

*Request:*

- a. Explain why and how AEY determined population growth no longer drives purchase power sales for each of the two test years.
- b. Explain how possible low balling purchase power costs could result in a surplus for AEY.
- c. What is AEY prepared to do to prevent the surplus cash cow for the utility that occurred for the prior 6 years?

22) *Reference:* July 7,2023 Application, page 3-3

AEY justifies the creation of a deferral account based on the assumption that changes to purchased power costs may produce a loss or gain of substantial magnitude.

*Request:*

- a. Please provide statistical analysis showing changes to the cost of purchased power for 2017 through 2023.
- b. Please provide details of what AEY would classify as “a loss or gain of substantial magnitude” and why.

23) *Reference:* July 7,2023 Application, page 3-4

AEY states: Total forecast purchases are determined by applying a forecast line loss percentage to AEYs sales load forecast that was determined in Section 2. Line losses have been determined to be 6.1 percent and are calculated using a five-year historical average.

*Request:*

- a. Provide 5-year statistics showing calculation of line losses.
- b. Describe specific work AEY has undertaken and when this was done, to reduce the level of line losses since 2017.
- c. Explain why this has not resulted in a reduced line loss since the last GRA.
- d. Under the service contract with related party ATCO, has there been a load and line loss study since the last GRA? If yes, explain the outcome of the study. If not, explain why not.

24) *Reference:* July 7,2023 Application, page 4-1; Fuel Costs

AEY states: “Fuel is purchased on an ongoing basis for each of the five isolated diesel plants operated by AEY. AEY conducts a diesel fuel tendering process in which a vendor is selected to be the provider of diesel fuel to AEY”.

*Request:*

- a. Explain when the new tender for diesel fuel purchases will be effective and the associated costs.
- b. Confirm that any new diesel fuel prices will be reconciled in fuel costs paid by Yukon ratepayers through the Rider F.

25) *Reference:* July 7,2023 Application, page 4-2

Regarding diesel fuel costs, AEY states “*Price forecasts for each community are based on*



*the 2015 actual prices for diesel fuel”.*

*Request:*

Update Schedule 4.2 with the most recent actual diesel fuel prices for 2023 to date.

26) *Reference:* July 7,2023 Application, page 4-2; Fuel Costs

*AEY states “Plant efficiencies are based on the average efficiencies of the previous five years adjusted for any changes due to the replacement of units”.*

*Request:*

a. Expand Table 4.1 to provide details of the diesel fuel efficiencies for the 5 years used to support the 2023 and 2024 forecasts including how they were measured.

b. Explain all work that AEY has undertaken in the last 5 years to improve diesel fuel efficiencies on its various systems and a statistical analysis showing the results.

27) *Reference:* July 7,2023 Application, page 4-2; Diesel Fuel Deferral Account

*AEY states: "The variance between actual and forecast fuel prices as outlined in Schedule 4-2." and "The previously approved methodology for the fuel deferral uses the Board approved calculation."*

*Request:*

a. Why is Schedule 4-2 not included at end of this Section? Cannot find this schedule.

b. Provide updated Board directed regulatory reporting for Rider F, for 2023 Jan.-Mar. and Feb.-June actuals.

c. Provide updated Board directed regulatory reporting for Rider F, for remainder of 2023 forecast.

d. Provide updated Board directed regulatory reporting for Rider F, for 2024 forecast.

e. What is AEY recommending to Board for fuel price reconciliation in this application?

28) *Reference:* July 7,2023 Application, page 5-1; Operations and Maintenance Expenses

*AEY states “The forecast labour costs are calculated by multiplying the number of staff per job class by the rate of pay for each job class. These labour costs are then distributed to O&M accounts or capital accounts depending on the nature of work being performed by the staff in that job class.”*

*Request:*

a. Identify the number of employees compensated more than \$100,000 annually for each of the years from 2016 to 2022 and forecast for 2023 and 2024.

b. Identify each management position and amount of bonus received for each years 2018-2022.

b. Provide a table showing employee complement history by function for each of the years from 2016 to 2022 and forecast for 2023 and 2024.

29) *Reference:* July 7,2023 Application, page 5-2; Operations and Maintenance Expense

*AEY states: " The overall increases in O&M expense are mainly attributable to rising*

*labour, contractor, and material costs due to inflation. In addition to incremental labour and non-labour costs driven by higher demands from customer growth and operating a more robust and complex electrical system."*

*Request:*

- a. If AEY was not a cost-plus regulated utility, would you not absorb many of these inflationary costs like other smaller Yukon businesses who wish to keep their customers? Explain answer.
- b. Why has customer growth income not covered these perceived incremental costs?

30) *Reference:* July 7,2023 Application, page 5-2; Operations and Maintenance Expenses AEY claims an increase in asset base as driver to Test Years.

*Request:*

- a. Explain what AEY has been doing in each of the years since 2017 to adequately upkeep aging production assets.

31) *Reference:* July 7,2023 Application, page 5-3; Operations and Maintenance Expense The table on page 5-1 shows AEY's actual operations and maintenance expenses for 2016 to 2022 and test period forecast for 2023 and 2024.

*Request:*

- a. Provide same table showing non-fuel operating and maintenance costs per customer for each of the years above.
- b. Provide details on what expenses are included in each of the above years under Public Information explaining labour and non-labour costs.

