Yukon Utilities Board

Board Order 2026-15

Appendix A: Reasons for Decision

October 8, 2026

1 Introduction

1. On May 12, 2025, Yukon Energy Corporation (YEC), filed a General Rate Application (Application) with the Yukon Utilities Board (the Board) pursuant to the *Public Utilities Act* (the Act) and Order-in-Council 1995/90. At the time of its Application, YEC requested approval of revenue requirements for 2025 ($107.392 million), 2026 ($122.406 million), and 2027 ($134.850 million). The forecasts were updated during the course of the proceeding to the following amounts: 2025 ($108.926 million), 2026 ($125.733 million), and 2027 ($135.962 million).

2. On May 15, 2025, the Board issued Board Order 2025-10 providing notice of the Application and setting out the following process steps: intervener registration; comments and reply comments on YEC's proposed interim rates; a YEC technical workshop; a round of Information Requests (IRs) to YEC and YEC IR responses; filing of intervener evidence; IRs and IR responses on intervener evidence; rebuttal evidence; an oral hearing; and written final and reply arguments.

3. Ministerial approval for this proceeding was granted on May 15, 2025.

4. In Board Order 2025-12 (issued June 16, 2025), the Board granted intervener status to ATCO Electric Yukon (AEY), Nathaniel Yee, Tr'ondëk Hwëch'in Government, Elena Ross, and the Utilities Consumers' Group (UCG). Also, through Board Order 2025-12, the Board ruled on YEC's request for interim rate increases, a UCG request for a negotiated settlement process, and the Board request for supplemental information to YEC's Application.

5. In Board Order 2025-14 (issued September 15, 2025), the Board provided directions respecting intervener motions for further and better IR responses.

6. The Board held an oral hearing from October 21 to 23, 2025, in Whitehorse, Yukon, with some virtual attendance. The parties filed written final and reply arguments in accordance with the amended process schedule as determined in the oral hearing.

7. The record of this proceeding closed on November 27, 2025, when the parties filed date written reply argument.

8. The Board issued Board Order 2026-01 and Appendix A: Reasons for Decision on the Application on January 20, 2026.

9. Pursuant to Section 56 of the *Public Utilities Act* (Act), the 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".

10. 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)*. UCG filed a costs claim after the deadline for the filing of costs claims for this proceeding.

11. The Board did not receive any comments on the costs claims from any of the parties.

12. Costs claimed by the parties are subject to stringent scrutiny by the Board as costs awarded are charged to customers through the utility's rates. In making its costs award, the Board considered the provisions of the *Scale of Costs*. More specifically the Board noted the following provisions:

> 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:
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> (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
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> (v) why the costs submitted are reasonable.
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> 3.2 A costs claim must include statement(s) of account reflecting the professional fees being claimed and legible receipts for certain expenses where required.
>
> 3.3 The onus is on the applicant or intervener to provide sufficient information for the Board to effectively assess its claim and must address the specifics of the proceeding.
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> ...
>
> 6.1 In exercising its discretion to award costs, the Board may award costs, in accordance with the Scale of Costs, to a participant if the Board is of the opinion that:
>
> (a) the costs are reasonable, prudent, and directly and necessarily related to the proceeding, and

(b) the participant acted responsibly in the proceeding and contributed to a better understanding of the issues before the Board.

6.2 In determining the amount of costs to be awarded to a participant, the Board may consider whether the participant did one or more of the following:

...

(f) submitted evidence and argument on issues that were not relevant;

...

(h) engaged in conduct that unnecessarily lengthened the duration of the hearing or other proceeding or resulted in unnecessary costs to other participants; and

...

13. After careful consideration, the Board has exercised its discretion and made the adjustments set out below based on the criteria set out in the *Scale of Costs*. In addition, the Board has considered all relevant materials comprising the record of this proceeding, including the evidence and argument provided by each party.

2 Intervener costs

14. As noted above, Nathaniel Yee and UCG submitted costs claims.

2.1 Nathaniel Yee

15. Nathaniel Yee filed a costs claim for the proceeding. He noted that he participated in seven previous proceedings and, on this basis, requested an hourly rate of $55.00. He claimed 53.5 hours in total, comprised of 26 hours for preparation and 27.5 hours for argument and reply, at $55.00 an hour and $300.00 in honorarium, for a total claim of $ 3,242.50. Mr. Yee submitted that his ideas, approach, and attention to detail added value to the process as he provided input on affordability, feasibility, and reliability, including that YEC's timeframe for completing a permanent diesel plant in Whitehorse. Mr. Yee provided minimal details of the dates and times that tasks were undertaken for his participation in the proceeding.

