

Yukon Utilities Board

Board Order 2023-12

Appendix A: Reasons for Decision

July 6, 2023

INTRODUCTION

1. On April 17, 2023, the Yukon Utilities Board (Board) issued Board Order 2023-08: ATCO Electric Yukon and Yukon Energy Corporation Rate Rebasing Application and Appendix A to this Board Order: Reasons for Decision (Original Proceeding). The Application was in response to the Board's direction in Appendix A, Reasons for Decision to Board Order 2022-07 to ATCO Electric Yukon and Yukon Energy Corporation (Utilities) to bring forward a proposal to the Board on incorporating riders into existing base rates to reduce the confusion in customer bills and increase customers' understanding of their bills. In Appendix A to Board Order 2023-08, Reasons for Decision, the Board stated in part:

Process

47. The Board finds it necessary to note that parties to a proceeding must adhere to the steps and the timelines set in the process schedule for a proceeding. This is to ensure fairness to all parties. The Board may extend or adjust timelines on a motion of a party, in accordance with the Board's Rules of Practice. Parties cannot unilaterally alter the process schedule by making submissions which are outside the process established for a proceeding. In this proceeding, Mr. Yee and UCG filed submissions in response to the Utilities' reply. Such submissions were not contemplated in the process schedule, and these parties did not apply for permission to make such a filing. The Board considers that fairness dictates that these submissions are not part of the Board's deliberations on the Application.

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Option 4: Roll base rate adjustment Riders J and R into base rates on billing statements only

54. The Board considered that this option rolls Riders J and R into base rates for bill statement presentation only. Further, Riders J and R would be tracked separately on their own general ledger accounts and automatic transfers between the Utilities would continue. As such, there is no need for manual reconciliation. This option would remove Riders J and R from customer bills, as they would be rolled into base rates. However, all remaining riders would continue to show on the bills as separate line items.

55. The Board took note of the four categories of charges on customer bills and that three of the four categories (base rate adjustment riders, stabilization mechanisms and government subsidies) are either temporary in nature or subject to change at times other than GRA submissions. Further, in the Board's view, it is important that temporary rate adjustment riders, stabilization mechanisms and government subsidies be considered separate from base rates. The Board finds that concentrating on only those riders (Riders J and R) that affect base rates is the most useful in clarifying customer bills for the following reasons. This option eliminates two line items that appear on the customer bill and simplifies the overall presentation of the bill while not losing any important detail.

56. In addition, the Board considered that this is the second lowest cost option submitted by the Utilities but is the lowest cost option that is responsive to the direction from Board Order 2022-07. However, this option likely cannot be implemented until 3 to 6 months after commissioning of the new billing system (end of Q1 of 2024).

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58. Mr. Yee did not support this option or any of the options and stated that Option 4 would produce a slightly different result on the customer bill. The Board accepts the submissions of the Utilities that total charges on a customer bill will not differ from what is currently determined with the status quo option. (Footnotes omitted)

2. On May 3, 2023, Nathaniel Yee filed a Review and Variance Application of Board Order 2023-08: ATCO Electric Yukon and Yukon Energy Corporation Rate Rebasing Application (Review Application). He submitted that the Board made an error in fact in paragraph 58 set out above. He argued that the counterexample provided in his Review Application "rigorously disproves the Utilities claim" that total charges on a customer bill will not differ from what is currently determined under Option 4.

TEST FOR REVIEW AND VARIANCE

3. Section 62 of the *Public Utilities Act* (Act) states that the Board may review, change, or cancel any decision or order made by it, and may re-hear any application or complaint before deciding it.
4. Rule 31 of the Board's Rules of Practice (Rules) deals with applications for review. In considering a review application, the Board uses a two-phase system. Such a process enables applications to be dealt with expeditiously and economically. An application for review is subject to an initial screening phase (phase 1) where the applicant must establish a *prima facie* case sufficient to

warrant full consideration by the Board. If the application for review alleges error, the applicant also must show that the error has significant material implications.