32) *Reference:* July 7,2023 Application, page 5-4; Table 5.2 Labour Costs by Function AEY also claims incremental and additional FTEs costs required.

*Request:*

- a. Break down Public Information labour costs.
- b. Break down Admin and General costs.
- c. Explain savings from far less office staff FTEs who are now no longer needed due to download of office hours and little need for payment in office to balance out much of these incremental and additional FTE costs.

33) *Reference:* July 7,2023 Application, page 5-4 and 5-5; Operations and Maintenance costs by function i.e., Production

*Request:*

- a. Give a cost/benefit analysis of Production from Fish Lake hydro generation plant.
- b. Explain why you need additional labour requirements and a new team lead plant position if you are contracting out the work for incremental maintenance.
- c. If many of your generation assets are nearing end-of-life why have you not invested in alternative renewables since the last GRA?

34) *Reference:* July 7,2023 Application, page 5-5 and 5-6; Operations and Maintenance costs by function i.e., Distribution

*Request:*

- a. Explain why there is not carry-over from the surplus of 2016 and 2017 actuals and 2017 approved?
- b. Why has new income from incremental growth not covered incremental growth in costs in new extension projects? Explain.

35) *Reference:* July 7,2023 Application, page 5-6 and 5-7; Operations and Maintenance costs by function i.e., General

*Request:*

- a. Explain the new satellite phone and radio system, i.e., name and program with costs associated.
- b. Explain Maintenance of Warehouse and Office expenses with costs associated for each planned work.

36) *Reference:* July 7,2023 Application, page 5-7; Operations and Maintenance costs by function i.e., Public Information

*Request:*

- a. Explain why a communications advisor is needed and at what cost.

37) *Reference:* July 7,2023 Application, page 5-8; Operations and Maintenance costs by function i.e., Customer Accounting

*Request:*

- a. Will AEY still need meter readers when AMI is initiated? If not, what are the predicted savings?
- b. Break down various Customer Billing and Accounting costs.
- c. Break down "Other" with costs associated with each.

38) *Reference:* July 7,2023 Application, page 5-9 and 5-10; Operations and Maintenance costs by function i.e., Admin & General

*Request:*

- a. Break down Administrative Services provided by ATCO Electric head office or affiliate companies with associated costs.
- b. Break down Audit/Legal Fees & Special Studies with associated costs.
- c. Break down addition of administrative positions with associated costs.
- d. Explain reasons for large IT Charges increases for each of the test years.
- e. Break down Financial Services with associated costs.
- f. Breakdown Other with associated costs.

39) *Reference:* July 7,2023 Application, page 5-10; Related Party Costs

AEY states: “AEY outsources certain major administrative functions to affiliate companies, such as ATCO Electric, to take advantage of the economies associated with the scope and scale of services available from a larger utility. The costs of these services are detailed in Schedule 5.3 and are based on a fully allocated cost methodology that does not contain any element of profit or return. Labour support is purchased from ATCO Electric for various services including financial reporting, regulatory support, governance, human resources, health and safety, payroll, IT services, and customer care & billing support”.

*Request:*

- a) Are there additional affiliate charges that are capitalized and do not show up on the O&M schedule 5-3? Provide details of these charges for 2017 through 2024.
- b) Are there any outbound affiliate services? If yes, where are they identified?
- c) Please provide copies of service level agreements for all affiliate services provided to and by AEY in 2013-2015 and forecast to be provided to and by AEY over the 2023-2024 test period.
- d) Please provide evidence demonstrating that it is more cost-effective to procure the services for 2017-2024 from affiliates than from other sources.

40) *Reference:* July 7,2023 Application, page 6-1; Taxes Other Than Income  
AEY states “Property taxes are paid to the communities annually for ATCO Electric Yukon’s office building, generation facilities, substation properties and power lines. The increases in the forecast over the test period are due to inflation.”

*Request:*

- a. Provide a breakdown of actual property taxes paid in 2016, 2017, 2018, 2019, 2020, 2021, 2022 and forecast for 2023 and 2024 to each entity to which property taxes are paid.
- b. Is there any planned capital work that would result in new taxes? Explain.

41) *Reference:* July 7,2023 Application, page 7-1 and 7-2; Depreciation and Negative Net Salvage

AEY states “The annual increases in depreciation expense from 2018 to 2022 are due to growth in property, plant, and equipment. The increases from 2022 to 2023 and 2024 are mainly driven by the restart of the Net Salvage collection.”

*Request:*

- a. Give the impact on revenue requirement, in a percentage of total increase proposed, for depreciation, deferred costs of amortization, long term debt and ROE.
- b. Provide details of the net negative salvage from 2018 to 2022 (all non-test years) and proposed salvage depreciation for 2023 and 2024. Explain how this affects revenue requirement for each of these test years.
- c. Give reasons why a more balanced approach (i.e., deferring some capital projects to a later date to lower depreciation expense could be used for each test year to provide more stable rates.
- d. Provide specific calculations related to assets being added to rate base that result in an increase in total depreciation expense of \$2.047 million in 2023 (2023 forecast vs. 2022 actual) and an additional \$1.829 million in 2024 (2023 forecast vs. 2024 forecast).

42. *Reference:* July 7,2023 Application, page 8-1 to 8-4

AEY is proposing that the benchmark ROE to be set in a currently incomplete BCUC GCOC proceeding to determine the AEY ROE for the test years which was previously set at 8.75 percent, to be used as a placeholder. and that the add-on risk premium be increased from the current to 0.75 percent.

