

**ATCO Electric Yukon and Yukon Energy Corporation  
2025 Terms and Conditions of Service (T&Cs) Application**

**Yukon Utilities Board (Board)  
Information Requests (IRs) Round 1 to  
ATCO Electric Yukon (AEY) and Yukon Energy Corporation (YEC) (the Utilities)**

**YUB-AEY/YEC-1-001**

**Reference:** AEY-YEC 2025 T&Cs Application, PDF page 3.

**Issue:** Stakeholder consultations

**Quote:** Clarity in existing sections has also been proposed to better provide guidance to customers and the utilities.

**Request:**

- (a) Did the Utilities undertake any stakeholder consultations regarding the review and update to the T&Cs?
- (b) If the response to part (a) is yes, please list the stakeholders involved during the consultation process and provide any notes from the consultation process.
- (c) If the response to part (a) is no, please explain why no stakeholder consultations took place.
- (d) If no stakeholder consultations took place, on what basis have the Utilities determined that the proposed clarifications will provide better guidance to customers?

**YUB-AEY/YEC-1-002**

**Reference:** AEY-YEC 2025 T&Cs Application, PDF page 4.

**Issue:** Rate Schedules

**Quote:** Appendix 1 and 2 contains the proposed T&Cs to govern service under the approved Rate Schedules, including clean and blackline versions

**Request:**

- (a) When the Utilities reviewed the T&Cs, did the Utilities also review the wording of the rate schedules to provide more clarity and better guidance for customers?
- (b) If the response to part (a) is yes, please describe the review undertaken and the issues identified.
- (c) If the response to part (a) is no, please explain why such a review was not undertaken.

### **YUB-AEY/YEC-1-003**

**Reference:** AEY-YEC 2025 T&Cs Application, PDF page 4.

**Issue:** Rights and Obligations

**Quote:** The proposed amendments to the T&Cs filed in this Application are intended to modernize the T&Cs, and enhance clarity, transparency and ease of understanding of the provisions under which electricity service is provided, including the rights and obligations of both the utility and the customer, and to reflect the Utilities' current practices and policies, legislation and regulations.

**Request:**

- (a) How did the Utilities ascertain the rights and obligations of the customer in the process of modernizing the T&Cs?
- (b) If the Utilities did not obtain customer input, how are the Utilities able to make the above statement about the rights and obligations of customers?

### **YUB-AEY/YEC-1-004**

**Reference:** AEY-YEC 2025 T&Cs Application, PDF page 5.

**Issue:** Cost Sharing

**Quote:** By setting a cost-sharing limit of up to \$20,000 over a maximum term of five years and limiting it to three customers, the update ensures that the administrative burden is manageable and costs are equitably distributed.

**Request:**

- (a) Please describe and explain all factors that were considered when setting the cost-sharing limit at up to \$20,000.
- (b) Please detail all factors that were considered when setting the cost-sharing limit to three customers.
- (c) Please explain what the administrative burden is with respect to cost sharing. How is the current administrative burden handled?
- (d) Please explain how the proposed changes to shared costs will be equitably distributed. Are the costs being shared currently not equitably distributed? Please explain.

### **YUB-AEY/YEC-1-005**

**Reference:** AEY-YEC 2025 T&Cs Application, PDF page 5.

**Issue:** Multiple Dwellings

**Quote:** The Utilities have updated Section 4.13 on Multiple Dwellings to include provisions for common use areas – such as hallways, lobbies, laundry rooms, elevators, and parkades – will be billed under the general service price schedule.

**Request:**

- (a) What designates a common area as non-residential?
- (b) Will or are there any exceptions for multiple dwellings where common areas are not billed under the general service price schedule? Please explain.

- (c) Please explain the reasons and criteria for placing common-use areas, such as hallways, laundry rooms, lobbies, elevators, and parkades, under the general service price schedule.
- (d) Is the consideration based on the totality of the common areas or each separate common area? Please explain.

**YUB-AEY/YEC-1-006**

**Reference:** AEY-YEC 2025 T&Cs Application, PDF page 5.

**Issue:** Multiple Dwellings

**Quote:** Additionally, the Utilities have reviewed the definition of a residential customer and accounted for situations where a single home is used for commercial purposes.

**Request:**

- (a) Please explain what reviewing the definition of a residential customer entailed.
- (b) Please specify where in the T&Cs the accounting for situations where a single home is used for commercial purposes is stated and/or recognized? Are any changes proposed to the T&Cs to account for this situation?
- (c) Please explain what determines “commercial purposes”?

**YUB-AEY/YEC-1-007**

**Reference:** AEY-YEC 2025 T&Cs Application, PDF pages 5-6.

**Issue:** Canadian Electrical Code Requirements

**Quote:** ... and ensure the integrity of the Utilities’ infrastructure and to ensure applicable requirements of the Canadian Electrical Code are met.

**Request:**

Please explain the significance of this change. Does this mean that the applicable requirements of the Canadian Electrical Code are currently not being met?

**YUB-AEY/YEC-1-008**

**Reference:** AEY-YEC 2025 T&Cs Application, PDF page 6.

**Issue:** Standard Meter

**Quote:** By enabling customers to request Non-Standard Meters, the Utilities can accommodate specific needs and preferences. This change also helps the Utilities comply with regulatory requirements, streamline operational processes, and manage costs effectively.

**Request:**

- (a) What regulatory requirements does the above quote refer to?
- (b) How will the above noted operational processes be streamlined as a result of the proposed change?
- (c) Please explain how the quoted passage will assist in effectively managing costs.

**YUB-AEY/YEC-1-009**

**Reference:** AEY-YEC 2025 T&Cs Application, PDF page 6.

**Issue:** Termination of Service

**Quote:** Changing "current limiting device" to "load limiting functionality/capability" and including a reference to harmonic and interharmonic distortions, clarifies the technical requirements and addresses specific issues that can impact service quality.

**Request:**

- (a) Please explain the significance of changing "current limiting device" to "load limiting functionality/capability".
- (b) For each service territory (AEY and YEC), please quantify the instances of harmonic and interharmonic distortions and the general circumstances under which the distortions occur.
- (c) What type of service causes harmonic or interharmonic distortions?
- (d) What types of services are affected by harmonic or interharmonic distortions?

**YUB-AEY/YEC-1-010**

**Reference:** AEY-YEC 2025 T&Cs Application, PDF page 9.

**Issue:** Connection and Reconnection Fee

**Quote:** ... the fee is adjusted to reflect the actual work involved. The proposed connection and reconnection fees during normal business hours are set at \$87, which is an increase from the previous values of \$50 and \$60, respectively. The breakdown of the reconnection fee includes a 1-hour PLT rate of \$68, a truck roll fee of \$8, and a customer service rate of \$11 for 15 minutes.

