

UTILITIES CONSUMERS' GROUP
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June 22, 2020

Yukon Utilities Board
Box 31728
Whitehorse, Yukon Y1A 6L3

Attention: Acting Chair

**Re: Yukon Energy Corporation
2017-2018 General Rates Application
UCG Comments on Yukon Government Request for Review and Variance**

Dear Board Members:

The Utilities Consumers' Group (UCG) offers the following comments on the Government of Yukon's request to review and vary Board Order 2019-03 and the award of costs by adding an additional amount of \$124,199.89 to its award. In its Order 2019-03 issued on May 23, 2019, the YUB directed an award of costs to all the participants. Including the Government of Yukon in the amount of \$244,025.32, with respect to the regulatory review of Yukon Energy Corporation's 2017/2018 General Rates Application that took place between July 2017 and December 2018.

The Board Order 2018-10 regarding the 2017/2018 YEC General Rates Application proceeding decision was delivered on *December 27, 2018*. Shortly thereafter, the secretary of the Board sent out a notification that all participants in this proceeding had 30 days from this date to file an application for costs.

According to Section 3.1 of Schedule 1 (Scale of Costs) of the YUB's Rules of Practice:

3. Costs claims

3.1 A participant may apply in writing to the Board within 30 days after the issuance of a Board decision in a proceeding for an award of costs incurred in that proceeding by filing a costs claim which explains:

- (i) what interests they represent,*
- (ii) what tasks they have undertaken,*
- (iii) why they appeared before the Board*
- (iv) what efforts were expended to avoid duplication as between participants or as between counsel, experts, and consultants, and*
- (v) why the costs submitted are reasonable.*

The time to apply for a "new" cost claim is long overdue. UCG submits that the YUB's Scale of Costs should be applicable to all parties to a regulatory proceeding, including the YUB and its consultants, on behalf of the Yukon Government. If the Board bypasses its' own rules of practice, then they will open a can of worms allowing a review and variance request to go on infinitely.

UCG submits this alone is ample reason to deny any review and variance request. But, while we have the ear of the members of the Board, we would like to point out some other concerns regarding the costs process:

- As is noted in the Scale of Costs, it “represents a fair and reasonable tariff to provide any participant with adequate, competent, and professional assistance in making an effective submission before the Board” (section 2.2) and **“the onus is on the eligible claimant to provide sufficient information for the Board to effectively assess its claim and must address the specifics of the proceeding”** (section 2.3).
- Costs identified as 'Board Costs', including this review request, have no detail provided as to what was included in costs claimed, when these costs were incurred and how the amount of costs awarded were connected to a regulatory proceeding and determined as reasonable. In our view, this is unacceptable.
- UCG submits that it is very important that all costs incurred related to a regulatory proceeding be publicly identified in a cost claim with corresponding adjustments to have amounts not allowed to be excluded from amounts claimed for recovery. This ensures that Yukon ratepayers are not on the hook to pay for costs that have been deemed inappropriate to be recovered in rates.
- It is not open nor accountable for ratepayers not be able to review the costs that are being incurred by the regulator.

Regarding the Government of Yukon’s claim that the YUB made a factual error, UCG submits that they have offered no basis for finding that a factual error has been committed. The error was made by the applicant at the time of cost claim process.

The 'prima facie' test has not met and should therefore be denied.

If there are any questions concerning the contents of this submission, I would ask that they be directed to me by email at rondeau@northwestel.net or by phone at 633-5210.

Yours truly,

Roger Rondeau
Utilities Consumers' Group