IN THE MATTER OF the *Public Utilities Act*

and

General Rate Application by Yukon Energy Corporation for Approval of Revenue Requirements for 2021

BEFORE:	B. King, Vice-Chair	)	January 19, 2021
	A. Fortin	)	
	M. Johnson	)	
	A. Middler	)	

BOARD ORDER 2021-02

WHEREAS:

A. On November 20, 2020, Yukon Energy Corporation (YEC) filed an application with the Yukon Utilities Board (Board), pursuant to the *Public Utilities Act*, and Order-in-Council 1995/90 requesting an order approving a forecast revenue requirement for 2021 (Application);

B. The Board issued Board Order 2020-04 on December 14, 2020, in which the Board set out a process schedule pending ministerial approval. In that schedule, interveners had until December 30, 2020 to register for this proceeding;

C. The Board received Ministerial approval for the proceeding dated December 23, 2020;

D. The Board received requests for intervener status from ATCO Electric Yukon, the City of Whitehorse, the Utilities Consumers' Group (UCG), and Nathaniel Yee, and granted all applicants intervener status on January 12, 2021 in Board Order 2021-01;

E. In its request for intervener status, UCG included a motion requesting that a prudence review of all capital expenditures take place separately, prior to the revenue requirement rate hearing;

F. UCG submitted that the Application is too complex and problematic to adequately examine all requests at one time and weigh the prudence of each part of the Application. UCG added that the increasing number of capital projects, involvement of multiple parties, and compressed timelines can lead to utilities losing sight of factors contributing to scope creep, cost overruns, schedule delays, and quality control issues. For these reasons, UCG submitted that prudence of each of these projects needs sufficient oversight; and

G. The Board has considered the submissions of UCG in its ruling on the motion.

NOW THEREFORE, the Board orders as follows:

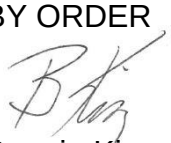
1. The Board notes the concern with the contents of the Application but finds that UCG did not provide sufficient explanation supporting what information is missing from YEC's Application which would require a separate prudence review. UCG also did not provide sufficient explanation of how a separate process to review capital programs and expenditures would allow for a better and more thorough review of capital programs and expenditures.

2. The existing process schedule provides UCG the opportunity to ask Information Requests (IRs) to explore issues related to capital programs and expenditures. UCG may ask IRs on any area of the application to test in detail and question shortcomings or deficiencies it perceives with YEC's Application. The hearing will present another opportunity to test and question the Application. UCG may present any submissions on deficiencies or other concerns at the time of filing argument in this proceeding.

3. The Board denies the UCG motion and will move forward with this proceeding as currently scheduled.

DATED at the City of Whitehorse, Yukon, this 19th day of January 2021.

BY ORDER



Bonnie King
Vice-Chair