ANALYSIS

5. As Rule 31(5) involves a summary screening review, the Board determined it did not need comments from the registered parties to the Original Proceeding. The error of fact alleged in the Review Application pertains to the weighing of evidence by the Board in the Original Proceeding. As such, in making a decision on phase 1, the Board will consider the record of the Original Proceeding. By proceeding in this manner on phase 1 of the review test, the Board is acting expeditiously and in an economic manner in dealing with the Review Application.
6. Further, the Board will only advance a review application to phase 2 if the applicant has met the criteria for phase 1. The Board is stringent in its application of the phase 1 criteria because the Board’s decisions are final, and the costs of any phase 2 proceedings are borne by ratepayers.
7. Rule 31 requires the Board to determine whether the Review Application meets the criteria for phase 1 of the above-noted review and variance test. First, the Board took note of the following from Mr. Yee’s March 8, 2023 submission in the Original Proceeding:

4. YEC billing under the current system, for 1447 kWh. This is taken from an actual bill.

CURRENT CHARGES	
CUSTOMER CHARGE	14.65
ENERGY CHARGE	178.71
AEY TEMPORARY RATE ADJUSTMENT	8.84CR
FUEL ADJUSTMENT RIDER	23.26
YEC TEMPORARY RATE TRUE UP	3.58
YECL RATE ADJUSTMENT RIDER	16.05
YUKON ENERGY REVENUE SHORTFALL RIDER	65.90
YUKON INTERIM ELECTRICAL REBATE	<u>22.62CR</u>
SUB-TOTAL	270.69
GST (#R123007494)	<u>13.54</u>
CURRENT BILLING	284.23

5. YEC billing under the proposed change Option 4:

CURRENT CHARGES	
CUSTOMER CHARGE	20.86
ENERGY CHARGE	254.38
AEY TEMPORARY RATE ADJUSTMENT	8.84CR
FUEL ADJUSTMENT RIDER	23.26
YEC TEMPORARY RATE TRUE UP	3.58
YECL RATE ADJUSTMENT RIDER	16.05
YUKON ENERGY REVENUE SHORTFALL RIDER	65.90
YUKON INTERIM ELECTRICAL REBATE	<u>22.62CR</u>
SUB-TOTAL	270.62
GST (#R123007494)	<u>13.53</u>
CURRENT BILLING	284.15

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7. The proposed options all provide the same negligible benefit to the customer. From a customer perspective, Options 1 thru 4 all pretty much maintain the status quo.

8. On a side note, using the calculations presented in Option 4, I did get a slight variation in the customer's total bill, the subtotal changing from 270.69 to 270.62. Perhaps this is my error somewhere, but it would be worth confirming since the Utilities assured the Board that "The customer's total bill will remain the same regardless of option selected." AY-YEC-YUB-02(a).

8. The Board also reviewed the Utilities' Reply of March 15, 2023 in which they responded to Mr. Yee's submission on the bill calculation as follows:

15. The Utilities disagree with Mr. Yee that the proposed Option 4 maintains the status quo. As addressed in the original submission and in responses to Information Requests, the proposed Option 4 addresses the Board concern regarding the Base Rate Adjustment Riders, Rider J and Rider R. As discussed in response AEY-YEC-YUB-02, the Utilities submit that customers' total bills will remain the same, despite Mr. Yee's calculations.

9. The Board notes that Mr. Yee submitted a further submission on March 20, 2023 objecting to the Utilities' Reply submission of March 15, 2023. For the reasons stated in paragraph 47 of Reasons for Decision to Board Order 2023-08, the Board did not consider the submission of March 20, 2023.

10. As noted above, the purpose of the Original Proceeding was to reduce the confusion in customer bills and increase customers' understanding of their bills. No change in rates was considered in the Original Proceeding. As noted above, the Board chose Option 4 for the reasons set out in its Reasons for Decision to Board Order 2023-08.

11. Based on the information on the record of the Original Proceeding, the Board considered Mr. Yee's March 8, 2023 submission that he calculated a slight bill variation under Option 4. The Board also considered the Utilities' reply of March 15, 2023 that customers' total bills will remain the same under any of the options presented including Option 4, as discussed in their response AEY-YEC-YUB-02. The Board has already accepted the Utilities' evidence set out in the IR response and in their reply submissions and has given the Utilities' evidence and submissions more weight than to Mr. Yee's March 8, 2023 submission. By way of his Review Application, Mr. Yee is attempting to reargue that a slight calculation variation exists under Option 4, information which was considered by the Board and not accepted.

12. A review application is not an opportunity to resubmit the same or similar information or arguments. Further, the Board notes that Mr. Yee stated in his March 8, 2023 submission that the variation in the calculation was perhaps due to an error on his part.

Conclusion

13. The Board finds that the Review Application has not substantiated on a *prima facie* basis that the Board committed an error of fact in the decision in question. In any event, Mr. Yee has failed to provide evidence that the alleged factual error would have any significant material implications arising from the Board's decision in the Original Proceeding to adopt the Utilities' proposed Option 4.

14. For these reasons, the Board dismisses the Review Application.

15. However, Mr. Yee may seek the Board's leave to ask questions of the Utilities on billing calculations at the Utilities' next General Rate Application.