**Request:**

- (a) Please provide the study that supports the claim that it takes 1 hour for a Power Lineman Technician (PLT) to connect or reconnect a service.
- (b) Does it take the same amount of time to connect or reconnect a general service versus a residential service? Please explain.
- (c) Please provide the study that supports the customer service rate of \$11 for 15 minutes.
- (d) What are the actual steps taken by customer service to connect or reconnect a customer?
- (e) Are the connection/reconnection steps taken by customer service the same for a general service customer versus a residential customer?

**YUB-AEY/YEC-1-011**

**Reference:** AEY-YEC 2025 T&Cs Application, Section 4: Fees and Service Charge Summary, PDF pages 9-10 and Schedule D: Fees and Service Charge Summary, PDF page 90 (blackline)

**Issue:** Schedule D: Fees and Service Charge

**Quote:** Customer Usage Information Requests

27. Regarding customer usage information requests, the fee applies to historical usage information requests with written authorization from the customer. This is charged per hour at the customer service rate, inclusive of engineering and IT resources, with a minimum charge of one hour. The proposed minimum cost associated with these requests is \$75.

Supplementary Meter Reads

28. Driven by modernization efforts such as AMI meters, for supplementary meter reads, standard meter reads are charged per read per meter at the customer service rate of \$11. Non-standard meter reads are proposed at \$87, similar to the reconnection fee. These charges reflect the actual time and resources required for each meter read, ensuring that the service remains cost-effective and efficient.

**Request:**

(a) For each currently approved Schedule D fees and service charges, please prepare a table that includes information under the following column headings:

Schedule D fee or service charge (title of charge)	Currently approved fee or service charge	Currently approved fee or service charge inflated at Whitehorse CPI from 2012 to 2024	Proposed fee or service charge
column (a)	column (b)	column (c)	column (d)
XX			
XX			
...			

Please ensure the annual inflation amounts are with AEY’s response to this request.

- (b) How do the results shown in column (c) above support AEY’s request to inflate its proposed Schedule D fees and service charges, shown in column (d), by an annual inflation factor to be applied to the supplementary charges for future years?
- (c) Please explain why AEY’s proposed customer usage information request fee appears to include engineering and IT resources which it seeks to recover as part of its customer service rate.
- (d) Given AEY’s statement that supplementary meter reads are driven by modernization efforts, such as AMI meters, please clarify whether either of the standard or non-standard meter reads, for which AEY seeks to implement a charge, are conducted using AMI meter technology.

### **YUB-AEY/YEC-1-012**

**Reference:** AEY-YEC 2025 T&Cs Application, PDF page 9.

**Issue:** Customer Usage Information Requests

**Quote:** ... the fee applies to historical usage information requests with written authorization from the customer. This is charged per hour at the customer service rate, inclusive of engineering and IT resources, with a minimum charge of one hour. The proposed minimum cost associated with these requests is \$75.

**Request:**

- (a) Is the \$75 charge based on one hour of customer service time? Please explain.
- (b) Please provide the study that supports the amount of customer service time to provide historical customer usage information.
- (c) Does the above fee apply to all customer usage information requests or only requests respecting usage beyond a certain period such as one year?
- (d) What consideration did the Utilities take into account that a minimum \$75 charge for customer usage information requests would discourage such requests? Please explain.

### **YUB-AEY/YEC-1-013**

**Reference:** AEY-YEC 2025 T&Cs Application, PDF page 9.

**Issue:** Supplementary Meter Reads

**Quote:** ... for supplementary meter reads, standard meter reads are charged per read per meter at the customer service rate of \$11. Non-standard meter reads are proposed at \$87, similar to the reconnection fee.

**Request:**

- (a) Please provide the study that supports the \$11 customer service rate for standard meter reads and the \$87 rate for non-standard meter reads.
- (b) Are the rates the same for a demand meter versus an energy-only meter? Please explain.

#### **YUB-AEY/YEC-1-014**

**Reference:** AEY-YEC 2025 T&Cs Application, PDF pages 9-10

**Issue:** Late Payment and Disconnection

**Quote:** ... the collection fee is charged at the customer service rate proposed at \$45 compared to \$30 set previously, with a minimum charge of one hour. The late payment charge is 1.5 percent per month, which amounts to 19.56 percent per annum. Maintaining this charge encourages timely payments and helps manage the financial risk associated with late payments. The fee for dishonored payments is also charged at the customer service rate proposed at \$45 compared to \$25 set previously, with a minimum charge of one hour.

**Request:**

- (a) Please provide the study that supports the \$45 customer service rate and the minimum charge of one hour for collections.
- (b) Please describe the steps undertaken for the minimum one-hour charge in the collection process.

#### **YUB-AEY/YEC-1-015**

**Reference:** AEY-YEC 2025 T&Cs Application, PDF page 10 and 6.3 (b) Meter Tests and Adjustments - Appendix 2 PDF pages 73.

**Issue:** Meter Disputes and Meter Tests and Adjustments

**Quote:** The new fees are proposed at \$250 and \$500 compared to the previous fees of \$100 and \$200, respectively. These charges reflect the actual time and resources required for each meter dispute. (PDF page 10)  
If a test determines that the meter is not accurate within the limits set by government standards, the Customer's bill will be adjusted back to the time that the error can reasonably be determined to have commenced. Where the commencement of the error cannot reasonably be determined, it shall be deemed to have commenced three months before the test or on the date of the meter installation, whichever occurred later. (PDF page 33)

**Request:**

- (a) Please provide the study that supports the new proposed fees for meter disputes.
- (b) How did the Utilities determine that three months (or the meter installation date, whichever is more recent) is the appropriate amount of time to correct the reading from a faulty meter?

### **YUB-AEY/YEC-1-016**

**Reference:** AEY-YEC 2025 T&Cs Application, PDF page 10.

**Issue:** Application of CPI to Fees and Service Charges

**Quote:** Similar to the proposal for MILs, approval is also sought to use the CPI for Whitehorse, Yukon, which will be applied annually (prior to January 1st of the following year) in years when the Fees and Service Charges are not being updated via a regulatory filing, to keep up with inflation on an ongoing basis. Updates to the Fees and Service Charges can be filed with the Board through a no-notice application in December to be effective the following year.

**Request:**

- (a) Does either utility undertake initiatives to improve efficiency? Please explain.
- (b) Is it reasonable for either the Board or customers to expect efficiency improvements from the utilities? Please explain.
- (c) If the responses to the parts (a) and (b) above is yes, then should any potential increase to fees and service charges reflect efficiency gains? Please explain.
- (d) In the introduction section of the application (PDF page 3), the utilities noted that the T&Cs, MILs, and Fee Schedule were last amended effective July 1, 2011. Please describe any impediment on the part of the utilities that prevented either or both utilities from proposing updates to any of the T&Cs, MILs, or Fee Schedule after July 1, 2011.
- (e) If the Board were to approve a no-notice process to update Fees and Service Charges, what is the approximate impact on the revenues or revenue requirement for each utility?