*Request:*

- a. Provide AEY's understanding that to accept changes to any element of its revenue requirement after a decision on the test period (i.e., in a compliance filing) has been made by the YUB would violate the prospective nature of rate-setting in the Yukon.
- b. Give current rates of ROE for other jurisdictions in Canada. Reference documentation.
- c. Identify the YUB-allowed ROE and equity ratio currently incorporated in rates charged by Yukon Energy Corporation. Reference documentation.
- d. Since rates for 2018 through 2022 were based in part on a return on rate base that was more than what would have been earned on actual rate base, please provide a calculation of the excess return incorporated in rates for 2018 through 2022.
- e. Confirm that the current benchmark ROE of 8.75% established by the BCUC was for a utility having a 38% equity ratio with no provision for an add-on risk premium.
- f. Confirm that the current benchmark ROE of 8.75% established by the Alberta Utilities Commission does not allow for an add-on risk premium.
- g. Provide a table that reflects the actual annual ROE earned by AEY for 2016 through 2022 (% and \$) as compared to the Board set rate of ROE.
- h. What is the difference between rate of return and return on equity.
- i. Explain why AEY has a rate of return amount and not the return of equity amount on yearly reports to YUB.

43. *Reference:* July 7,2023 Application, pages 8-4 and 8-5 Forecast Long term Date Rates

*Request:*

- a. Indicate all cases in the last 5 years where AEY has had to defer or abandon expenditures needed to provide service due to an inability to raise the necessary capital under reasonable terms and conditions. Please provide details.
- b. Is AEY planning to raise any capital to finance investment growth in the 2023 and 2024 test years? Give details.
- c. Detail all AEY Term loans with amounts, dates and to whom from last GRA period.
- d. Explain why AEY is proposing a rate greater than the highest Long Canada Bond Rate?
- e. What is the current YUB direction on determining cost of debt.

44. *Reference:* July 7,2023 Application, page 8-2 Stand-Alone-Principle

*Request:*

Give AEYs definition of stand-alone-principle and explain why AEY fits into this category

45. *Reference:* July 7,2023 Application, page 8-3

"AEY submits that its ongoing business risks encompass market demand operational risk."

*Request:*

Explain each of these risks (i.e., business and market demand) with examples.

46. *Reference:* July 7,2023 Application, page 8-3

AEY claims "AEY sales are more sensitive to weather than other electric utilities due to extreme range of temperatures experienced in northern Canada."

*Request:*

- a. Give examples of these extreme range of temperatures compared to other jurisdictions.
- b. Would not colder weather present a positive result for AEY (i.e., greater sales, thus greater income)?

47. *Reference:* July 7,2023 Application, page 8-3

AEY claims *transformational change increases risk.*

*Request:*

Compare this concept to other non-regulated Yukon businesses.

48. *Reference:* July 7,2023 Application, page 8-3

AEY claims: "Operational cost risks due to potential to under-estimate various cost items including capital expenditures, financing costs and O&M expenses."

*Request:*

- a. Explain when and if YEC has ever had negative cost recovery (i.e., underestimated various costs).
- b. Explain when and if YEC has had positive cost recovery (i.e., overestimated various costs).

49. *Reference:* July 7,2023 Application, page 8-4

AEY is seeking continuation of its currently approved common equity ratio of 40 percent for each of 2023 and 2024.

*Request:*

- a. Give AEYs proxy/benchmark comparison common equity ratio with referenced documents.

50. *Reference:* July 7,2023 Application, page 8-5; No Cost Capital

AEY claims: The no cost capital included in this Application relates to the balances for deferred pensions including Other Post Employment Benefit (OPEB) plans as well as the Reserve for Injuries and Damages. Both the pension plan and OPEB have been accounted for on a cash basis in the test period.

*Request:*

- a. Explain how no cost capital impacts the revenue requirement for each of the test years.

- b. Break down the no cost capital amounts in Table 8.3 for Pension, OPEB, RID and other for each test year.
- c. Explain what is meant by having a no cost capital for pension and OPEB, yet this has been accounted for on a cash basis for the test period.
- d. What is the status of the ATCO Pension Plan and OPEB in connection with CU Limited affiliates.
- e. Provide copies of the defined benefit pension actuarial evaluation as of December 31, 2018, 2019, 2020, 2021 and 2022 and identify the resulting funding amounts.
- f. Provide details of all credits and debits recorded in existing deferral accounts for 2018,2019, 2020, 2021 and 2022.
- f. What returns or carrying costs have been accrued on the balances in the deferral account since it was approved in the last GRA?
- g. Provide evidence demonstrating that AEY's total compensation costs and compensation strategy are in line with utility sector practice.
- h. Provide a breakdown of total compensation cost and pension cost showing separately the amount attributed to capital expenditures and the amount attributed to operating expenditures.
- i. Does AEY provide enhanced benefits under early retirement or other severance arrangements? If yes, please provide evidence demonstrating the value of the enhancements and impact on ratepayers.
- j. Does AEY incur any pension-related costs directed to special categories of employees such as a supplementary executive retirement plan(s)? If yes, please identify the amounts contributed by employees to any such plan(s) and describe the basis for determining the amount included in rates.
- k. Provide a description of the governance framework AEY employs to govern its pension plans (both DB and DC plans) and OPEB.
- l. Give an accounting for RID since last GRA.
- m. Explain how RID impacts revenue requirement for each of the test years.

