

**Nathaniel YEE**  
**(NY)**

1 **REFERENCE: Follow-up on NY-YEC-1-5, NY-YEC-1-8(a) and NY-YEC-1-13(a,c)**  
2 Original request was for an “updated Yukon Integrated System  
3 Generation Inventory” and I was sent “Appendix A from the 10-Year  
4 Renewable Electricity Plan” as what is current. However, some of the  
5 capacities differ from the correspondence with the regulator provided in  
6 response to NY-YEC-1-8(a)  
7

8	YEC GRA Nov 2020	App to Regulator, Sep 2020
9	in reply to NY-YEC-1-5	in reply to NY-YEC-1-8(a) and
10	and YUB-YEC-1-50	sound and dispersion studies
11	and UCG-YEC-1-18	NY-YEC-1-13(a,c)
12	FD1 Dependable Capacity: <b>3.0 MW</b>	<b>2.4 MW</b>

13  
14 The 3.0MW listed in the 10-Year Renewable Electricity Plan was given  
15 as the current capacity list in IRs NY-YEC-1-5, UCG-1-18, YUB-YEC-  
16 1-50 and others.

17  
18 However that capacity was reduced to 2.4 for all communications with  
19 the regulator – and for all sound and air dispersion studies. Noting that  
20 the 2.4 MW is more convenient for regulation (allowing FD1+FD7+3  
21 Rentals to be 10.6MW), but also that the 3.0 MW is needed for N-1  
22 Capacity.  
23

24 **QUESTION:**

- 25
- 26 a) These numbers should be consistent and not arbitrarily chosen. Which is correct?  
27 Why were the two different numbers used?
  - 28
  - 29 b) Please provide a history of capacity of the FD1 generator – from nameplate  
30 capacity of 5.15MW down to the 3.0MW or 2.4MW currently claimed.
  - 31
  - 32 c) Please provide dated documentation used in support of each change in  
33 dependable capacity.

34  
35 **ANSWER:**

36  
37 **(a) through (c)**

1 The dependable capacity for individual diesel units is subject to ongoing updates based  
2 on available information and assessments. Dependable capacity of diesel generators  
3 typically drops as the units age, and YEC's practice is to complete periodic assessments  
4 to confirm the derated capacities of old diesel generators such as FD1. Updates are  
5 summarized when applicable in updated resource plans or GRAs. Beyond reporting on  
6 changes, there is no specific documentation that can be provided to support each such  
7 change.

8  
9 The Faro Diesel #1 unit with a nameplate installed capacity of 5.15 MW was  
10 recommissioned with 5 MW capacity in 2008, later was rated at 4.0 MW in the 2011 and  
11 2016 YEC Resource Plans with expected retirement in 2021. This rating was reduced to  
12 3.0 MW by the time 10-Year Electricity Resource Plan was prepared [the work for the plan  
13 was started in November 2019 after Yukon government released a draft of its Our Clean  
14 Future strategy]. The following additional information is provided on this unit:

- 15  
16 • Faro unit #1 is the oldest unit in the fleet (built in late 60's).
- 17  
18 • It requires manual adjustment in order to run at its maximum output and YEC has  
19 not had qualified mechanical maintenance staff located in Faro for approximately  
20 5 years (staff in Whitehorse have the expertise to perform this function but Faro is  
21 at least 4 hours drive so re-deploying forces would not meet the requirement of  
22 keeping the lights on during an emergency).
- 23  
24 • The unit has also experienced issues with its cooling system that restricts output.
- 25  
26 • Based on internal review by YEC Mechanical Maintenance, YEC concluded that  
27 the unit could be run up to 2.4 MW while in remote mode without risking over-  
28 heating shutdown.

29  
30 The 10-Year Electricity Resource Plan assumed the unit will retire in 2023. Please see  
31 revised response to UCG-YEC-1-18 that provides copy of Appendix A to the 10-Year  
32 Electricity Resource Plan with the list of existing hydro and thermal resources including  
33 dependable capacity assumed in the 2016 Resource Plan and updated dependable  
34 capacity and retirement assumptions for each unit.