### **YUB-AEY/YEC-1-017**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 2 – Blackline, PDF page 58.

**Issue:** Electricity Purchase Agreement, EPA and Microgeneration

**Quote:** “Electricity Purchase Agreement” - is a contract established between the Company and independent power producers that sets out the terms for purchasing electricity by the Company. EPAs are considered out of the scope of these Terms and Conditions. The terms and conditions of EPAs are treated independently and are confined to the contractual relationship between the customer and the electricity generator under the applicable EPA. Microgeneration customers are separate from the EPAs and referenced under “Generating Customer”.

**Request:**

- (a) Is there a need to define “Electricity Purchase Agreement” since it is not used in the body of the T&Cs? Would the Utilities instead consider including a statement in the body of the T&Cs that says the T&C's don't apply to Electricity Purchase Agreements?
- (b) Could similar reasoning apply to microgeneration? Please explain.

**YUB-AEY/YEC-1-018**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 2 – Blackline, PDF page 58.

**Issue:** Electric Service Regulations

**Quote:** "Electric Service Regulations" – the former title of this document outlining the terms and conditions governing Service, which title has been replaced by Terms and Conditions of Service. Where reference is made to Electric Service Regulations it shall be deemed to be a reference to these Terms and Conditions of Service as amended from time to time.

**Request:**

- (a) Is there a need to define “Electric Service Regulation” since it is only used in paragraph 1 under the Introduction to state that the T&Cs were formerly known as the Electric Service Regulations and the T&Cs have now been in place since 2011?
- (b) If the answer to (a) is yes, what is the rationale for treating a condominium in which each residential unit is owned separately and is not a commercial enterprise the same way as an apartment in which every residential unit is owned by the same owner(s) and its operation is a commercial enterprise?

**YUB-AEY/YEC-1-019**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 2 – Blackline, PDF page 59.

**Issue:** Multiple Dwelling

**Quote:** "Multiple Dwelling" - a residential building containing more than one Single Family Dwelling unit.

**Preamble:** The definition of “Multiple Dwelling” has not changed.

**Request:**

- (a) Can you please explain whether multiple dwellings include a condominium and/or a unit in an apartment building?
- (b) Would such a clarification be useful in describing the types of residential units that fall within this definition?

**YUB-AEY/YEC-1-020**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 2 – Blackline, PDF page 59.

**Issue:** Definitions – load factor

**Request:**

Please explain the significance and reasoning for removing the definition of “load factor” from the T&Cs.

**YUB-AEY/YEC-1-021**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 2 – Blackline, PDF page 61.

**Issue:** Section 3.1 Board Approval

**Quote:** These Terms and Conditions have been approved by the Board. The Company may amend these Terms and Conditions by filing a notice of amendment with the Board and interested parties as part of General Rate Application or a separate proceeding. Included in the notice shall be notification of which Customer groups are affected by the amendment and an explanation of how affected Customers will be notified of the amendments. If the Board approves the notice of the amendment, the amendment will take effect upon the date set by the Board. If no specific date is set by the Board, then the amendment will take effect on the date of the Board’s Order approving the notice of amendment.

**Request:**

- (a) Please explain the need for this section as it appears to refer to the manner in which an amendment to the T&Cs is made and the requirement for notice to the Board and to interested parties.
- (b) Please explain why it would not be an application to amend the T&Cs to the Board. Even with the proposed changes to section 3.1, is such a provision necessary?

**YUB-AEY/YEC-1-022**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 2 – Blackline, PDF page 61.

**Issue:** Section 3.2 Terms and Conditions Prevail, subsection (c).

**Quote:** No agreement can provide for the waiver or alteration of any part of these Terms and Conditions unless such agreement is first filed with and approved by the Board.

**Request:**

- (a) Please explain the underlying rationale for this paragraph.
- (b) Why would an agreement derogating from the T&Cs be necessary?
- (c) If such agreements were to take effect, should such agreements be posted on the websites of the Utilities in conjunction with the T&Cs? Please explain.
- (d) Is it intended that one customer or group of customers can enter into an agreement with either utility to change a term or condition of the T&Cs?
- (e) Please provide an example or examples of changes by agreement that this paragraph envisions. In addition, please provide a summary of all such changes to date.
- (f) Would deleting this provision be problematic?

**YUB-AEY/YEC-1-023**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 2 – Blackline, PDF page 62.

**Issue:** Customer Extensions

**Request:**

- (a) Please describe the issues faced by the utilities before the wording change to section 3.5.
- (b) Please quantify the frequency of the issues described in part (a) above.
- (c) Please explain how the wording change addresses the issues described in part (a) above.

**YUB-AEY/YEC-1-024**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 2 – Blackline, PDF page 63.

**Issue:** Fees and other Charges

**Quote:** All additional and supplementary services provided by the Company to a Customer will be charged a separate rate or fee, such as those included, without limitation, in Schedule D herein.

**Request:**

- (a) Please give an example of additional or supplementary services not included in Schedule D.
- (b) Please provide a historical frequency of charges to customers that are not included in Schedule D.
- (c) If the utilities charge a customer for a service and charge not listed in Schedule D, is it an approved regulated charge? Please explain.
- (d) How will the Utilities communicate such charges to customers if they are not included in Schedule D? Please provide examples.

**YUB-AEY/YEC-1-025**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 2 – Blackline, PDF page 64.

**Issue:** Application of Rate Schedules Section 4.4(a).

**Quote:** The Company will make Customers aware of the various price schedules under which the Company provides service to Customer rate classes and are approved by the Board.

**Request:**

Please explain the significance and reason(s) of inserting Section 4.4(a).

**YUB-AEY/YEC-1-026**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 2 – Blackline, PDF page 65.

**Issue:** Change in Service Connections

**Request:**

- (a) For Section 4.5 (a), please define “reasonable prior written notice” and “significant change in load.”

- (b) Please provide a further explanation of “The Customer shall not change its requirement for a Service Connection without the Company's written permission.” Does this meaning include that a customer requires the Company’s written permission to disconnect? Please explain.
- (c) What kind of damage can occur to Company facilities if a customer changes its requirements for a Service Connection?
- (d) What criteria will the Company use in determining whether it will give written permission for the use of space heating or electric vehicle charging for isolated systems? What timing does the Company commit to in giving such permission or the denial of such permission from the time such a request is received from a customer on an isolated system?