2.1.1 Costs awarded

16. Mr. Yee's costs claimed are subject to Section 4.3 of the *Scale of Costs* for his participation as an unrepresented intervener at the hearing.

17. The Board notes that Mr. Yee filed information requests and argument and reply. The Board approves Mr. Yee's hourly rate of $55.00 as it is reasonable seeing his participation in previous Board proceedings. However, the total number of hours claimed are not reasonable because of the limited number of issues addressed by Mr. Yee in the proceeding and the lack of detail in the costs claim on the tasks undertaken as they related to the Application. Therefore, the Board reduces the number of hours claimed by 10 percent and awards Mr. Yee $2,648.17. As the honoraria of $300.00 is in keeping with the *Scale of Costs*, the Board awards the honoraria as claimed.

18. In summary, the Board awards costs to Nathaniel Yee as follows:

Fees	$ 2,648.17
Attendance honorarium	$ 300.00
Total costs awarded	**$ 2,948.17**

2.2 UCG

19. UCG filed a costs claim for this proceeding on March 15, 2026. In its costs claim, it stated it used the services of Mr. Roger Rondeau as its regulatory consultant in this proceeding. It added that UCG's time was "currently allotted to issues relating to the LWRF and the court reconciliation revenue requirements, Mr. Rondeau does not have the time to recover all information to file a standard cost claim." It noted that UCG filed several interrogatories, as well as a Final Argument and Reply Argument and that this took considerable time for Mr. Rondeau to research, write, and submit; as such UCG is applying for 30 half-days at the Board's *Scale of Costs* per diem of $50.00 per half day. Therefore, UCG claimed a total cost $1,500.00.

2.2.1 Costs awarded

20. As noted above, the UCG costs claim was filed late. Also, the costs claim only states that Mr. Rondeau, who was retained by UCG as a regulatory consultant, filed information requests and argument and reply. However, no details as to the date, time, and specific tasks undertaken were provided as required by sections 3.1 and 3.2 of the *Scale of Costs*, and no invoices for professional services were included in the costs claim. The reasons for not submitting "a standard costs claim" are that Mr. Rondeau was working on issues relating to the LWRF and the court reconsideration of revenue requirements. The Board notes that the application for the YEC 2025 LWRF and ERA Reconciliation was filed on February 26, 2026. However, the deadline for costs claims for the YEC 2025-27 GRA was February 20, 2026. Also, Board Order 2026-05 setting out the process for the Reconsideration of the YEC 2023-24 General Rate Application on the issue of rental diesels was issued on February 19, 2026, and YEC filed additional evidence in this proceeding on March 10, 2026.

21. In addition, under the *Scale of Costs*, honoraria is awarded to unrepresented interveners who attend a hearing. It states:

4.3 Fees and Honorarium of Unrepresented Intervener

An intervener who has not hired legal counsel or a consultant may claim for the number of hours spent preparing its evidence and submissions in a proceeding. The hourly rate of an intervener shall not exceed $100 per hour and will be determined by the Board when assessing the costs claim.

4.4 Attendance Honorarium

An unrepresented intervener may claim an honorarium of $50 for each half day of attendance at an oral hearing.

22. Mr. Rondeau did not attend the oral hearing and UCG was represented by Mr. Rondeau acting as a consultant. Therefore, UCG cannot claim honoraria for this proceeding.

23. Further, the Board considered section 3.3 of the *Scale of Costs* which places the onus on the applicant or intervener to provide sufficient information for the Board to effectively assess its claim and must address the specifics of the proceeding. As noted above, a costs claim must be detailed setting out the date, time, and specific tasks undertaken by a consultant and include invoices or statements of accounts showing professional fees claimed. The UCG is very cognizant of these requirements having previously filed many costs claims for its participation in Board proceedings. However, it chose not to file the necessary documentation in support of its claim.