35  
36 The dependable capacity analysis for the 2021 GRA is based on 10-Year Electricity  
37 Resource Plan, therefore it assumes 3.0 MW dependable capacity for Faro Diesel #1.

1 More recent assessments [the Noise Impact Assessment at Faro Facility (February 2021)  
2 provided in NY-YEC-1-13(a) Attachment 1 and Air Dispersion Modelling Assessment for  
3 Faro Facility (December 2020) provided in NY-YEC-1-13(c) Attachment 1] show Faro  
4 Diesel #1 was derated from 3.0 MW to 2.4 MW, a reduction of 0.6 MW.  
5  
6 As noted in GRA Tab 2, page 2-14, the forecast dependable capacity based on the single  
7 contingency (N-1) criterion is forecast for the YIS to be about 1.25 MW in excess of the  
8 forecast non-industrial winter peak for 2021. Therefore, the reduction of 0.6 MW in  
9 dependable capacity will not impact the 2021 GRA assessment that overall dependable  
10 capacity exists to meet the N-1 requirement.

1 **REFERENCE:** Follow-up on NY-YEC-1-5, NY-YEC-1-8(a) and YUB-YEC-1-50(b)  
2 GRA Page 2-14, "Installed YEC and AEY dependable grid capacity for  
3 the winter peak in 2021, based on existing capacity today and any  
4 planned additions/retirements and excluding Fish Lake hydro, is 139.1  
5 MW in 2021 (70.5 MW of YEC hydro, 12.6 MW YEC LNG, 23.5 MW of  
6 YEC diesel, 5.6 MW of AEY diesel and plus 27 MW<sup>20</sup> diesel from  
7 rented diesel units in order to meet the N-1 criterion assessment).<sup>21</sup>"  
8 and

9  
10 "20 15 units at 1.8 MW for each unit to total 27 MW for 2021."

11  
12 Of the 23.5MW of YEC diesel, Faro FD1&FD7 provide 5.8MW,  
13 according to the 10-Year Renewable Plan. So in the GRA and for N-1  
14 purposes, Faro diesel provides 14.8 MW (FD1+FD7=5.8MW + 5  
15 Rentals @ 1.8MW Ea=9MW).

16  
17 However, 14.8 MW clearly exceeds the maximum 10.6MW permitted  
18 by the regulator or listed in the expired 2008 and 2011 decision  
19 documents. YEC is counting 4.2MW (14.8 MW-10.6 MW )that it has no  
20 authority to install or use to meet N-1.

21  
22 And from GRA Page 2-15 "In summary, under N-1, there is surplus of  
23 dependable capacity of approximately 1.25 MW in 2021. Without rented  
24 diesel units, the N-1 capacity shortfall would be 25.75 MW in 2021."

25  
26 This is not true, as YEC actually has an N-1 capacity shortfall of 2.95  
27 MW. (1.25 – 4.2)

28  
29 **QUESTION:**

- 30  
31 a) Please explain how N-1 is affected with Faro capacity being limited to 8.15 or 10.6  
32 MW, at least 4.2 MW less than the 14.8 MW cited on the GRA and 10-Year  
33 Renewable Plan?  
34  
35 b) Please provide a corrected and complete answer to YUB-YEC-1-50(b).

1 **ANSWER:**

2  
3 **(a) and (b)**

4  
5 The N-1 requirement set out in this application was, and continues to be, met by YEC  
6 installing the rented diesels at Faro. The volume of diesel rentals at this site were and are  
7 needed to address higher N-1 dependable capacity requirements demonstrated by the  
8 extraordinary cold spell in winter 2019/2020. In that regard -- the GRA N-1 requirement is  
9 not affected by the 10.6 MW cap.

10  
11 Further context is provided below.