**YUB-AEY/YEC-1-027**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 2 – Blackline, PDF page 66.

**Issue:** Section 4.7 Delay in Taking Service, subsection (a).

**Quote:** (a) Subdivision or Multiple Dwelling Residence  
In circumstances whereby the Company will install Facilities to serve a subdivision or a multiple dwelling residence, and it is determined that service will not be taken within 12 months of the In-Service date, the Customer shall pay for the entire cost of the new extension. For each Point of Service in the subdivision or multiple dwelling residence that is energized within five (5) years of the In-Service date, the Company will refund the payment for each Point of Service based on the Maximum Company Investment specified in the Schedule B. Otherwise, the Company shall be entitled to retain such payment as compensation for its costs incurred in respect of the Service Connection.

**Request:**

Please explain the rationale for adding paragraph (a) and including multiple dwellings in this paragraph.

**YUB-AEY/YEC-1-028**

**Reference:** AEY-YEC 2025 T&Cs Application, PDF page 5 and Appendix 2 – Blackline, PDF page 67.

**Issue:** Extension of Service – Cost sharing

**Quote:** By setting a cost-sharing limit of up to \$20,000 over a maximum term of five years and limiting it to three customers, the update ensures that the administrative burden is manageable and costs are equitably distributed. (PDF page 5)  
If a new Customer shares a portion or all of the costs of an existing extension, the existing Customers may be entitled to Cost Sharing of the Construction Contribution based on the amount of extension shared. (PDF page 67)

**Request:**

(a) Please explain why cost sharing is now limited to three shares.

- (b) How may prior incidents of cost sharing of greater than three shares have occurred?
- (c) If cost sharing is not available for projects under \$20,000, and yet that “lower than \$20,000 extension” cost is utilized by a subsequent customer, does this create inequity between those customers? Please explain.
- (d) Please explain why the cost sharing period has been reduced to a maximum of five years for all instances.
- (e) Regarding the changes to cost sharing, please provide any and all consultations with customers whereby the customers requested such changes.

**YUB-AEY/YEC-1-029**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 2 – Blackline, PDF page 68.

**Issue:** Multiple Dwellings

**Quote:** (a) Each individual unit within a Multiple Dwelling will be served as a separate Point of Service and billed individually on the applicable residential rate. The Company and a Customer may agree that one bill will be issued covering all individual units in a Multiple Dwelling and, in such case, the applicable general service (non- residential) rate will apply to the Service. Common use areas such as hallways, lobbies, laundry rooms, elevators, and parkades will be billed under the applicable general service price schedule.

(b) Where the Company and a Customer have agreed that service to a Multiple Dwelling shall be delivered through a single Point of Service, the applicable general service (non-residential) price schedule will apply to the service.

**Request:**

- (a) Please explain the significance of the proposed changes to Section 4.13.
- (b) How many Multiple Dwelling buildings in the Yukon are all residential and what percentage of those buildings are serviced through individual meters for each unit? Are all common areas in these buildings separately metered or is the power usage for those areas a calculated value?
- (c) If the definition of Multiple Dwellings is not changed, can this section clarify what type of multiple dwellings exist in the Yukon and clarify that such dwellings are under the residential rate if each unit in such a building has its own meter and is billed by the utility for electrical service?
- (d) Is it intended that the common areas in a condominium or apartment building will be charged under the general service rate?
- (e) Is paragraph 4.13 (b) added to clarify that if a multiple dwelling only has one meter, it is the general service non-residential rate that applies to all the multiple dwellings in that building?
- (f) If all the units in the building are residential, then please provide the rationale for 4.13(b). Why should a demand charge be applied to the residential units?

- (g) Please provide the rationale for charging a different rate for a residential condominium with a single meter than that charged for a residential condominium with separate meters to each residence when the type of ownership — each unit is separately titled and has a separate owner — is the same and the type of use — residential — is the same?

**YUB-AEY/YEC-1-030**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 2 – Blackline, PDF page 69.

**Issue:** Reconnection

**Quote:** (a) For Major Industrial and General Service customers with peak demands greater than 500kW the Customer shall pay the minimum monthly bill for each month of disconnection

(b) For all other customers, the Company may request that the Customer pay the minimum monthly bill for each month of disconnection.

The Company may add a Collection Fee as specified in Schedule D if a site visit is required to attempt collection of overdue accounts and Service is not disconnected or for delivery of a notice of pending disconnection.

**Request:**

- (a) What criteria does the Company use when assessing whether or not the Customer pays the minimum monthly bill for each month of disconnection?
- (b) Given that in part (a) General Service/Industrial customers shall pay the minimum monthly bill for each month of disconnection, please explain how this is not a discriminatory practice in how it is applied to the different rate classes.

**YUB-AEY/YEC-1-031**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 2 – Blackline, PDF page 70.

**Issue:** Right of Entry

**Quote:** The Company may charge a “No Access Fee” as set in Appendix D any time the Company’s entry is attempted but terminated by the Company’s employees, agents or other representatives for reasons of safety or where entry is otherwise prevented, hindered or refused.

**Request:**

- (a) Please explain why the Utilities deem it necessary to include the above provision.
- (b) Please provide a summary of the instances when this provision would have been necessary.
- (c) How much notice is provided to the customer to grant such access or remove any safety issues before such a fee is imposed?

### **YUB-AEY/YEC-1-032**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 2 – Blackline, PDF page 75.

**Issue:** Reading and Estimates

**Quote:** Unless otherwise specifically provided in a contract with a Customer, meters shall be read monthly or bi-monthly or at such other intervals as are practical in the circumstances. Customers' bills will be based on meter readings made by the Company or on estimates for those billing periods when the meter is not read. Whenever a bill is based on an estimate, an adjustment to reflect actual Energy consumption and Demand (if applicable) used will be made when the meter is next read.

**Preamble:** The Board has received complaints, some of which relate to frequency of meter reads, the true-up from estimates to actual meter reads, and the timing of such true-ups.

**Request:**

- (a) Are meters still read through a series of meter reading cycles during the month? Please explain.
- (b) If meters are read through a series of meter reading cycles in a month, are there any spare meter reading cycles in the month?
- (c) If there are spare meter reading cycles in the month, how often are previously missed meter reads picked up during the spare meter reading cycles?
- (d) What steps can the Utilities take to ensure all meters are read at least bi-monthly during the October 1 to March 31 winter peak?
- (e) When there are Board-approved rate schedule changes, what steps do the Utilities take to ensure that the rates apply to consumption effective the date of the approved rate schedule change and not some estimation errors from prior periods.
- (f) In response to part (e), what better steps could be taken to address that issue?

