

**YUKON UTILITIES BOARD
2016-17 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

Phone (867) 667-5058
Fax (867) 667-5059
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 Yukon Electrical Company Limited (YECL). 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	Bruce McLennan*
Vice-Chair/Chair	Robert Laking
Member	André Fortin
Member	Meagan Hannam
Member	Bonnie King
Member	Phillip Fitzgerald

*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 Member Bonnie King attended the CAMPUT Annual Conference in Montreal, QC from May 15 to 18, 2016. Some key topics at the conference were: The Policies and Politics Around Climate Change; Electricity Storage – A Game-Changer for Utilities; Regulating in the Absence of Clear Public Policy – The Regulator’s Dilemma; and Demand Management – A Blessing or a Curse?

PROCEEDINGS

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

Yukon Electrical Company Ltd. (YECL) General Rate Application

On May 11, 2016, YECL, carrying on business as ATCO Electric Yukon, filed an application requesting forecast revenue requirement for 2016 and 2017. The Application sought approval of an interim refundable rate rider of 11.62 percent, effective July 1, 2016; the continued use of currently approved deferral accounts, including purchase power flow-through, fuel price flow-through, and defined benefit pension costs during the test period; and new deferral accounts related to liquefied natural gas fuel price changes, statutory tax rate change, feasibility studies and costs arising from Board Orders or legislative provisions not currently

contemplated. YECL sought approval of revenue requirements of \$53,890,000 for 2016 and \$56,173,000 for 2017. These amounts represented a cumulative rate increase of 4.4 and 7.5 percent respectively, and year-over-year rate increases of 4.4 and 3.1 percent respectively.

The Board issued a process schedule and approved an interim rate adjustment rider (Rider R) in the amount of 9.41 percent for all electrical consumption on or after July 1, 2016. The interim rate adjustments were approved on a refundable basis. An oral hearing took place November 1 to 3, 2016.

The proceeding carried over into the next fiscal year.

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
2016-01	May 27, 2016	YECL GRA proceeding schedule
2016-02 & Errata	June 24, 2016 July 2, 2016	YECL GRA interim rates approval
2016-03	July 4, 2016	YECL GRA - UCG request for funding re benchmarking
2016-04	September 2, 2016	YECL GRA IR responses from YECL