12  
13 Prior to the 2020/21 winter YEC was renting eight diesel generators plus one spare (all in  
14 Whitehorse) to address the capacity shortfall under the N-1 criteria. However, the peak  
15 forecasted by Yukon Energy's load forecasting model for the winter of 2019/2020 (which  
16 was used to determine the number of diesel rental units required) was lower than the  
17 actual peak demand experienced in January 2020 during an extraordinary cold snap. This  
18 meant that during that cold snap Yukon Energy did not have sufficient capacity to meet  
19 the N-1 criteria.

20  
21 Yukon Energy updated its non-industrial peak capacity demand forecasting model to  
22 account for that new peak. That update demonstrated a requirement for additional  
23 capacity to meet the N-1 capacity criterion.

24  
25 In order to address the capacity shortfall for winter 2020/21, Yukon Energy initiated rental  
26 diesel infrastructure enhancements increasing the total number of rented diesel  
27 generators from eight units in the winter of 2019/2020 to 15 units [plus two spares],  
28 including six [plus one spare] in Faro. YEC was able to complete these changes in 2020  
29 to ensure YEC had sufficient reserve to meet the N-1 criteria for the 2020/21 winter.

30  
31 Starting in 2020 -- Yukon Energy also began the process to amend the Faro emissions  
32 permit to take into account this added diesel generation capability. In October 2020 -- as  
33 part of that process -- it was determined that the Faro air emissions permit needed to be  
34 amended and further that it would need to go through a YESAA assessment process.  
35 Appropriate consultations have been ongoing since that time (including with the RRDC)  
36 and a formal amendment application was recently filed with YESAB (see NY-YEC-2-6 for

1 more details on engagement activities over this period). YEC expects that approval will be  
2 received before this upcoming winter.

3

4 Because Yukon Energy believed that sufficient capacity was connected to prevent  
5 outages under the emergency circumstances (such as N-1 event) in winter 2020/21, no  
6 revisions are required to YUB-YEC-1-50(b).

1 **REFERENCE: Follow-up on NY-YEC-1-8(a)**

2 From Elizabeth Barker's reply to Travis Ritchie 23-Sept, 2020:

3  
4 *"Specifically, the Faro generating station underwent a YESAA*  
5 *assessment in 2014. In the assessment, FD1 and FD7 were assessed*  
6 *with production capacities of 5.15MW and 3MW for a total of 8.15MW.*  
7 *Currently, FD1 and FD7 have been derated to 2.4MW and 2.8MW*  
8 *however, with the addition of YM20-22 (5.4MW) and the addition of the*  
9 *YM23-25(5.4MW) as emergency backup, this brings the station*  
10 *capacity to a total of 16MW. This is 7.85MW greater than the capacity*  
11 *that was previously assessed in 2014. As the modification of production*  
12 *capacity is greater than 50kW, this project will need to proceed through*  
13 *YESAB before we can issue any permit amendments. Please let me*  
14 *know if you would like to discuss this further.*

15  
16 And from Travis Ritchie's email to Elizabeth Barker 24-Sept, 2020:

17 *"I was anticipating that either Decision Document 2008.0230 or*  
18 *2011.0246 were technically still valid for the purposes of granting an*  
19 *approval..."*

20  
21 and

22  
23 *"I understand the need to assess the additional capacity (beyond what*  
24 *has been assessed historically) before it can be permitted, but I would*  
25 *ask for approval to reinstall the previously relocated and de-rated*  
26 *capacity pursuant to the 2008/2011 assessment findings and related*  
27 *decision documents."*

28  
29 and

30  
31 *"If you need, I can resubmit the amendment application for reinstallation*  
32 *of only the previously assessed capacity, removing reference to the 3*  
33 *additional units (YM23-YM25). YEC can then work on getting a YESAA*  
34 *assessment completed for the additional capacity, which could be*  
35 *permitted afterward. Does that sound reasonable?"*

36

1 And from Elizabeth Barker's reply to Travis Ritchie 13-Oct, 2020: "We  
2 have determined that the information provided in YEC's previous Faro  
3 station YESAA assessments (2008-0230 and 2011-0246) is still valid  
4 for the proposed 2020 amendment of reinstalling capacity of  
5 approximately 5.65MW at the Faro generating station. YEC has  
6 authorization to reinstall previously relocated/de-rated capacity of up to  
7 10.6MW, cumulative station capacity, without proceeding through the  
8 YESAA assessment process. As discussed, any additional capacity  
9 increase that will bring the Faro station's cumulative capacity above  
10 10.6MW will need to proceed through the YESAA assessment process  
11 before being considered."