### **YUB-AEY/YEC-1-033**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 2 – Blackline, PDF page 75.

**Issue:** Calculation of Bills

**Quote:** The Company may elect not to charge a Customer for the billing period if, during that period, Demand was five kilowatts or less, Service was provided for five days or less and Energy consumption was five kilowatt hours or less.

**Request:**

- (a) Does this mean that the Company will not issue a bill versus not charge a customer? (That is, that the charges will roll forward to the next billing period.) Please explain.
- (b) If the premise behind part (a) question is correct, should the wording be changed from “The Company may elect not to charge a customer...” to “The Company may elect not to issue a bill to a Customer ...” Please explain.

**YUB-AEY/YEC-1-034**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 2 – Blackline, PDF page 76.

**Issue:** Payment and Late Payment Charges

**Quote:** The bills are payable by way of EFTs, cash, debit bank payments, credit cards, money order or certified cheque as noted in the bills. The customer is responsible for the additional charges that may result due to payment methods other than those noted in the bills.

**Request:**

- (a) Did the Utilities previously accept cheques (not certified) as a form of payment?
- (b) If the response to part (a) is yes, why is this discontinued in the proposed revision to the T&Cs?
- (c) If a customer uses any of the payment forms acceptable to the Utilities, and renders payment on or before the due date but the transaction is not deposited in the bank account of the Utilities before the due date, does a late payment charge apply? Please explain.
- (d) Can you please explain what additional charges this paragraph is referring to when it states: “The customer is responsible for the additional charges that may result due to payment methods other than those noted in the bills...”?

**YUB-AEY/YEC-1-035**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 2 – Blackline, PDF page 81.

**Issue:** Customer Liability

**Quote:** (b)... Alternatively, the Company may elect to correct the interference or disturbance at the Customer's sole expense.

(c) Customer shall design, install and operate the Customer's Facilities in such a manner as to maintain a Power Factor of not less than 90%. The Company may require any Customer not satisfying this Power Factor requirement to furnish, install, and maintain, at no cost to the Company, such corrective equipment as the Company may deem necessary under the circumstances assumed or a charge for deficient power factor may apply as per applicable rate schedule.

(d) The Customer shall indemnify and save harmless the Company from and against any claim or demand for injury to persons or damage to property (including loss of use thereof and of any other property affected by the damage to property) arising out of or in any way connected with the use of the service so long as such injury or damage is not caused by the negligent acts or omissions or willful misconduct of the Company, its employees and agents.

(e) The Customer releases the Company and its agents, directors, officers, employees, independent contractors, consultants, representatives, successors and assignees from any and all claims and liabilities whatsoever relating to or arising as a result of the Customer, or its agents, directors, officers, employees, independent contractors, consultants, representatives, successors and assignees carrying out any acts required by or related to these Terms and Conditions for the provision of Service, maintenance of Service, or any other act whatsoever arising out of or in any way connected with the existence or use of the Service so long as such injury or damage is not caused by the negligent acts or omissions or willful misconduct of the Company, its employees or agents.

**Request:**

- (a) Can the customer decline service rather than pay for the correction of interference or disturbance?
- (b) Does the second portion of the above quote apply to residential customers? Please explain.
- (c) Could the last two quoted paragraphs (parts (d) and (e)) of 10.3 in a similar vein be applied to paragraphs (b) and (c) of 10.3 in terms of assessing and addressing customer liability? That is: Will the customer be liable for costs only in the case of negligent acts or omissions or willful misconduct? Please explain.

**YUB-AEY/YEC-1-036**

**Reference:** AEY-YEC 2025 T&Cs Application, PDF page 3, paragraph 1

**Issue:** Study on Maximum Investment Levels (MILs or MILs Study)

**Quote:** 1. ... In response to that letter, AEY and YEC proposed addressing the changes to the T&Cs as a standalone limited scope filing. The Utilities have jointly prepared the enclosed revision to the T&Cs, while the MILs and the Fees Schedule have been prepared by AEY, as AEY serves most of the distribution customers in the Yukon. The Utilities submit that, given the direction from the Board, this is a limited scope submission and elements such as the General Rate Application (GRA) (also known as Phase 1) and rate design elements (also referred to as Phase 2) are not within scope of this proceeding.

**Request:**

- (a) Please confirm if YEC agrees with and is in support of the “MILs and the Fees Schedule” as prepared by AEY.
- (b) If not confirmed in response to part (a), please identify the portion of the “MILs and the Fees Schedule” with which YEC takes issue and provide an explanation of why this is the case.
- (c) If the response to part (a) indicates that YEC takes no issue with the “MILs and the Fees Schedule” as prepared by AEY, why would the entirety of the T&Cs Application, including MILs and the Fees Schedule, not have been filed jointly?
- (d) Did the Utilities undertake any stakeholder consultations regarding the review and update to the MILs?
- (e) If the response to part (d) is yes, please list the stakeholders involved during the consultation process and provide any notes from the consultation process.
- (f) If the response to part (d) is no, please explain why no stakeholder consultations took place.

**YUB-AEY/YEC-1-037**

**Reference:** AEY-YEC 2025 Terms & Conditions of Service Application (T&Cs or T&Cs Application), T&Cs Blackline version, PDF pages 58, 59, 60, 68

**Issue:** Definitions and clauses related to Study on Maximum Investment Levels (MILs or MILs Study)

**Quote:**

**"Customer"** - a person, firm, partnership, corporation, association or organization (including, without limitation, individual members of any unincorporated entity) to who the Company provides any Service hereunder including all owners and occupants of a premises, whom normally reside at the premises during the time for which Service was provided to that premises whether or not such owner or occupant's name appears on the application for Service.

...

**"Multiple Dwelling"** - a residential building containing more than one Single Family Dwelling unit.

...

**"Single Family Dwelling"** - a private residence which is not a Multiple Dwelling, consisting of single-family living quarters having, in one self-contained unit, at least sleeping quarters, and a kitchen.

...

#### 4.13 Multiple Dwellings

(a) Each individual unit within a Multiple Dwelling will be served as a separate Point of Service and billed individually on the applicable residential rate. The Company and a Customer may agree that one bill will be issued covering all individual units in a Multiple Dwelling and, in such case, the applicable general service (non-residential) rate will apply to the Service. Common use areas such as hallways, lobbies, and laundry rooms, elevators, and parkades will be billed under the applicable general service price schedule.

(b) Where the Company and a Customer have agreed that service to a Multiple Dwelling shall be delivered through a single Point of Service, the applicable general service (non-residential) price schedule will apply to the service.