51. *Reference:* July 7,2023 Application, page 8-6; Rate Base and Table 8.4

AEY states: These additions are primarily driven by a requirement to upgrade, enhance and replace components on the distribution and generation systems that have reached the end of their life cycle as well as meet system needs due to growth.

*Request:*

- a. Add a column in Table 8.4 showing rate base amounts for each of the years shown.
- b. Explain fully the need to more than double the capital expenditures from 2022 to each of the test years.
- c. Explain why AEY has not developed a more gradual approach to enhancing and replacing distribution and generation systems.
- d. Break down the Capital Additions chart 8.4 for AEY distribution and generation systems.
- e. Explain with examples why load growth will not result in a balance of costs versus new income produced.

52. *Reference:* July 7,2023 Application, page 8-7; Contributions

*Request:*

- a. Explain how contribution in aid of construction is accounted for in the rate base.
- b. Explain why AEYs company investment policy has not been reviewed since 2010.

53. *Reference:* July 7,2023 Application, page 8-5; Deferred Charges and Credits

*Request:*

- a. Explain how deferred charges and credits are accounted for in rate base.
- b. Give forecast costs for this GRA. Is the Rate Case Reserve adequate to cover these costs?
- c. Does AEY foresee the need to continue with a Rate Case Reserve. Why or why not?
- d. Explain why AEY over collected in 2014 and 2015 in the benefit pension account.
- e. Where is Schedule 8.8?

54. *Reference:* July 7,2023 Application, page 8-8 and 8-9; Working Capital

*Request:*

- a. Explain how working capital impacts rate base and revenue requirement for each of the test years.
- b. Explain the concepts of Common Equity (retained earnings component) and Common Equity (dividend component).
- c. Provide and explain the components of dividend common equity for AEY. How have these have been instructed by earlier Board decisions?
- d. Break down the working capital costs of test years from table 8.7 for each component listed on page 8-8.

55. *Reference:* July 7,2023 Application, page 8-8 #35; Working Capital

*AEY states: "To determine the working capital for the test periods, AEY completed a review of the components of each of the items in necessary working capital to ensure that the nature of the revenue/expenses included in each category had not changed materially since the previous lead/lag study. Based on this review, AEY has not identified any material updates required to the lead/lag days as previously determined and approved in Board Order 2017-01.*

*Request:*

- a. Provide all details of the lead lag analysis conducted by AEY for this application as well as the referenced previous lead lag study.

55. *Reference:* July 7,2023 Application; Working Capital

*Request:*

- a. Has there been deferred costs incurred with any studies? Give details.
- b. Please explain why there are no DSM-related costs forecast for 2023 and 2024.
- c. Is AEY still practicing DSM? Explain.

56. *Reference:* July 7,2023 Application, section 8 Attachment 8.1

AEY has submitted an assessment by Concentric Energy Advisors of the business and



financial risk of AEY to FortisBC Energy as well as other regulated electricity and gas distribution utilities in Canada and the business and financial risk of AEY compared to AEY's risk profile at the time of its 2008 GRA filing.

*Request:*

- a. Provide details and documentation related to the RFP process followed by AEY before hiring Concentric to undertake the business and financial risk study.
- b. Confirm that in its Board Order 2014-06 (dated April 23, 2014), the YUB determined that AEY did not qualify for a risk premium over the BCUC benchmark utility. Please explain where this is discussed in the Concentric report.
- c. Explain how each of the utilities mentioned on page 3 of the report are regulated (i.e., cost of service, performance based, etc.)
- d. Explain why AEY claim they are at risk when they have exceeded the prescribed rate of return sanctioned by the YUB since the last GRA.

57. *Reference:* July 7, 2023 Application, page 9-1; Capital Additions  
AEY states; "AEY is seeking Board approval of the 2016-2022 actuals on a final basis and approval of its forecasts for 2023 and 2024."

*Request:*

- a. Explain how AEY has already claimed these capital expenditures and additions for the non-test years since last GRA and now ask for approval? Is this not retroactive rate making?

58. *Reference:* July 7, 2023 Application, page 9-1; Capital Additions  
AEY in #3 and 4 rationalizes the need for extreme capital expenditures and additions are caused by growth in the Yukon because of rapidly increasing population.

*Request:*

- a. Provide documented evidence of this population growth.
- b. Explain if this population growth has not been relevant for each of the non-test years from 2018 to 2022. Explain why AEY has not progressively rectified the need to upgrade during this time frame.

59. *Reference:* July 7, 2023 Application, pages 9-1 and 9-2; Capital Additions  
AEY states: "To support the capital spend, AEY provided Business Cases related to capital expenditures as follows: Business Cases are provided for 2016-2017 where variances from actual to approved were both greater than 100 percent and greater than \$100,000; Business Cases are provided for capital expenditures for 2018-2022 that exceeded \$100,000; Business Cases are provided for significant upcoming projects where certain un-capitalized costs are forecast in the Test Period but capitalized expenditures are forecast subsequent to the Test Period."