12 These documents were for the 2008 and 2011 permits and were not  
13 considered valid for the 2014 permit in 2014. A new YESAB  
14 assessment was required, and produced Decision Document  
15 2014.0119.

16  
17 **QUESTION:**

- 18
- 19 a) Were the 2008 and 2011 Decision Documents "still valid" in 2014 when a new  
20 permit was required to replace the expiring 2008 and 2011 permits? And, if they  
21 are "still valid" now, why were they not used for the 2014 permit?  
22
- 23 b) In giving this exception, Elizabeth Barker specifically states that YEC can reinstall  
24 5.65MW for "up to 10.6MW, cumulative station capacity" and "any additional  
25 capacity increase that will bring the Faro station's cumulative capacity above  
26 10.6MW will need to proceed through the YESAA assessment process before  
27 being considered. and yet, YEC installed 6 generators at 1.8MW each, bringing  
28 cumulative capacity to 16 MW. This is of course exactly what Elizabeth Barker  
29 rejected in the email of 23-Sept. How does YEC justify this?  
30
- 31 c) Exactly how many rental generators has YEC installed in Faro? Physically, it  
32 seems to be seven – and the GRA uses the cost of installation and rental of 7  
33 generators to justify a significant portion of the rate increase. However for purposes  
34 of the N-1 Capacity, 5 generators are listed as operational in Faro, and for the  
35 regulator, only 3 can actually be installed. So how many generators are there?  
36 How can using these different numbers be justified? Which one is real?  
37

- 1 d) What is the social license of asking the regulator to use documents created for  
2 expired permits instead current documents? Having submitted the YESAB  
3 documents in 2008, 2011 and 2014, Travis Ritchie must have known that the 2008  
4 and 2011 permits had expired?  
5
- 6 e) The original (rejected) application of 10-Sept, 2020 is to “Reinstall  
7 relocated/derated capacity (aprx. 5.65 MW) & add 3 x1.8 MW emerg-only units.”  
8 This is rejected in Elizabeth Barker’s email of 23-Sept, and Travis alters the  
9 application and resubmits on 28-Sept, “removing reference to the 3 additional units  
10 (YM23-YM25).” So three of the six generators were removed from the application  
11 to get a pass from the regulator, but... then they were installed anyway, in direct  
12 contradiction of the regulator and the regulators explanation of YESAA  
13 requirements. Please explain.  
14
- 15 f) I was under the impression that expired permits are no longer “still valid.” Are there  
16 other examples or instances where the limits from expired permits can take  
17 precedence over current limits? Most expired permits actually expire – ie the catch  
18 limits of a 2008 or 2011 fishing permit would not be suddenly “still valid” in 2021,  
19 but somehow limits on expired YEC pollution permits are “still valid.” What other  
20 expired permits are “still valid” after expiration? What precedent did YEC have for  
21 suggesting using expired documents in this way?  
22
- 23 g) Explain the ethical and legal aspects of bypassing the clear intent of YESAA and  
24 the regulator?

1 **ANSWER:**

2  
3 **(a) (d) and (g)**

4  
5 Part (a), (d) and (g) question whether the Decision Documents relied upon by the regulator  
6 in issuing the permit amendment were “still valid”; the social licence for asking a regulator  
7 to use decision documents for “expired permits” instead of current decision documents;  
8 and the “ethical and legal aspects of bypassing the clear intent of YESAA and the  
9 regulator.”

10  
11 The presumptions in these questions are not valid.

12  
13 The YESAA legislation is clear with respect to a Decision Body’s role in determining  
14 whether it needs a Decision Document (or a new Decision Document) in order to enable  
15 its regulatory agencies to issue project approvals.