#### Request:

- (a) Please fully explain how the Utilities determine whether a dwelling is a Residential Single Family or a Residential Multiple Dwelling in the following situations:
- i. Townhouse with a shared wall
  - ii. Townhouse with a shared wall and common area such as a laundry or utility room
  - iii. Townhouses on one lot either with or without a common area
  - iv. Duplex with a shared wall
  - v. Duplex with a shared wall and common area such as a laundry or utility room
  - vi. Duplex on one lot either with or without a common area
  - vii. Condominium with a shared wall
  - viii. Condominium with a shared wall and common area such as a laundry or utility room
  - ix. Any other circumstance not identified in (a)(i) to (a)(viii).
- (b) In a situation where changes to zoning or building restrictions would allow for up to four residences on a residential lot, such as in the case in the zoning for the City of Whitehorse, how would each of the "residences" or "units" be classified under the proposed T&C's (Residential Single Family or Multiple Family Dwelling) and how would the owner or owners be charged for each of these connection-types in the following situations:
- i. Garden suite
  - ii. Living suite with a living suite built
    - i. Within the existing floor area, or
    - ii. In a new floor area

iii. Additional units added to multifamily residential lots and cluster home lots

In the response, please provide all assumptions upon which the response has been based.

**YUB-AEY/YEC-1-038**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 3 – MILs Study, PDF page 98, paragraph 17; PDF page 100, paragraph 23; and PDF page 114, Appendix A – Guiding Principles

**2024-12-20 Appendix B - MILs Study – Excel, tab “Dataset”**

**Issue:** Study on Maximum Investment Levels (MILs or MILs Study) – Residential Single Family Dwelling and Residential Multi Dwelling

**Quote:** 17. As outlined in the approach above, in determining the cost per lot AEY has utilized 10 years of known actual data, inflating the costs to 2025 dollars and determining the median. The robust sample size used in the Residential Single Family MIL study, over 10 years of data, provides a good representation of projects for both underground and overhead services, including different extension lengths and number of sites. The calculated MIL for Residential Single Family service type has been determined to be \$10,337/site. Below are the results of AEY’s analysis.

and

23. AEY conducted a desktop study that considered the current minimum costs of an extension to supply a new customer, based on AEY’s standards of service, in Whitehorse. The typical extension cost for a new Residential customer considers a single-phase overhead connection, with one transformer, one pole, and 30 meters of cable. Table 7 shows that the calculated Residential Single-Family MIL is consistent with the typical extension costs. The value is slightly higher than the median value derived using the cost per lot methodology (\$10,337).

**Preamble:** The Board requires further information in respect of the dataset used by AEY in its MILs Study for Residential Single Family and Residential Multi Dwelling

**Request:**

- (a) Please confirm that the Residential Single Family cost information found in Appendix B – MILs Study on the tab “Dataset” contains, on a project ID basis, cost information for both overhead and underground services.
- (b) Please confirm that the Residential Multi Dwelling cost information found in Appendix B – MILs Study on the tab “Dataset” contains, on a project ID basis, cost information for both overhead and underground services.
- (c) Please clarify if the Project ID information from Appendix B – MILs Study on the tab “Dataset” is also able to be identified by community (for example, Whitehorse, Dawson City)? If confirmed, please provide supporting “Dataset” tab information in an excel workbook, ensuring that projects can be easily identified by Community for each of Residential Single Family and a Residential Multi Dwelling.

- (d) For a Residential Single Family service, please explain the reasonableness of AEY's comparison of:
- i. The current cost for a service being a "single-phase overhead connection, with one transformer, one pole, and 30 meters of cable" as found in its "desktop study"  
with
  - ii. a median cost utilizing 10 years of known actual data inflated to 2025 dollars that consisted of both underground and overhead cost data.
- (e) Referring to the statement in (d)(i), please clarify if each service is required to have its own transformer, or if a single transformer is able to be used for multiple services.
- (f) Referring to the statement in (d)(i), please clarify if each service is required to have 30 metres of cable.
- (g) Please explain how each of (d)(i) and (d)(ii) costs accord with item (4) of Appendix A - Guiding Principles, that "The current cost to connect new Customers is the appropriate starting point for establishing MILs."<sup>1</sup> Please include a discussion of what constitutes "current costs" in relation to the two "methods" identified in part (b).
- (h) Referring to Appendix A - Guiding Principles, which states that "The current cost to connect new Customers is the appropriate starting point for establishing MILs,"<sup>2</sup> please explain why the appropriate starting point should not consider a different value such as 50 per cent customer contribution for each connection.
- (i) Please explain how each of (d)(i) and (d)(ii) costs accord with item (3) of Appendix A - Guiding Principles, that "The maximum amount that the Company invests in a new extension on behalf of all customers should consider the expected longevity or any other risks associated with the new service;"<sup>3</sup>
- (j) Referring to Appendix B – MILs Study and the tab "Dataset," please explain the wide variation in costs for one unit of "residential single family." For example, Project ID 778 shows, for the year 2023, one unit at a cost of \$16,292.66 whereas Project ID 773 shows, for the year 2023, one unit at an average cost of \$5,566.37.
- (k) Please provide all reasons that explain the difference between AEY's proposal to use its 2024 desktop study results of current minimum costs of an extension to supply a new customer, being \$11,014 per Residential Single Family, as compared to the average per-unit cost shown for Project ID 773 for the year 2023, being \$5,566.37. If inflated for two years, why would the average per-unit costs for Project ID 773 not be

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<sup>1</sup> AEY-YEC 2025 Terms & Conditions of Service Application, Appendix A – PDF page 114: "(4) The current cost to connect new Customers is the appropriate starting point for establishing MILs;"

<sup>2</sup> AEY-YEC 2025 Terms & Conditions of Service Application, Appendix A – PDF page 114: "(4) The current cost to connect new Customers is the appropriate starting point for establishing MILs;"

<sup>3</sup> AEY-YEC 2025 Terms & Conditions of Service Application, Appendix A – PDF page 114: "(3) The maximum amount that the Company invests in a new extension on behalf of all customers should consider the expected longevity or any other risks associated with the new service;"

representative of a current minimum cost of an extension to supply a new residential customer?

- (l) Has AEY's 2024 desktop study of current minimum costs of an extension to supply a new customer, being \$11,014 per Residential Single Family, examined costs for a one-time Residential Single Family stand-alone service installation or are the estimates based on "simultaneous" multiple installations of Residential Single Family extensions, such as those installations during the development of a subdivision.
- (m) Please provide references to Project IDs from Appendix B – MILs Study on the tab "Dataset" for costs for the following construction types:
- i. Townhouse with a shared wall
  - ii. Townhouse with a shared wall and common area such as a laundry or utility room
  - iii. Townhouses on one lot either with or without a common area
  - iv. Duplex with a shared wall
  - v. Duplex with a shared wall and common area such as a laundry or utility room
  - vi. Duplex on one lot either with or without a common area
  - vii. Condominium with a shared wall
  - viii. Condominium with a shared wall and common area such as a laundry or utility room
  - ix. Any other circumstance not identified in (m)(i) to (m)(ix)

For each of the subparts, please explain why the construction type examples are, or alternatively, why the construction type examples are not, considered under the Residential Multi Dwelling MIL; and ensure it is clear how many units are represented by each of the Project ID costs.