*Reference:* Board Order 2014-06, Reasons for Decision, page 64

"However, YECL needs to provide information in relation to project cost overruns in its application. **Therefore, the Board directs YECL in future applications to explain more fully the reasons for project overruns.** For clarity, for project costs overruns that are (collectively) 100 percent over and \$100,000 greater than the original estimate, YECL is

*to provide business case type descriptions in the Application, to alert interveners and the Board to the cost overruns, thereby allowing for a more efficient process to examine the cost overruns. Furthermore, YECL, in their explanations, are to explain why the expenditure was not foreseen and the actions it takes to ensure that such overruns will not occur in future. Moreover, for projects similar in nature to the Oracle HRxcellence HR management project with expenditures greater than \$100,000, which may arise between GRAs, YECL in future applications is directed to furnish business cases for such projects and the reasons why YECL deemed it necessary and reasonable to proceed with the project.”*

*Reference: Board Order 2009-2, page 37*

*“The Board directs YECL in future to provide business cases for all major capital expenditures at the time YECL files its rate applications to give the Board and Intervenors better opportunity to examine the business cases and time to allow for written information requests. **Further, the Board directs that YECL provide an annual update on its capital plans and expenditures. The Board further directs YECL in future rate applications to provide an itemized list of miscellaneous capital expenditures.**”*

*Request:*

- (a) Has AEY given reasons for all cost overruns? Explain using various Business Cases.
- (b) Provide business case type information in relation to projects forecast to be added to rate base in 2023 and 2024 where actual total project costs are forecast to be \$100,000 greater than originally estimated.
- (c) Has AEY provided the Board with an annual update on its capital plans and expenditure? Explain with references.
- (d) Explain why AEY considers "major capital projects" to only be those projects costing \$500,000 or greater. Page 9-8, #21
- (e) Has the Board ever given a defined threshold to what it considers AEY Capital Expenditures and Additions spending should follow? Explain giving references.
- (f) Does AEY believe that a utility with a \$100 million rate base (such as AEY) should have the same expenditures threshold to define a major project as a utility with a \$226 million rate base (such as YEC)? Explain

60. *Reference: July 7,2023 Application, pages 9-1 to 9-7; Capital Additions*

*Request:*

a. Provide an itemized list of miscellaneous capital expenditures greater than \$100,000 for Generation Improvements Table 9-2, Distribution Improvements Table 9-4, New Extensions Table 9-3, Street and Sentinel Lights Table 9-5 , Meters Table 9-6, and General Property&Equipment Table 9-7as per Board Order Board Order 2009-8, page 37

*“Further, in future GRA applications, the Board directs YEC to include business cases for major capital items, including electronic models. Business cases will include:*

- *descriptions of the project*
- *economic analysis including preliminary engineering estimates*
- *discussion of alternatives and how the chosen option was determined*
- *discussion of the risks of proceeding with the chosen alternative*
- *discussion of risks of not proceeding with the chosen alternative; and*
- *discussion of assumptions included in the business case including escalation*

*factors, loading, financial measures, term of project and associated ancillary costs.”*

- b. For any of the itemized list above show which projects have a business case presented and which not.
- c. For any of the itemized list not demonstrating a business plan, then we now request this information.
- d. Provide a detailed description and detailed breakdown of the total costs incurred in all the generation plant projects where actual expenditures are over \$100,000, when these costs were incurred and when these projects are proposed to be added to rate base. Provide supporting analysis in Excel spreadsheet.
- e. What were the average annual capital expenditures on generation plant projects for the period 2017 -2022?
- f. Provide a detailed description and detailed breakdown of the total costs incurred in all new extension projects where actual expenditures are over \$100,000, when these costs incurred and when these projects are proposed to be added to the rate base. Please provide the supporting analyses in an Excel spreadsheet.
- g. What were the average annual capital expenditures on new extensions projects for the period 2017-2022?
- h. Provide a detailed description and detailed breakdown of the total costs incurred in all the distribution improvements projects where actual expenditures are over \$100,000, when these costs were incurred and when these projects are proposed to be added to rate base. Please provide the supporting analyses in an Excel spreadsheet.
- h. What were the average annual capital expenditures on distribution improvements projects for the period 2017-2022?
- i. provide a detailed description and detailed breakdown of the total costs incurred in all street and sentinel lights projects where actual expenditures are over \$100,000, when these costs were incurred and when these projects are proposed to be added to the rate base. Please provide the supporting analyses in an Excel spreadsheet.
- j. What were the average annual capital expenditures on new street and sentinel lights projects for the period 2017-2022?
- k. provide a detailed description and detailed breakdown of the total costs incurred in all the meter's projects where actual expenditures are over \$100,000, when these costs were incurred and when these projects are proposed to be added to the rate base. Please provide the supporting analyses in an Excel spreadsheet.
- l. What were the average annual capital expenditures meters projects for the period 2017-2022?
- m. Provide a detailed description and detailed breakdown of the total costs incurred in all the generation plant and equipment projects where actual expenditures are over \$100,000, when these costs were incurred and when these projects are proposed to be added to rate base. Please provide the supporting analyses in an Excel spreadsheet.
- n. What were the average annual capital expenditures on generation plant and equipment projects for the period 2017-2022?

61. *Reference: July 7,2023 Application, pages 9-4; Distribution Improvements AEY states: "In addition to the above, AEY tracks distribution system performance on an ongoing basis and the performance is reviewed when preparing the capital forecast."*

*Request:*

a. Does this statement mean the same as AEY Key Performance Indicators? If yes, explain where in these documents does it contains distribution system performance.