16  
17 In this case, the Decision Body determined that a previous YESAA assessment and duly  
18 issued Decision Document were sufficient for its regulatory agency to authorize the  
19 reinstallation of previous site capacity under Yukon Energy’s existing air emissions permit  
20 as the proposed activity (previously assessed and recommended to proceed under  
21 YESAA) was not a material departure or substantive change from what was previously  
22 authorized at the FGS.

23  
24 More specifically, the regulator confirmed in the October 13, 2020 correspondence [quoted  
25 above] from Elizabeth Barker, Environmental Protection Analyst, Department of  
26 Environment, Standards & Approvals Section, Yukon Government, as follows:

27  
28 “We have determined that the information provided in YEC’s previous Faro  
29 station assessments (2008-0230 and 2011-0246) is still valid for the  
30 proposed 2020 amendment of reinstalling capacity of approximately  
31 5.65MW at the Faro generating station. YEC has authorization to reinstall  
32 previously relocated/de-rated capacity of up to 10.6MW, cumulative station  
33 capacity, without proceeding through the YESAA assessment process.”

34  
35 Therefore, in response to parts (a),(d) and (g), the regulator has determined that the  
36 information available from the prior assessments, including prior decision documents, is  
37 still valid and could be relied upon by the regulator for its determinations on reinstalling

1 capacity of approximately 5.65 MW at the Faro generating station. Consequently, the  
2 intent of YESAA and the regulator were not bypassed.

3  
4 **(b) and (e)**

5  
6 The authority provided under the Air Emissions Regulation, and permits issued under that  
7 regulation, is focused on contaminant emissions to the atmosphere, i.e., air pollution is the  
8 target of the Regulations. As such, a proponent can have any number of emitting devices  
9 at a site, but can only operate such equipment in a manner that is compliant with the  
10 authority provided under their air emissions permit.

11  
12 In her correspondence, the Yukon government representative was “rejecting” the  
13 allowance to **operate** any capacity beyond the existing permit threshold without further  
14 YESAA assessment, not rejecting the **installation** at the facility.

15  
16 In this case, despite the total capacity of the generators on site at the Faro Generating  
17 Station that includes connection of six rented diesels [plus one spare] during the critical  
18 winter season, Yukon Energy is currently limited to operating only up to 10.6 MW of that  
19 capacity at any one time, using a combination of any units at site. Yukon Energy has not  
20 run more than 10.6 MW of diesel generation at this site over the past year.

21  
22 As reviewed in response to NY-YEC-2-2, notwithstanding the current permit limit of 10.6  
23 MW Yukon Energy ensured in winter 2020/21 (and is ensuring again in winter 2021/22)  
24 that sufficient capacity is made available and connected at the Faro generating station to  
25 prevent outages under the emergency circumstances (such as N-1 event). In the event of  
26 an emergency (i.e., an N-1 event for which the back-up capacity was rented) YEC has  
27 retained the required N-1 dependable capacity capability and would plan if required to  
28 operate units as needed during the emergency.

29  
30 Yukon Energy is also proceeding with assessments and permitting reviews as required to  
31 authorize it to operate at any time in future installed capacity available at the FGS of up to  
32 15.5 MW.

1 (c)

2

3 Seven (7) rental generators are installed at the FGS. Six units are required to address N-  
4 1 dependable capacity requirements and one unit is a spare.

5

6 As mentioned in the response to NY-YEC-2-3(b) any number of units can be installed at  
7 a facility, but the facility must comply with the capacity thresholds for air emissions. YEC  
8 is currently authorized to operate 10.6MW - and this could be provided with five rental  
9 units, as per the current stacking order for this site (see response to NY-YEC-1-6 Revised).  
10 Capacity installed at the FGS beyond the current operating/emitting threshold is intended  
11 to provide emergency back up as well as redundancy in case of unit failure or when  
12 required maintenance or repair schedules coincide with system demand that calls on that  
13 capacity to come online. As reviewed in response to “b and e” above, and in the current  
14 stacking order for this site (see response to NY-YEC-1-6 Revised), YEC plans if required  
15 to operate units as needed during an N-1 or other emergency.