- (n) Please recalculate the information described and produced in paragraph 17 separately for each of overhead and underground Residential Single Family services projects and again for Residential Multi Dwelling services projects. Please provide supporting "Dataset" tab information in an excel workbook, ensuring that overhead and underground projects can be easily identified by project for each of Residential Single Family and Residential Multi Dwelling.

Note that the revised Dataset tab information requested in this IR may included and included with the revised "Dataset" tab information requested in YUB-AEY/YEC-1-003(c).

- (o) Please provide the assumed amperage for a "single-phase overhead connection, with one transformer, one pole, and 30 meters of cable" for a Residential Single Family service.
- (p) Please provide the assumed amperage and equivalent equipment information for a corresponding underground Residential Single Family service.

- (q) Please provide an estimation of the percentage of Residential Single Family service projects that are overhead as compared to underground for each of the last five years.
- (r) Please fully explain if AEY considers that a Residential Single Family underground service represents a premium service.
- (s) Please cite any business cases provided by AEY that support a greater need for underground services for a Residential Single Family.

**YUB-AEY/YEC-1-039**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 3 - MILs Study, PDF page 110, paragraph 50; PDF page 112, paragraph 54; and Appendix A – Guiding Principles, PDF page 114  
2024-12-20 Appendix B - MILs Study – Excel, tab “Dataset”

**Issue:** Study on Maximum Investment Levels (MILs or MILs Study) – Street Lighting

**Quote:** 50. AEY then tested its proposed \$6,649 MIL per light to the number of sites over the last ten years and compared the historical total cost (inflated to 2025 dollars) versus the currently approved MIL (approved in 2011). Figure 6 shows the company investments in these two scenarios with respect to total investment. The 2025 proposed MIL would cover 84 percent of the total cost being invested by the company, whereas the 2011 approved MIL would cover only 18 percent of the average connection’s total costs. The currently approved MIL leads to an improper price signal and an undue economic discipline being imposed on customers, who are currently contributing 82 percent of project costs on average, with the utility contributing 18 percent. The proposed MIL will better equalize the balance between customer versus utility investment and provide better price signals to customers who are making choices to invest in the Yukon.

and

54. AEY conducted a desktop study that considered the current minimum costs of an extension to supply one new streetlight, based on AEY’s standards of service, in Whitehorse. The typical extension cost for a new Streetlight considers a single-phase underground connection, with one 32 W LED light, one pole, 30 meters of cable, and contractors. The desktop study is directionally aligned with the cost per light study of the last 10-years of available data, which incorporates different scales of projects such as new subdivisions.

**Preamble:** The Board requires further information in respect of the dataset used by AEY in its MILs Study for Street Lighting.

**Request:**

- (a) Please explain AEY’s statement in respect of improper price signals and “undue economic discipline being imposed on customers” as they relate to cost causation.
- (b) Please explain how AEY’s proposed MIL for Street Lighting will “balance of what an individual Customer pays upfront through a Customer contribution versus what all

Customers in a particular rate class pay through ongoing rates”<sup>4</sup> and also “provide economic discipline and price signals to new customers.”<sup>5</sup>

- (c) Referring to Appendix B – MILs Study and the tab “Dataset,” please explain the wide variation in costs for one unit of “Street Lighting.” For example, Project ID 782 shows, for the year 2023, one unit at a cost of \$10,659.17, whereas Project ID 785 shows, for the year 2023, one unit at an average cost of \$5,465.23.
- (d) Under a hypothetical scenario of a project with average streetlight costs of \$5,465.23 and an applicable MIL for a streetlight fixture of \$6,449, please clarify the amount of costs that would be capitalized by AEY and the amount of costs contributed by the customer for a single light fixture. Please explain how the response provided confirms that the applicable MIL of \$6,449 will “achieve a reasonable balance of what an individual Customer pays upfront through a Customer contribution versus what all Customers in a particular rate class pay through ongoing rates.”<sup>6</sup>
- (e) Under a hypothetical scenario of a project with average streetlight costs of \$10,659.17 and an applicable MIL for a streetlight fixture of \$6,449, please clarify the amount of costs that would be capitalized by AEY and the amount of costs contributed by the customer for a single light fixture. Please explain how the response provided confirms that the applicable MIL of \$6,449 will “achieve a reasonable balance of what an individual Customer pays upfront through a Customer contribution versus what all Customers in a particular rate class pay through ongoing rates.”<sup>7</sup>
- (f) Please explain why AEY does not consider the outcome of the desktop study for Street Lighting to be a reasonable cost estimate.
- (g) If the response to part (f) indicates that the desktop study for Street Lighting does not take into account unique and more costly street light installations, please explain why those unique and more costly installations should be representative of a typical extension cost for a new street light.
- (h) As stated in the quote above, AEY determined that “the typical extension cost for a new Streetlight considers a single-phase underground connection, with one 32 W LED light, one pole, 30 meters of cable, and contractors” - what were the parameters for a “new Streetlight” prior to the quoted statement.

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<sup>4</sup> AEY-YEC 2025 Terms & Conditions of Service Application, Appendix A – PDF page 114: “(1) MILs should be set to achieve a reasonable balance of what an individual Customer pays upfront through a Customer contribution versus what all Customers in a particular rate class pay through ongoing rates;”

<sup>5</sup> AEY-YEC 2025 Terms & Conditions of Service Application, Appendix A – PDF page 114: “(2) MILs should provide economic discipline and price signals to new Customers;”

<sup>6</sup> AEY-YEC 2025 Terms & Conditions of Service Application, Appendix A – PDF page 114: “(1) MILs should be set to achieve a reasonable balance of what an individual Customer pays upfront through a Customer contribution versus what all Customers in a particular rate class pay through ongoing rates;”

<sup>7</sup> AEY-YEC 2025 Terms & Conditions of Service Application, Appendix A – PDF page 114: “(1) MILs should be set to achieve a reasonable balance of what an individual Customer pays upfront through a Customer contribution versus what all Customers in a particular rate class pay through ongoing rates;”

**YUB-AEY/YEC-1-040**

**Reference:** AEY-YEC 2025 T&Cs Application, PDF page 96, Table 3: Handy-Whitman Index; PDF page 104, Table 11: Residential Multi Dwelling MIL – Three and Five-year Medians; and PDF page 113, paragraph 58  
**2024-12-20 Appendix B - MILs Study - Excel**