24. As a result, the Board denies the costs claimed by UCG.

3 Applicant Costs Claim - YEC

3.1 YEC Costs Claim

25. YEC claimed the following costs incurred in relation to its 2025-27 GRA:

DLA Piper (Canada) LLP (fees and disbursements)	$84,363.69
InterGroup Consultants Ltd. (fees and disbursements)	$165,277.52
Bowman Economic Consulting (fees)	$23,305.00
Aasman Brand Communications (fees and disbursements)	$2,487.38
YEC disbursements	$6,947.07
Total amount claimed	**$282,380.66**

26. YEC submitted that all costs as applied for are reasonable and necessarily incurred for the preparation and support of its Application. It added that

- Applicant costs are incurred as a necessary part of its business or operations as a regulated utility;
- Applicants begin to incur costs related to their application prior to the Board process commencing (i.e. costs to prepare and file an Application);

- Applicants require approval from the Board, must engage in the review process, and cannot realistically limit their level of participation in the process (i.e. applicants must address all issues and questions raised by intervenors and the Board as they arise); and
- An applicant must participate actively in the process and typically cannot reasonably coordinate with others to increase efficiency or reduce duplication.

27. YEC provided additional detail and justification for professional costs, legal fees, and consulting incurred, which are summarized below, as well as on disbursements expended.

28. YEC retained DLA Piper LLP as legal counsel, with Jason Herbert providing the legal services required. He was supported as needed by P. John Landry. They were assisted by Ms. Emily Snow, as needed. YEC claimed legal fees for Mr. Landry and Mr. Herbert at the hourly rate of $350.00, as they have more than 20 years of experience, and fees for Ms. Snow, who has more than eight years of experience, at the hourly rate of $320.00. YEC stated that all the rates claimed were in accordance with the *Scale of Costs*. The 233.70 hours claimed for DLA Piper LLP comprise of 143.90 hours for preparation, 25 hours for attendance, and 64.80 hours for argument and reply argument. Detailed invoices from DLA Piper LLP were submitted as part of the cost claim. The total fees claimed for legal services are $ 81,777.00. Disbursements of $2,586.69 for airfare, accommodation, taxis, parking, and internal photocopying were also claimed.

29. YEC stated that Mr. Herbert and Mr. Landry provided assistance in relation to the proceeding by reviewing the Application, information requests from intervenors, and YEC's responses to information requests. YEC added that they also assisted in preparations for the oral hearing and by Mr. Herbert attending the oral hearing, as well as reviewing final argument and reply arguments. Also, they provided legal advice as required during the proceeding. YEC stated that the preparation hours include time required for Mr. Herbert and Mr. Landry to undertake witness preparation. YEC submitted that claiming for witness preparation is reasonable and necessary and contributed to an efficient and effective regulatory process.

30. YEC also retained InterGroup Consultants Ltd. (InterGroup) as its regulatory consultant to assist with the preparation and filing of the Application and the review process before the Board. More specifically, InterGroup assisted YEC with

    - preparation of the Application, including drafting with a main focus on Tab 5 and capital project business cases to address the Board's previous directives, and coordinating a review and finalization of material with YEC.

    - preparation of interrogatory responses, including coordination with YEC and legal counsel, and overall process management and progress tracking during the IR preparation period.

- preparation sessions with YEC and its legal counsel, as well as preparation of any other necessary materials for the oral hearing, including the written opening statement.

31. InterGroup also provided support to witnesses prior to and during the hearing by providing and reviewing briefing materials for witnesses. This support was considered reasonable and necessary and contributed to an efficient and effective regulatory process. YEC added that it received support from InterGroup during the oral hearing, including support in preparation of undertakings and other submissions provided during the hearing, and any other support as required. Regarding argument and reply, InterGroup assisted with drafting, review, and finalization of argument and reply.

32. YEC stated that these services were primarily provided by the following consultants: Cam Osler (Principal and Consultant with over 40 years of experience) and Mona Pollitt-Smith (Principal and Consultant with over 20 years of experience), supported by analysts and consultants (Abiola Asaolu, Alisher Khasanbaev, and Colin Osler). It added that each consultant's scope of work was clearly delineated, that tasks were assigned based on their specialized experience, and that this collaborative multidisciplinary approach is standard practice in regulatory applications. YEC further submitted that the contributions of multiple team members were not duplicative; rather, they were coordinated to ensure that the analysis reflected the full range of technical, financial, and regulatory expertise required in a Board proceeding.

33. More specifically, YEC stated that

    - Mr. Osler provided an overall senior review for regulatory/technical issues and input into final drafts of materials (submission, IRs, argument).
    - Ms. Pollitt-Smith, in addition to document drafting/IR drafting as required, provided overall coordination (within InterGroup, YEC, and legal counsel).
    - Other analysts and consultants provided technical and research support as required, including support in progress tracking during the IR preparation period.