16

17 YEC is currently proceeding with assessments and permitting reviews as required to  
18 authorize it to operate at any time in future installed capacity available at the FGS of up to  
19 15.5 MW.

20

21 (f)

22

23 The permit is not expired; YEC sought an approval, pursuant to its existing air emissions  
24 permit (i.e., Part 2, Clause 5)<sup>1</sup>, to install previously relocated and de-rated capacity based  
25 on available assessment materials. Yukon Energy accordingly did not suggest that expired  
26 *permits* should allow for reinstallation of previously assessed and permitted site capacity  
27 at the FGS.

28

29 YEC suggested, and the Regulatory Authority agreed, that a previous *Decision Document*  
30 and its related assessment information was still valid for decision making with respect to  
31 Yukon Energy’s request for approval to reinstall generation capacity at the site up to the  
32 previously (and favorably) assessed and permitted capacity. See response to parts (a),  
33 (d) and (g).

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<sup>1</sup> This clause states: “The permittee shall obtain approval from an environmental protection analyst prior to: a) any addition, modification, removal or replacement of any equipment or components related to the release, abatement, control or treatment of air emissions; or b) any change in location of the source(s).”

1 **REFERENCE: Follow-up on NY-YEC-1-10 – YESAB / Generating Capacity**

2  
3 **From YEC’s reply to NY-YEC-1-10, emphasis added:**

4  
5 *“Yukon Energy is requesting a recommendation by the Designated*  
6 *Office to allow the Permit amendment to proceed, on the basis that the*  
7 *Project (i.e., the continuing operation of the Yukon Energy’s Faro Diesel*  
8 *Facility with the addition of **4.9 MW** of additional diesel generating*  
9 *capacity (total of **15.5 MW** of generating capacity) in accordance with*  
10 *the terms and conditions of the amended Permit and the applicable*  
11 *provisions of the Environment Act and Air Emissions Regulations)...”*

12  
13 **QUESTION:**

- 14  
15 a) How did YEC come up with 15.5MW as a total? There is no combination of the  
16 installed generators and rentals that actually adds up to this total?  
17  
18 b) The sound and air dispersion studies also note that given the capacities of the  
19 generators, there is no actual way for this to be the total, and therefore no way to  
20 model for it. The studies are based on 16MW (Derated FD1+FD7 + 6 Rentals)  
21 which is physically and mathematically possible. How/why does YEC propose a  
22 generating capacity of 15.5MW while the actual installed generation capacity will  
23 be 16MW (or 16.6MW if using the 10-Year Renewable Plan for capacities)?  
24  
25 c) Why claim the addition of only 4.9 MW, when the proposal is for 5.4 MW, the 3  
26 rentals actually being installed?  
27

28 **ANSWER:**

29  
30 **(a) and (c)**

31  
32 The proposed site capacity expansion was limited to 4.9 MW so as not to trigger an  
33 Executive Committee (EC) Screening, i.e., a 5 MW increase would trigger an EC  
34 Screening.

35  
36 All of Yukon Energy’s previous twelve (12) diesel generating station assessments have  
37 been conducted under YESAA at the Designated Office level. Based on Yukon Energy’s

1 experience, a YESAA assessment at the Designated Office level can be completed on a  
2 more timely basis than an Executive Committee level review. This would allow for the  
3 assessment to be completed in order for the additional capacity to be available for the  
4 upcoming winter.

5

6 **(b)**

7

8 As noted in response to NY-YEC-2-1, operating capacity will be directed by the limits  
9 provided under Yukon Energy's air emissions permit regardless of the capacity installed  
10 at the FGS. The 16 MW ceiling was chosen as the threshold for the air quality and noise  
11 impact assessments (and related modelling) as a measure to ensure conservative  
12 assessment results. The 15.5 MW threshold was selected for the purposes of assessment  
13 and permitting as described in the response to question NY-YEC-2-2(a), above.

