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October 25, 2019

Mr. Robert Laking, Chair
Yukon Utilities Board
Box 31728
Whitehorse, Yukon Y1A 6L3

Dear Mr. Laking:

Re: Yukon Energy 2017-18 General Rate Application – Revised IRs

Attached with this correspondence are Yukon Energy's revised interrogatory responses for UCG-YEC-1-1 and UCG-YEC-1-6 pursuant to Order 2019-07.

Please direct any questions on this communication to the undersigned.

Yours truly,

A handwritten signature in black ink, appearing to read "Ed Mollard", is written over a light blue horizontal line.

Ed Mollard
Chief Financial Officer

1 **TOPIC:**

2

3 **REFERENCE: YEC Technical Session – Background Notes – Page 5**

4

5 **QUOTE:**

6

7 **PREAMBLE:**

8

9 In the Average Annual Thermal Generation table for 1981 to 2015, YEC lists average
10 thermal generation levels at 420 GWh, 380 GWh and 450 GWh load levels.

11

12 **QUESTION:**

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14 a) Please provide similar tables for 1981 to 2015 and 1983 to 2018 showing the
15 load levels split into two columns such that the actual mine load is isolated in
16 its own column.

17

18 **ANSWER:**

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20 **(a)**

21

22 **Original Response**

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24 The requested information is outside the scope of the current proceeding. The Board
25 provided its directions on revenue requirement and revenue issues for the 2017 and 2018
26 test years in Order 2018-10 and Order 2019-04 and Yukon Energy's 2nd Compliance Filing
27 addresses these directions. The only remaining issues relate to the LWRF - and LWRF
28 determinations do not affect revenue requirement or revenues.

29

30 **Revised Response**

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32 Yukon Utilities Board ("YUB" or "Board") in Appendix A to its Order 2019-07 noted the
33 following in regard to YEC's response to UCG-YEC-1-1:

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35 The Board has reviewed the table on page 5 of the YEC notes for the technical
36 session and is of the view that the table is meant to be illustrative and does not
37 separate mine load for that period. Further, the Board accepts the YEC
submission that that it is not feasible to differentiate average loads by water

1 year between customer classes for the purpose of the referenced table.
2 However, the Board is of the view that it would be of assistance to interveners
3 and the Board for YEC to update the table on page 5 to include the years 2016
4 to 2018 inclusive. Therefore, the Board directs YEC to provide an update of the
5 table on page 5 of the YEC notes to include the years 2016 to 2018 inclusive.

6

7 YEC's prior response did not make clear that it has not to date done YECSIM model
8 updates that include the 2016 to 2018 water years.¹ The required updates to the YECSIM
9 model need to include water inflow information for years after 2015, with related model
10 testing. Unfortunately, given the inputs and the availability of the appropriate individuals
11 at Yukon Energy, it is not possible to update the model to include the 2016-2018 water by
12 Monday. YEC does not expect these updates to materially change the LTA assessments
13 as provided in the 2017-18 GRA.

14

15 YEC intends to address this issue and update the model accordingly in its 2019-2020 GRA
16 filing planned for later this year.

17

18 If the Board requires that the YECSIM updates for 2016-2018 water years be provided as
19 required to respond to the above IR, YEC will make best efforts to complete and file the
20 updates by Thursday, October 31, 2019.

¹ The Application [Appendix 3.4] as well as responses to interrogatories [for example response to UCG-YEC-2-8 filed on April 6, 2018] noted that the long-term average thermal generation requirements for the 2017/18 GRA were prepared based on 35 water year records (1981 to 2015) for which reliable relevant water data was available when YECSIM was run for the GRA forecasts. This was also discussed during the YECSIM workshop in February 2018, and was re-iterated in the Technical Session on October 8, 2019 (including the referenced page 5 from the Background Notes). In summary, LTA assessments based on 38 water years would not be consistent with the GRA hydro and thermal generation forecasts for 2018 as approved by the Board.

1 **TOPIC:**

2

3 **REFERENCE: YEC Technical Session – Slide Presentation – Slide 13 – LWRP**
4 **Impacts**

5

6 **QUOTE:**

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8 **PREAMBLE:**

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10 **QUESTION:**

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12 a) Please provide details of actual generation by source by month for 2018 and
13 2019 year to date.

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15 b) Please provide details on how actual water levels in 2018 and 2019 to date
16 have affected actual levels of thermal generation in 2018 and 2019 to date.

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18 **ANSWER:**

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20 **(a) and (b)**

21

22 **The Original Response**

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24 The requested information is outside the scope of the current proceeding. The first
25 compliance filing in February 2019 provided 2018 preliminary actuals for the year for total
26 generation and for thermal generation (see Appendix 2.2), and the October 8, 2019
27 Technical Session reviewed actual results for 2018 relative to GRA forecasts and LTA
28 hydro.

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30 **Revised Response**

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32 Yukon Utilities Board (“YUB” or “Board”) in Appendix A to its Order 2019-07 noted the
33 following in regard to YEC’s response to UCG-YEC-1-6:

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35 Generally, the Board accepts the YEC submission that 2019 is outside the
36 scope of this proceeding. However, it is unclear to the Board that YEC has
37 provided actual generation by source for 2018 — more specifically, actual
generation that is not limited by GRA forecast or LTA hydro. The Board

1 considers that this information would be helpful to the Board and interveners
 2 and therefore directs YEC to provide the requested information, by month, for
 3 2018.

4

5 Table 1 shows 2018 monthly actual generation by source to service firm load. Please
 6 note that diesel and LNG generations are gross and include generation charged to
 7 capital projects as well as RFID and maintenance thermal. For the purpose of
 8 determination of LWRP transfers YEC removes thermal generation charged to capital,
 9 RFID and maintenance. Please see YEC’s February 25, 2019 Compliance Filing
 10 Appendix 2.2, Attachment 1, Table 1 for the details of removal of thermal generation
 11 charged to capital, RFID and maintenance.

12

13

Table 1: 2018 Monthly Actual Generation (MWh)

14

	Hydraulic	Wind	Diesel	LNG	Total
January	44,914	0	1,581	3,964	50,459
February	40,273	0	3,131	3,958	47,361
March	34,429	0	866	5,464	40,759
April	33,852	0	465	5,230	39,546
May	28,316	0	65	1,067	29,448
June	29,975	0	413	0	30,388
July	29,545	0	342	0	29,887
August	31,394	0	34	59	31,488
September	29,662	0	10	0	29,672
October	35,781	0	64	1,867	37,713
November	36,226	0	197	2,600	39,023
December	38,403	0	18	5,921	44,341
Total	412,771	0	7,186	30,130	450,086

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