34. YEC claimed consultant costs for: Mr. Osler, who has over 40 years of experience, at a rate of $ 270.00 an hour; Mona Pollitt-Smith, who has over 20 years of experience, at a rate of $ 225.00 to $ 2,230.00; Abiola Asaolu, who has over 5 years of experience, at a rate of $150.00; Mr. Khasanbaev, who has over 5 years of experience, at a rate of $13,500.00; and Mr. Colin Osler, who has over 2 years of experience, at a rate of $120.00. YEC stated that the hourly rates for all InterGroup staff are claimed in accordance with the *Scale of Costs*. YEC claimed 665.50 hours in total hours for InterGroup for the following: 512.25 for preparation; 42.50 hours for attendance; and 110.75 for argument, reply, and follow up. Detailed invoices from InterGroup were submitted as part of the cost claim. The total fees claimed for InterGroup are

$159,562.50. Disbursements of $ 5,715.02 for airfare, accommodation, meals, and taxi were also claimed.

35. In addition, YEC claimed consultant fees for Bowman Economic Consulting (Bowman) who it had retained through a competitive request for a pricing proposal to conduct a Net Salvage Study. The study was conducted by P. Bowman and H. Mahmudov and was included as part of the Application. An hourly rate of $270.00 was claimed for Mr. Bowman who has over 20 years of experience and an hourly rate of $250.00 for Mr. Mahmudov who has over 20 years of experience. YEC stated that, in addition to the preparation of the study, both Mr. Bowman and Mr. Mahmudov assisted in responding to specific IRs, and participated in the oral hearing as requested by the Board. YEC claimed for Bowman Economic Consulting 89.50 hours in total hours: 78 hours for preparation and 11.50 hours for attendance. The total fees claimed for Bowman are $23,205.00. Detailed invoices from Bowman were submitted as part of the cost claim.

36. YEC also claimed consultant fees for Aasman Brand Communications (Aasman) to assist with media or communication related activities, including preparation of news releases and advertisements related to the Application, workshop, and hearing. The services were provided by the following: R. Ceniza, who has over 15 years of experience, at an hourly rate of $135.00; J. Nickel, who has over 12 years of experience, at a rate of $135.00; and N. Dory, who has over 20 years of experience, at an hourly rate of $135.00. YEC claimed for Aasman a total of 16.75 hours for preparation for a total of $ 2,261.25 in consultant fees and disbursements of $226.13 for miscellaneous supplies.

37. YEC also claimed $6,947.07 in disbursements for meals, external printing, and miscellaneous supplies.

3.1.1 Costs Awarded

38. As noted above, the Board has discretion to award costs in accordance with the *Scale of Costs*. Section 6 of the *Scale of Costs* states the factors the Board considers in exercising its discretion to award costs and is set out above, in part. The Board examined YEC costs claim in light of the *Scale of Costs,* exercised its discretion, and awards costs as set out below.

39. Regarding the legal fees claimed for DLA Piper LLP, the fees are in accordance with the *Scale of Costs*. The Board has reviewed the invoices of DLA Piper LLP for the legal services provided to YEC in this proceeding. The Board observes that, although YEC has claimed costs for the services of two senior legal counsel for this proceeding, only 23.5 hours were claimed for Mr. Landry. However, the Board is of the view that there was some overlap and duplication in the tasks undertaken by Mr. Landry and Mr. Herbert. These included reviewing the Application, attending meetings, and reviewing information requests and responses. Therefore, the Board reduces the total fees

claimed for legal counsel by 10 percent. Otherwise, the legal costs claimed by YEC are reasonable for the legal tasks undertaken and are approved. Accordingly, the Board awards $73,599.30 for legal fees. For the disbursements, YEC claimed accommodation for on the October 19, 2026 for legal counsel, as the hearing was held from October 21 to 23, 2026, these costs are not recoverable under the *Scale of Costs*. As a result, the Board reduces the disbursements claimed by $295.58 and awards disbursements in the amount of $ 2,291.11.