1 **REFERENCE: Follow-up on NY-YEC-1-10 – YESAB and communications**

2  
3 Noting that in materials currently being distributed to residents of Faro,  
4 some interesting and quite deceptive definitions have appeared that  
5 could use further explanation.

6  
7 The common understanding in Faro is that the term “permanent  
8 generators” and “existing generators” and “permitted generators” would  
9 refer to FD1 and FD7, the only generators that have been installed or  
10 permitted since 2014 until the arrival of the rentals in 2020.

11  
12 YEC uses these terms to refer to FD1 and FD7 **and** 3 of the rental  
13 generators, despite the fact that the rentals are not permanent, did not  
14 exist here before 2020 and were not on the 2014 permit application or  
15 the 2014 YESAB – the last notice the public had about what was  
16 permitted.

17  
18 The common understanding of “the rental generators” would be the  
19 seven rental generators installed in 2020. It is sometimes used this way.  
20 YEC also often uses “the rental generators” to refer to only three of the  
21 rentals, as YEC hides three of the new rentals by considering them  
22 “permanent” or “existing” generators and one as a spare. This is  
23 common in communications distributed to residents of Faro.  
24 Confusing?

25  
26 And an example from “reporting back on a winter with rental diesels in  
27 Faro” distributed to Faro residents 21-June, 2021.

28  
29 *“When we added the rental units last winter, we also modelled what air  
30 emissions would be like with the addition of the rentals.”*

31 This report (provided in response to NY-YEC-1-13(c)) actually models  
32 FD1 + FD7 + 3 rentals (baseline) vs FD1 + FD7 + 6 rentals. So “the  
33 addition of the rentals” means “addition of three more rentals – not  
34 counting the three rentals added that we now consider permanent.”

35  
36 The sound study does the same thing, using “Existing/Current  
37 Operation” to refer to FD1+FD7+ 3 Rentals. Also referred to as “old

1 permanent engines” in the “reporting back on a winter with rental  
2 diesels in Faro document.” Referring to half the rentals as “old  
3 permanent engines” or “existing/current” is deceptive.  
4

5 **QUESTION:**  
6

- 7 a) Please explain the social license in using such terms as “Existing Permitted  
8 Emission Capacity,” “Existing capacity,” and “permanent generators” to refer to a  
9 capacity that has not existed or been permitted since 2014.  
10
- 11 b) Would you reasonably expect anyone to interpret “Existing Permitted Emission  
12 Capacity,” “Existing capacity,” “existing site” or “permanent generators” to mean  
13 FD1 + FD7 + 3 of the new rentals? Please explain how a member of the public  
14 would come to this correct interpretation.  
15
- 16 c) Would you reasonably expect anyone to interpret “the addition of the rentals” to  
17 mean only 3 of the 7 newly installed rentals? Please explain how a member of the  
18 public would come to understand this interpretation that YEC is using.  
19
- 20 d) Previous to the 2020 addition of the rental generators, when was the most recent  
21 date that the Faro facility had the physical installed capacity for generating  
22 10.6MW?  
23
- 24 e) Discuss the role of a public company in misleading the public.  
25

26 **ANSWER:**  
27

28 **(a) to (e)**  
29

30 Yukon Energy has communicated accurately the key information relevant to the current  
31 permit application at the Faro diesel generation site.

1 The central message in relation to the current Faro permit application is that YEC is  
2 seeking a permit for an additional 4.9 MW of diesel operation at Faro, and that today this  
3 added capacity will be provided by three 1.8 MW rental diesel units.

4

5 As reviewed in response to NY-YEC-2-3(a), YEC is currently authorized to operate 10.6  
6 MW of diesel capacity at Faro. The 10.6 MW is therefore considered the “Existing  
7 Permitted Emission Capacity” or “Existing capacity”. “Permanent generators” refers to FD1  
8 and FD7 with respect to the current complement non-mobile generators themselves, not  
9 the permitted site emissions capacity. At this time, three rented diesel units provide the  
10 balance of the capacity needed to operate at the existing permitted 10.6 MW.

