



YUKON

February 27, 2025

Yukon Utilities Board
PO Box 31728
Whitehorse, YK Y1A 6L3

Attention: Lesley McCullough
Chair

**Re: ATCO Electric Yukon's (AEY)
Industrial Rider R Deferral**

Enclosed is ATCO Electric Yukon's (AEY) Application to the Board requesting to use Rider R1, Temporary Rate Adjustment Rider, for Industrial Rider R deferral collection effective April 1, 2025.

AEY respectfully requests the Board to provide a decision by March 24, 2025, to allow sufficient time for rate implementation and testing before the effective date.

If you have any questions regarding this Application, please contact me at Tony.Martino@atco.com or 780-420-5493.

Yours truly,

Tony Martino, CPA, CMA
Senior Manager, Regulatory

1. BACKGROUND

1. On July 18, 2022, ATCO Electric Yukon (AEY) filed an “AEY Rate Relief in the Yukon” Application in which AEY requested approval for a deferral account for Industrial Rider R revenue. In Board Order 2022-13,¹ the Yukon Utilities Board (the Board) stated it was satisfied that AEY had made a case for a deferral account for Industrial Rider R revenue. The Board directed AEY to set up the deferral account from the date of the decision on a go-forward basis and make an application to dispense with the balance once it accumulated to \$0.25 million. AEY complied with this direction and began tracking the Industrial Rider R deferral beginning November 7, 2022.

2. In AEY’s 2023-2024² GRA, AEY requested approval to continue with the previously approved Industrial Rider R deferral. Throughout the GRA process, AEY elaborated on the deferral mechanism. For example, in response to YUB-AEY-006, which asked how the Industrial Rider R Deferral will operate, AEY replied that the deferral could be a refund to or a collection from customers and that AEY would apply to the Board to refund/collect the balance once it accumulated to plus or minus \$0.25 million. In Board Order 2024-01,³ the Board stated that it “... agrees with the submissions of AEY regarding the Industrial Rider R deferral account and approves the continued use of this account as filed.”

3. AEY has determined that, largely due to the unexpected shutdown of an Industrial account, the Industrial Rider R Deferral balance has now exceeded a shortfall of greater than \$0.25 million. As directed, AEY is now applying to dispense with the balance using Rider R1, Temporary Rate Adjustment Rider. While Board Order 2022-13 stated that disbursements of the Industrial Rider R deferral balance may apply solely to residential and commercial non-government customers, in consideration that the deferral balance is now a shortfall to be collected from customers, AEY is of the view that the balance should

¹ Board Order 2022-13, November 7, 2022, “Rate Relief in the Yukon” AEY Application.

² 2023-2024 AEY GRA Application, July 7, 2023.

³ Board Order 2024-01 Appendix A, 9.2.1 Board Findings.

be collected from all ATCO Electric Yukon and Yukon Energy Company Retail and Industrial customers.

2. APPLICATION

4. AEY has determined that the Industrial Rider R Deferral balance is a shortfall of \$311,000 as of January 31, 2025, due to YEC's Industrial customers' revenue actuals being less than forecast at the time of AEY's 2023-2024 GRA. As a higher forecast industrial revenue was used to determine AEY's Final Rider R rate, AEY estimates that the deferral balance will continue to increase to a \$749,000 shortfall as of December 31, 2025. To collect the deferral shortfall, AEY proposes to increase Rider R1 by 1.42 percent (from -1.15 percent to 0.27 percent), effective April 1, 2025. The current -1.15 percent component of Rider R1 related to the true-up from AEY's 2023-2024 GRA⁴ will be removed, as planned, on September 1, 2025, resulting in a Rider R1 rate of 1.42 percent from September 1, 2025, to December 31, 2025. Please refer to Schedule 1 for the detailed calculations. Please refer to Attachment 1 and Attachment 2 for Rider R1 Rate Schedules effective April 1, 2025, and September 1, 2025, respectively.

