

Yukon Utilities Board

March 18, 2026

By E-mail

YUKON UTILITIES CONSUMERS' GROUP (UCG)
242 Squanga Ave.
Whitehorse, Yukon Y1A 3Y6
email: rrondeau@northwestel.net

Dear Mr. Rondeau,

Re: Utilities Consumers' Group Review and Variance Request of Board Order 2026-04

On February 25, 2026, the Yukon Utilities Board (Board) received a Review and Variance (R&V) request of Board Order 2026-04, issued February 13, 2026, from the Utilities Consumers' Group (UCG). Board Order 2026-04 awards the Government of Yukon costs incurred by the Board related to the YEC 2023-24 General Rate Application proceeding. Board Order 2026-04 states in part:

A. Pursuant to Section 56 of the Public Utilities Act (Act), the Yukon Utilities Board (Board) may "order to whom or by whom any costs incidental to any proceeding before the Board are to be paid, and may set the costs to be paid";

...

K. UCG, Nathaniel Yee, and YEC filed costs claims for participation in the proceeding within the timelines specified in Section 3.1 of the *Scale of Costs*, Schedule 1 to the Board's *Rules of Practice (Scale of Costs)*. Mr. Maissan informed the Board he would not be filing a costs claim. The Board received comments from UCG and Nathaniel Yee on YEC's costs claim as well as from YEC on Nathaniel Yee's cost claim, within the timeline set out by the Board for comments;

L. On May 25, 2025, the Board issued Board Order 2025-11 awarding costs to UCG, Nathaniel Yee and YEC. However, as the total costs for the Government of Yukon for Board costs were not ascertained at that time, the Board determined that it would award the costs to the Government of Yukon in a subsequent Board Order.

NOW THEREFORE, the Board orders as follows:

1. The Board awards the Government of Yukon for Board costs in the amount of \$517,821.81
2. YEC shall pay the costs awarded in the amount of \$517,821.81 to the Government of Yukon for Board costs.

3. The Board finds that the costs awarded to the Government of Yukon are hearing-related costs of the Application and are deemed utility regulatory costs and may be added to the utility's hearing cost reserve fund.

In its R&V request, the UCG alleges that the Board made an error in law and in jurisdiction because

- Under the Board's rules of practice, the Board is one of the parties. Therefore, Board costs must be subject to the same rigorous level of scrutiny as all other participants, covering all fees and disbursements. UCG argues that the scale of costs represents what is, in the opinion of the Board, a fair and reasonable contribution by consumers.
- Order 2026-04 notified participants of the amount to be awarded to the Government of the Yukon for claims from the Yukon Utilities Board but provided no reasons nor basis for this order.

UCG added that the Board made an error in fact because the ruling fails to consider the legislative mandate and the requirement that the Board demonstrate that its costs award was open and accountable to protect consumers. The primary test is whether these costs or payments are "just and reasonable." It further alleged that the Board "followed an unreasonable process by awarding costs without clear justification or accountability".

The Board has considered the UCG R&V and is of the view that it does not disclose any grounds for review for the following reasons. Firstly, the Board is not a party to any proceeding before it. It is the decision-maker. The Board's *Rules of Practice or Scale of Costs* clearly indicate that these provisions apply to participants in a proceeding and govern the conduct and costs recovery by participants in a proceeding (applicants and interveners). In addition, the costs awarded to the Government of Yukon are for recovery of costs it incurred for the operations of the Board in a proceeding. The Board, in making the cost award in question, is not ruling on its own costs. It receives from the Government of Yukon the amount that the Government expended for a proceeding without a costs application; this is not required as the Government is not a party to the proceeding. Such expenses include administrative costs for hearings, Board member costs, and contract staff. These costs are not determined under the *Scale of Costs*. The costs award is to recover actual costs to the Government of Yukon for a proceeding. Board Order 2026-04 referred to the Board finding in Board Order 2025-11 Appendix A that

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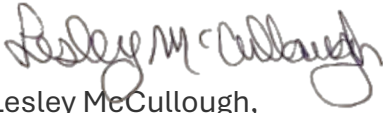
65. The Board costs with respect to the Application proceeding are costs that more appropriately belong to the utility and ultimately the utility ratepayers rather than to the Yukon taxpayers. As the Board costs have not been ascertained, the Board will

issue a subsequent Board Order directing an award of costs to Government of Yukon.

The Board notes that costs awarded to the Government of Yukon have been issued to recover the costs incurred by it for a proceeding since Board Order 1998-07. The Board followed the same process for the recovery of Government of Yukon costs incurred in the proceeding that is the subject of the UCG R&V request, that is, the Government provided the Board with the amount of these costs, and the Board allowed the cost recovery by way of Board Order 2026-04. The Board reiterates that it is not making a costs decision on its own costs; it is simply allowing the recovery of the amount incurred by the Government of Yukon for the proceeding, as noted above.

For those reasons, the Board is not proceeding with the UCG R&V.

Sincerely,

A handwritten signature in black ink, appearing to read "Lesley McCullough". The signature is written in a cursive, flowing style.

Lesley McCullough,
Chair