11

12 Capacity of the Faro Generating Station was last at 10.6 MW in 2011, whereafter Yukon  
13 Energy voluntarily relocated FD3 and FD5 to meet operational needs at other generating  
14 stations in Yukon.

1 **REFERENCE: Follow-up on NY-YEC-1-9 Consultation, approval and thanks,**  
2 **RRDC**

3  
4 While YEC is unwilling to provide any of the actual correspondence with  
5 RRDC, YEC did provide a list of attempts to contact RRDC in the  
6 meeting notes of the Faro virtual meeting on 2-December, 2020 and a  
7 comment by the RRDC representative in attendan[c]e on 2-December.

8  
9 As stated in the YEC distributed meeting notes, previous to the  
10 installation of the rental generators, YEC made only three attempts to  
11 contact RRDC, all by email only, on April 9 and 17 and September 1,  
12 2020.

13  
14 At the meeting on 2-December, 2020, the RRDC contact who was  
15 supposedly emailed “*expressed his deep concern and disappointment*  
16 *that Yukon Energy did not consult with Ross River Dena Council*  
17 *(RRDC) before adding the temporary diesel generators to the Faro site.*  
18 *Stanley noted that RRDC was not informed of the project or of the*  
19 *procurement opportunities.*” (from YEC distributed meeting notes).

20  
21 **PREAMBLE:**

22  
23 **QUESTION:**

- 24  
25 a) Did YEC consider sending three (unanswered, possibly not received) emails to be  
26 sufficient consultation and interaction with RRDC before proceeding to install the  
27 generators?  
28  
29  
30 b) Did YEC confirm the emails were received? Please provide confirmation if any  
31 exists.  
32  
33 c) Why were no phone calls made to anyone at RRDC previous to installation of the  
34 generators?  
35 From the meeting handout: “*We give thanks to the Ross River Dena Council for*  
36 *allowing our facilities and this project to take place on their Traditional Territory.*”

1           We give thanks, but can't we also at least give them a call?  
2

3           **ANSWER:**

4  
5           **(a) to (c)**  
6

7           Part (a), (b) and (c) question what YEC considered to be the appropriate level of  
8           engagement prior to proceeding with installation of diesel generators; and whether YEC  
9           was able to make contact with RRDC; and question the measures YEC undertook to share  
10          information with RRDC. As noted below – YEC proceeded with a level of engagement  
11          considered appropriate for the project activities it was undertaking at each stage; YEC has  
12          also continued to make efforts to engage with RRDC and share information regarding the  
13          project (as detailed in the table provided below).  
14

15          Generally speaking, replacement of previously installed capacity (i.e., 3 of the rentals) is  
16          a basic operational activity. This type of activity does not typically require public  
17          engagement. With regard to expanded capacity at the site, consultation became  
18          appropriate once an assessment by YESAB was determined to be required for the  
19          expansion of the site air emissions permit. The project is required to be assessed at the  
20          Designated Office level of YESAB and Yukon Energy has proceeded with engagement  
21          activities taking this into consideration.  
22

23          The table below summarizes consultation activities with RRDC/the community of Faro  
24          after it was determined after winter 2019/20 that diesel rentals were needed at the Faro  
25          generating station. Yukon Energy notes this level of consultation took place under COVID  
26          19 conditions, and exceeds the minimum required by YESAB for projects assessed at the  
27          Designated Office level.

<b>Activity Description</b>	<b>Date</b>
Town of Faro Council Presentation	July 2020
Information Brochure on Project mailed to all Faro addresses	September 2020
Virtual Community Meeting for RRDC and Ross River	December 2, 2020
Senior Leadership travelled to Ross River to meet with Chief and Council	October 15, 2020
Presentation and overview with RRDC Chief and Council and Development Corporation	June 2021
YEC engaged a RRDC owned environmental consulting firm to provide a third-party review of the YESAA application and recommendations were included in YESAA submission.	2021
Copy of YESAA application provided to RRDC lands management lead prior to submission.	August 2021
Copy of community presentations available on YEC website	As required

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