62. *Reference: July 7,2023 Application, pages10-1 Income Tax*

*AEY states: "The increase in income tax expense between 2023 and 2024 are mainly due to lower CCA deductions as a result of CIS preplacement cost fully deducted in 2023."*

*Request:*

a. Since the ATCO CIS system replacement to Oracle CCS, is an ongoing project from 2021 and will/has cost some \$8.403 million, why was some of these costs not deferred for the 2024 test year taxation CCA deductions?

63. *Reference: As per Board Order Board Order 2009-8, page 37*

*"Further, in future GRA applications, the Board directs YEC to include business cases for major capital items, including electronic models. Business cases will include:*

- descriptions of the project*
- economic analysis including preliminary engineering estimates*
- discussion of alternatives and how the chosen option was determined*
- discussion of the risks of proceeding with the chosen alternative*
- discussion of risks of not proceeding with the chosen alternative; and*
- discussion of assumptions included in the business case including escalation factors, loading, financial measures, term of project and associated ancillary costs."*

**UCG will be referencing these conditions for all the IRs on AEY Business Cases (BCs) #s 1-41.**

*Reference: McIntyre Subdivision Replacement Project Update 2016-2017 BC #01 Cost \$7.314 million.*

*Request:*

a. Since this project started in 2013, provide original engineering qualifications of what work was to be done and what were the economic analyses including preliminary engineering estimate of costs. Provide engineers report.

b. Explain how the scope of this project has changed since 2013 and why this was not foreseen in the detailed engineers report on risks on this project. Provide preliminary engineers report with risks and cost risks identified.

c. Give details of how the updated cost performance of \$7.314 million compared with the original engineers' scope, report, and estimated costs. Provide all the details.

64. *Reference: Replace Ditch #1 Spillway BC #02 The project took 12 weeks to complete and a cost of \$262,000 net of the insurance proceeds.*

*Request:*

a. Is this job complete?

b. How will the above referenced costs be handled by AEY?

c. Is AEY asking for a rate base addition for these costs after suggesting all costs would be borne by AEY? Explain.

65. *Reference: 400 Amp Regulators at Logan Substation BC #03 Cost \$174,000.*

*Request:*

- a. Provide original engineering qualifications of what work was to be done and what were the economic analyses including preliminary engineering estimate of costs. Provide engineers report.
- b. Was this cost already added to the rate base? If yes, when and under what authority?

66. *Reference: S17 HLC Breaker Replacement BC #04 Cost \$130,000.*

*Request:*

- a. Provide original engineering qualifications of what work was to be done and what were the economic analyses including preliminary engineering estimate of costs. Provide engineers report.
- b. Was this cost already added to the rate base? If yes, when and under what authority?

67. *Reference: Extend Three-Phase Line on Hot Springs Road BC #05 12. The total Cost of this project is \$393,935 and was completed in 2019.*

*Request:*

- a. Provide original engineering qualifications of what work was to be done and what were the economic analyses including preliminary engineering estimate of costs. Provide engineers report.
- b. Was this cost already added to the rate base? If yes, when and under what authority?

68. *Reference: Partial Reconductor Mayo Road, BC #06. Cost \$426,000 target completion 2022.*

*Request:*

- a. Is this project now complete and at what final cost?
- b. Provide original engineering qualifications of what work was to be done and what were the economic analyses including preliminary engineering estimate of costs. Provide engineers report.
- c. Was this cost already added to the rate base? If yes, when and under what authority?

69. *Reference: Replace Watson Lake Generating Unit. BC #07 Total Cost \$5.585 million completion date January 2021.*

*Request:*

- a. Is this project now complete and at what final cost?
- b. Provide original engineering qualifications of what work was to be done and what were the economic analyses including preliminary engineering estimate of costs. Provide engineers report.
- c. Was this cost already added to the rate base? If yes, when and under what authority?

70. *Reference: Installation of Remote Electronic Modular Control Panel Watson Lake Unit 4, BC #08. The project went into service Q3 2021 and cost \$151,000.*

*Request:*

- a. Provide original engineering qualifications of what work was to be done and what were the economic analyses including preliminary engineering estimate of costs. Provide engineers report.
- b. Was this cost already added to the rate base? If yes, when and under what authority?

71. *Reference: Upgrade Regulators at Laberge Substation, BC 09. "19.Alternative 1 is the recommended solution: however, with uncertainty on when new 25kV can be built given lead times and land procurement. "*

*Request:*

- a. Is this project now complete and at what was the total final cost?
- b. Provide original engineering qualifications of what work was to be done and what were the economic analyses including preliminary engineering estimate of costs. Provide engineers report.
- c. Was this cost already added to the rate base? If yes, when and under what authority?

72. *Reference: Service Complex Boiler Replacement, BC #10 Project cost \$107,443 including YG rebate of \$31, 736. Constructed 2020.*

*Request:*

- a. Provide original engineering qualifications of what work was to be done and what were the economic analyses including preliminary engineering estimate of costs. Provide engineers report.
- b. Was this cost already added to the rate base? If yes, when and under what authority.

73. *Reference: McIntyre Subdivision Contingency Loop, BC #11"19.The cost of this option is preliminary at \$410,000. This assumes that all poles along the double circuit path will need to be replaced."*

*Request:*

- a. Is this project now complete? If yes, when and at what final cost?
- b. Provide original engineering qualifications of what work was to be done and what were the economic analyses including preliminary engineering estimate of costs. Provide engineers report.
- c. Was any of this cost already added to the rate base? If yes, when and under what authority?