40. For InterGroup, the Board finds that the hourly consulting fees claimed for InterGroup consultants are within the *Scale of Costs*. In the proceeding, YEC claimed costs for two principal InterGroup consultants plus three other analysts and consultants. The Board reviewed the InterGroup detailed invoices. The hours claimed for the two principal consultants, Mr. Cam Osler and Ms. Pollitt-Smith, total 602.25 out of the 665.50 total hours claimed for InterGroup. Although YEC stated that the effort of the consultants was not duplicative and was required to ensure that specific expertise was brought to the development, review, and finalization of material, the Board is of the view that there was some duplication of tasks between the principal consultants. The Board notes that, although the services of junior consultants were employed, this did not reduce the number of hours spent by Mr. Osler and Ms. Pollitt-Smith in the drafting of the Application, including business cases, the review of IRs and responses, attendance at the hearing, and in drafting undertakings, argument, and reply. While Ms. Pollitt-Smith attended the hearing along with Mr. Osler, she was not a witness but provided support to YEC at the hearing. The Board is not persuaded that both Mr. Osler and Ms. Pollitt-Smith needed to attend the hearing.

41. For the reasons set out above, the Board reduces the fees claimed for InterGoup by 10 percent. Accordingly, the Board awards fees of $143,606.25 for InterGroup. Regarding the disbursements, accommodation is claimed for Mr. Osler and Ms. Pollitt-Smith from October 19 to October 23, 2025 inclusive. However, the *Scale of Costs* states that claims for accommodation are restricted to the duration of an oral hearing. As the hearing was from October 21, 2025 to October 23, 2025, the Board reduces the accommodation costs of Mr. Osler and Ms. Pollitt-Smith by one night for a total reduction for accommodation of $658.20. In addition, meals for October 19, 2025 are disallowed in the amount of $ 85.08. The other disbursements are in accordance with the *Scale of Costs* and are granted as claimed. Therefore, the Board awards $4,971.74 for InterGroup's disbursements.

42. For consultant fees for Bowman Economic Consulting (Bowman), who was retained to conduct a Net Salvage Study, Mr. P. Bowman and H. Mahmudov prepared the study. The hourly rate of $270.00 claimed for Mr. Bowman, who has over 20 years of experience, and the hourly rate of $250.00 for Mr. Mahmudov, who has over 20 years of experience, is in accordance with the *Scale of Costs*. In Appendix A to Board Order 2026-01, the Board noted some inconsistencies between the written evidence in the Net Salvage Study and Mr. Bowman's oral testimony. While

Mr. Bowman agreed that YEC's proposed Net Salvage method is being modeled, to some degree, on a similar capitalization method being used by AltaLink Management Inc. (AltaLink), he disagreed on the nature of the differences between the classifications of the retirements between Altalink and YEC. The Board reviewed the detailed invoices filed in support of the consultant fees claimed and is of the view that the need for two senior consultants had not been shown and that there was some duplication of tasks between the consultants, for example in having both consultants attend the hearing. In addition, the report and conflicting testimony did not assist the Board in a better understanding of YEC's proposed net salvage methodology in relation to its current accounting and operational practices. As a result, the Board reduces the fees claimed by 25 percent and awards $17,478.75.

43. For the fees claimed for Aasman Brand Communications, the Board finds that the fees are in accordance with the *Scale of Costs* and relate to the proceeding because the services are for preparation of news releases and advertisements of the Application, workshop, and hearing. The Board awards $2,261.25 in consulting as the hours claimed are reasonable. The disbursements of $226.13 are awarded as claimed.

44. The Board has reviewed the receipts for the disbursements claimed by YEC for meals, postage, external printing, and advertisement of the workshop and hearing. The Board awards the disbursements as filed in the amount of $6,947.07, as these costs are within the *Scale of Costs*, are reasonable, and relate to the proceeding.

45. Therefore, the Board awards YEC the following costs:

DLA Piper LLP Fees and disbursements	$75,890.41
InterGroup Fees and disbursements	$148,577.99
Bowman Economic Consulting Inc. Fees	$17,478.75.
Aasman Brand Communications Fees and disbursements	$2,487.38
YEC Disbursements	$6,947.07
Total	**$251,381.60**

4 Government of Yukon costs – Yukon Utilities Board

46. 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. Therefore, all hearing-related costs of the Board are allowed as utility regulatory costs. As there is an outstanding review and variance application in this proceeding, the Board will issue two costs orders for the costs incurred by the Board in this proceeding. In this costs order, the Board directs an award of costs for Board costs from the beginning of the proceeding to March 31, 2026, to Government of Yukon in the amount of $439,154.32.

5 Total costs awarded

47. For the reasons set out above, the total costs awarded is $693,484.09 as follows:

Mr. Yee	$2,948.17
UCG	0
YEC	$ 251,381.60
Government of Yukon for Board costs from the beginning of the proceeding to March 31, 2026	$439,154.32