3. CUSTOMER BILL IMPACT

5. Bill impacts for non-government customers in the Hydro Zone resulting from the requested increase to Rider R1 are provided in Table 1 and Table 2 below. Bills include all Riders but exclude the GST.

**Table 1: Bill Impacts for Hydro Non-Government Customers
Effective April 1, 2025, Rider R1: 0.27%**

Rate Class	Bill Impact	
	\$	%
Residential (800kWh)	+\$1.59	+0.9%
General Service (5kW / 1,000kWh)	+\$1.94	+0.8%

⁴ Board Order 2024-06, Appendix A.

**Table 2 - Bill Impacts for Hydro Non-Government Customers
Effective September 1, 2025, Rider R1: 1.42%**

Rate Class	Bill Impact	
	\$	%
Residential (800kWh)	+\$1.29	+0.7%
General Service (5kW / 1,000kWh)	+\$1.57	+0.6%

4. IMPLEMENTATION DATE & BOARD APPROVAL

6. As this application is straightforward, has a narrow scope and is dispensing an approved⁵ deferral, AEY respectfully requests the Board provide a decision by March 24, 2025, to allow sufficient time for rate implementation and testing before the April 1, 2025 effective date.

⁵ Board Order 2022-13 and Board Order 2024-01.



THE YUKON ELECTRICAL COMPANY LIMITED
An **ATCO** Company

YUKON
ENERGY



Effective: 2025 04 01
Supersedes: 2024 09 01
Board Order: XXXX-XX

RIDER R1

ATCO ELECTRIC YUKON TEMPORARY RATE ADJUSTMENT RIDER

- AVAILABLE:** To all electric service throughout the Yukon Territory.
- APPLICABLE:** To all classes of service except Rate Schedule 32,
Rate Schedule 42 and Rate Schedule 43.
- RATE:** All base rate revenue will be adjusted by the following rate:

0.27%
- NOTE:** Yukon Energy Corporation refunds or recoveries under this rider
are to flow through to ATCO Electric Yukon.



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ATCO Electric Yukon (AEY)
Determination of Industrial Rider R Deferral (using Rider R1)
(\$000)

Line No.	Description	Reference	Calculation
1	Industrial Rider R Forecast (\$000)		
2	2022 November 7 - December 31		0
3	2023 Full Year		804
4	2024 Full Year		1,246
5	2025 January		97
6	Industrial Rider R Forecast (\$000)	Sum (L.2:L5)	<u>2,148</u>
7	Industrial Rider R Collections (\$000)		
8	2022 November 7 - December 31		154
9	2023 Full Year		833
10	2024 Full Year		790
11	2025 January		61
12	Industrial Rider R Collections (\$000)	Sum (L.8:L11)	<u>1,837</u>
13	Industrial Rider R Shortfall/(Surplus) as of Jan 31, 2025 (\$000)	L.6 - L.12	311
14	Forecast Shortfall/(Surplus) February - December, 2025 (\$000)		438
15	Forecast Industrial Rider R Shortfall/(Surplus) as of December 31, 2025 (\$000)	L.13 + L.14	<u>749</u>
16	Determination of Industrial Rider R Deferral True Up Rate		
17	Base Revenue (April 1 - December 31, 2025) (\$000)		
18	ATCO Electric Yukon (AEY)		41,857
19	Yukon Energy Corporation (YEC) Non-Industrial		6,520
20	Yukon Energy Corporation (YEC) Industrial		4,234
21	Total Base Revenue (\$000)	Sum (L.18:L.20)	<u>52,611</u>
22	Incremental Rider R1 (Industrial Rider R Deferral recovery)	L.15 / L.21	1.42%
23	Current Rider R1	Board Order 2024-06	<u>-1.15%</u>
24	Proposed Rider R1, AEY Temporary Rate Adjustment Rider, effective April 1, 2025	L.22 + L.23	0.27%
25	Proposed Rider R1, AEY Temporary Rate Adjustment Rider, September 1 - December 31, 2025	L.22	1.42%