74. *Reference: Annual Right of Way Widening-Brushing, BC #12. "2. AEY has an ongoing capital brushing plan."*

*Request:*

- a. Has the YUB given prior approval to this plan? Give reference details
- b. Have all these costs for Appendix A, B, C, D and E all been completed?
- c. Are these all the final costs of these brushing jobs? If not, explain giving cost overruns.

d. Were any of these costs already added to the rate base? If yes, when how much and under what authority?

*75. Reference: Fleet Replacement, BC #13*

*Request:*

- a. Give Atco Fleet and 3rd party vendor tenders with purchase costs from each.
- b. Did AEY sell the four used trucks? How and how much? Was this deducted anywhere in this accounting? Explain.
- c. Was this cost already added to the rate base? If yes, how much, when and under what authority?

*76. Reference: Satellite Radios Purchase, BC#14 Cost \$157,000*

*Request:*

- a. Was this cost already added to the rate base? If yes, when and under what authority?

*77. Reference: Line Moves in Highway ROW, BC#15 Cost \$121,000 & \$118,000 & \$184,000*

*Request:*

- a. Are all these jobs now complete and were there any additional costs associated?
- b. Did this work consider that further work will be required on securing ROW for Alaska Highway widening and construction? If not, why not?
- c. Were these costs already added to the rate base? If yes, when and under what authority?

*78. Reference: Dual Rated Transformer Upgrade, BC#16 Cost \$292,761*

*Request:*

- a. Since the project initiated in 2013, revisited 2016-17 GRA, was there any prior activity in the accounting? Explain.
- b. Did this delay increase costs? Explain.
- c. Provide original engineering qualifications of what work was to be done and what were the economic analyses including preliminary engineering estimate of costs. Provide engineers report.
- d. Was any of this cost already added to the rate base? If yes, when and under what authority?
- e. Did this result in less line loss? Explain

*79. Reference: Install 35 kV Regulators on Carcross Road, BC#17; Cost \$196,387*

*Request:*

- a. Provide original engineering qualifications of what work was to be done and what were the economic analyses including preliminary engineering estimate of costs. Provide engineers report.
- b. Was any of this cost already added to the rate base? If yes, when and under what authority?
- c. Did this result in less line loss? Explain.

*80. Reference: New Services Overhead and Underground, BC#18; Cost \$126,000 &*

\$145,000

*Request:*

- a. Explain why these costs were not borne by the customer.
- c. Were these costs already added to the rate base? If yes, when and under what authority?

81. *Reference: My Account for Online Customer Access, BC#19; Cost \$265,622 & On-Going forecasted O&M Fees of \$5,458.*

*Request:*

- a. Provide tenders for this contract and explain why it was awarded to Global IT group.
- b. Are the Forecasted O&M fees \$5.458 thousand or \$5.558 million? Explain
- c. Produce cost/benefit analysis demonstrating costs for online customer portal vs. in-person manual services.
- d. Were these costs already added to the rate base? If yes, when and under what authority?

82. *Reference: Streetlights Hart Crescent, BC#20; Cost \$180,176 completed 2021*

*Request:*

- a. Has the long-term streetlight rebuild plan been okayed by YUB? Give references.
- b. Was this project tendered or done in-house? Provide details of tender is such.
- c. Was this cost already added to the rate base? If yes, when and under what authority?

83. *Reference: Swift River Unit 2 Replacement (CUL 544), BC21; Cost \$226,589 Completed 2022*

*Request:*

- a. Provide tenders for this unit.
- b. Was this cost already added to the rate base? If yes, when and under what authority?
- c. Provide who salvaged the replaced unit and what ATCO was paid for this.

84. *ATCO CIS Replacement, BC#22; Cost \$8.403 million plus additional O&M cost of \$235,000 for 2023 and \$415,000 for 2024.*

*Request:*

- a. Does not the main office of ATCO Utilities handle billing? At what cost?
- b. Provide business risk report identified in #5 p. 1 and 2.
- c. Provide original engineering qualifications of what work was to be done and what were the economic analyses identifying the business drivers and cost/benefits, including the preliminary engineering estimate of costs. Provide engineers report.
- d. Provide tender procurement process with tenders and amounts.
- e. Provide a cost/benefit analysis of the costs of this replacement with efficiencies generated.

85. *Genset Major Overhauls, BC#23; Costs from 2017-2022 \$3.5 million plus Test Year costs of \$375,000 in 2023 and \$515,000 in 2024.*

*Request:*

- a. Why the extreme differences in cost to overhaul gensets, for example Old Crow-2, 71K and Old Crow 1, \$465K).



- b. Provide procurement tenders with bids included.
- c. Provide who salvaged each genset replaced and how much did ATCO get for each of these units?

86. *Asset Management Program, BC#24; Cost 2023-\$305K, 2024-\$901K, Total \$1.206 million.*

- a. Provide procurement tenders for AMA Assessment with the amounts of bids included.
- b. Provide examples of operational efficiencies/cost effectiveness of this new program.

87. *New Substations-Mayo Road and Whistle Bend, BC #25; Costs: Mayo Rd.- \$2.554million and Whistle Bend- \$2.781 million.*

*Request:*

- a. Provide engineering qualifications of what work was to be done for each project and what were the economic analyses identifying the business drivers and cost/benefits, including the preliminary engineering estimate of costs. Provide engineers report.

88. *Annual Right-Of-Way (ROW) Widening, BC#26; Costs 2023-\$520,000 and 2024-\$528,000.*

*Request:*

- a. Provide 5year capital brushing plan with YUB permissions/ orders.
- b. Provide AEYs brushing coordinator and vegetation management consultant and at what cost per year.
- c. Provide report from this consultant giving economic analysis identifying business drivers and cost/benefit analysis including preliminary estimate of cost for each year.

89. *Fleet Replacement 2023, BC#27; Costs \$697,000*

*Request:*

- a. Give Atco Fleet and 3rd party vendor tenders with purchase costs from each.
- b. Will AEY sell the six used trucks? How will these tendered and how much is estimated to be recouped? How will this be deducted in this accounting process? Explain.

90. *Fleet Replacement 2024, BC#28; Costs \$766,000*

*Request:*

- a. Give Atco Fleet and 3rd party vendor tenders with purchase costs from each.
- b. Will AEY sell the six used trucks? How will these tendered and how much is estimated to be recouped? How will this be deducted from costs in this accounting process? Explain.

91. *Old Crow Voltage Improvement, BC#29; Costs \$1,174 million*

*Request:*

- a. Provide engineering qualifications of what work was to be done for this project and what were the economic analyses identifying the business drivers and cost/benefits, including the preliminary engineering estimate of costs. Provide engineers report.

92. *6L19 Voltage Improvement, BC#30; Costs \$949,000*

*Request:*

- a. Provide engineering qualifications of what work was to be done for each project and what were the economic analyses identifying the business drivers and cost/benefits, including the preliminary engineering estimate of costs. Provide engineers report.
- b. Is this expected to decrease line loss. Explain, giving examples of savings from this project.

93. *Whistle Bend Subdivision, BC#31; Costs ? million*

*Request:*

- a. Are all the costs for the distribution system paid for by YG?
- b. Provide engineering qualifications streetlight work and the economic analyses identifying the business drivers and cost/benefits, including the preliminary engineering estimate of costs. Provide engineers report.

94. *Fish Lake 1 Roof Replacement, BC#32; Cost \$511,000*

*Request:*

- a. Provide all the \$amounts with work completed that AEY spent on Fish Lake improvements/infrastructure in last 10 years or since the start of replacements.
- b. Provide a cost/benefit analysis demonstrating this was viable. Give alternatives.

95. *Louise Lake Auxiliary Structure Replacement, BC #33; Cost \$826,000*

*Request:*

- a. Provide all the \$amounts with work completed that AEY spent on Fish Lake hydro system improvements/infrastructure in last 10 years or since the start of replacements.
- b. Provide a cost/benefit analysis demonstrating this was viable. Give alternatives.

96. *YG Robert Campbell Highway Streetlights, BC #34; Cost \$67,000*

*Request:*

- a. Is the above the amount AEY is proposing to recoup from ratepayers?
- b. What are these costs for?

97. *Artic -Pharm IPP Site, BC #35; Cost \$543,000*

*Request:*

- a. Why is this infrastructure requirement not paid for by the IPP or YG and not the ratepayer?

98. *Haeckel Hill Customer Connection, BC #36; Cost \$1.454million*

*Request:*

- a. Why is this infrastructure requirement not paid for by the IPP or YG and not the ratepayer?

99. *Artic -Pharm IPP Site, BC #37; Cost \$4.204million*

*AEY states: 3. This is a fully contributed customer-driven interconnection project/*

*Request:*

a. Is all this infrastructure paid for by the IPP without any costs to the ratepayer?

100. *Beaver Creek Photovoltaic Project, BC38; Cost \$8.017million*

*AEY states: 3. This is a fully contributed customer-driven interconnection project/ Request:*

a. Is all this infrastructure paid for by the IPP without any costs to the ratepayer?

101. *Fish Lake 2 Power Station Design, BC#39; Cost %912,000*

*Request:*

a. Provide all the \$amounts with work completed that AEY spent on Fish Lake improvements/infrastructure in last 10 years or since the start of replacements.

b. Provide a cost/benefit analysis demonstrating this was/is viable. Give alternatives.

102. *Condition Assessment and Options Program for Beaver Ck. Destruction Bay and Stewart Crossing Generating Plants, BC #40; Cost \$627,000*

*Request:*

a. Why wasn't a qualified engineer first tendered to evaluate each site instead of spending over half a million dollars mostly on ATCO Electric, a related company, to evaluate the same thing?

103. *Old Crow Plant Design, BC #41.*

*Request:*

a. Why would AEY tender all the design and preliminary work at a cost of \$444,000 before you received an okay from the YUB that this plan was acceptable and viable?

b. Why did not AEY conduct a multidisciplinary review before and not after the new construction of a facility in 2014?

c. Why would AEY not build for a capacity expansion, i.e., larger units, when you constructed a new facility in 2015?

e. Has there ever been flooding in the current facilities?

f. How much is AEY requesting to go to rate base on this project in 2023? Explain.

g. How much is AEY requesting to go to rate base on this project in 2024? Explain.

g. Is AEY requesting the YUB to accept the estimated construction costs of \$10.55 million in this GRA?

h. Was the Old Crow #3 generator replaced during the last GRA? If yes, what capacity and what cost?