**Issue:** Study on Maximum Investment Levels (MILs or MILs Study)

**Quote:** PDF page 96:

Table 3: Handy-Whitman Index  
 HANDY-WHITMAN - ANNUAL AVERAGE COST INDEX (1973=100)  
 Cost Trends of Electric Utility Construction  
 Distribution Plant Costs - Plateau Region

Year	Index	Change
2011	585.5	-
2012	608.8	4.0%
2013	630.4	3.6%
2014	649.5	3.0%
2015	668.1	2.9%
2016	674.3	0.9%
2017	696.3	3.3%
2018	726.3	4.3%
2019	756.0	4.1%
2020	793.8	5.0%
2021	832.3	4.9%
2022	974.8	17.1%
2023	1,215.0	24.6%
2024 <sup>4</sup>	1,297.4	6.8%
2025 <sup>4</sup>	1,385.4	6.8%

PDF page 104:

Table 11: Residential Multi Dwelling MIL – Three and Five-year Medians

Period	3-years (2021-2023)	5-years (2019-2023)
Number of sites	27	133
Average cost (2025\$/site)	3,994	4,271
<b>Median cost (2025\$/site)</b>	<b>4,046</b>	<b>4,046</b>

PDF page 113:

58. AEY considers that an annual inflation factor should be applied for each year in which a MILs study is not conducted to ensure that the annual MILs continue to be reflective of, or approximately reflective of, changes in cost pressures with respect to material and labour. As such AEY also requests that the Board approve the use of the CPI for Whitehorse, Yukon index to annually inflate MILs until AEY’s next MIL Study is conducted. While AEY believes the Handy-Whitman index is more relevant to use, since it is utility-specific, it will not be available in the timelines needed,<sup>8</sup> so it is not proposed to be used. Further, AEY requests that the Board direct AEY to provide annual updates to the MILs via a no-notice application filed in in December of each year, to be applied in the following year.

**Preamble:** The Board requires further information respecting AEY’s use of the Handy Whitman Index (HWI) in its MILs Study.

**Request:**

- (a) For the purposes of AEY’s MILs Study, please explain why AEY chose to inflate its historical costs using the HWI as opposed to the use of Consumer Price Index (CPI) for Whitehorse?
- (b) Has AEY prepared any previous MILs Study using the HWI? If so, please identify the application in which the HWI was used.
- (c) Please explain why the HWI plateau region is applicable to the AEY service territory.

- (d) Please add a column to Table 3: Handy-Whitman Index to include the equivalent information for CPI Whitehorse. Please confirm that any cost of energy data has been treated the same (whether included or excluded) in each of the HWI or CPI information provided.
- (e) For each of AEY's three- and five-year median calculations (for Residential Single Family, Residential Multi Dwelling, General Service and Street Lighting), AEY included the years 2022 and 2023, which can be observed in Table 3 above, as the two largest percentage increases and which correspond to the years of the COVID pandemic. Please explain why it is reasonable to inflate historical costs using these percentages given that these levels of inflation are outliers in this dataset.
- (f) The Board observes that in restating its historical costs to 2025 values, AEY similarly included the years 2022 and 2023. This can be seen, for example, in Appendix B – MILs Study and the tab "Dataset" in columns F and H.<sup>8</sup> Please explain why it is reasonable to inflate historical costs using these percentages given that these levels of inflation are outliers in this dataset.
- (g) In AEY's 2023-2024 GRA Application, which was submitted after the COVID pandemic, please identify and explain how any similar outlier information, inflation-related or otherwise, was treated.

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<sup>8</sup> As an example, Row 622, Project 620 (2020) the historical cost of \$2,484.52 was inflated using the HWI:  $\$2,484.52 * 1.049 * 1.171 * 1.246 * 1.068 * 1.068$  (2021-2025, respectively) = 4,337.46.

**YUB-AEY/YEC-1-041**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 3 - MILs Study, PDF page 98, paragraph 19;

**2024-12-20 Appendix B - MILs Study - Excel**

**Issue:** Study on Maximum Investment Levels (MILs or MILs Study) - Company Investment: Proposed vs. Approved MILs

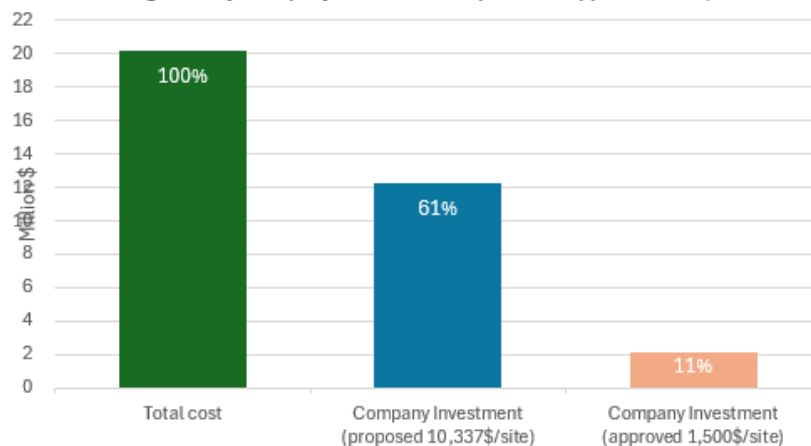
**Quote:** PDF page 98

19. Based on the test, the proposed 2025 MIL would cover 61 percent of the total cost being invested by the utility, whereas the 2011 approved MIL would cover only 11 percent of the average connection’s total costs. ...

2024-12-20 Appendix B - MILs Study – Excel, tab “Residential Single Family”

Extension costs	(2025\$)	
Total cost	20,226,300	100%
Company Investment (proposed 10,337\$/site)	12,259,246	61%
Company Investment (approved 1,500\$/site)	2,145,636	11%

**Residential Single Family -Company Investment: Proposed vs. Approved MILs (2025 dollars)**



**Preamble:** In its examination of the graphs provided by AEY which show, for each category of MIL proposed, the “Company Investment: Proposed vs. Approved MILs,” the Board is unable to replicate certain costs provided by AEY that inform AEY’s calculation of the company investment as a percentage of the total cost. The Board understands these costs are representative of 1,437 sites in the case of Residential Single Family as can be found in Appendix B, tab “Residential Single Family.”

The Board is able to follow that the total cost of \$20,226,300 has been determined by taking the sum of (number of sites x the total cost in (inflated) 2025 dollars).<sup>9</sup>

<sup>9</sup> Column C “Sites #” x Column E “Cost, average (2025\$/site).”

The Board is also able to follow that the total company investment of \$2,145,636 has determined by taking the approved MIL of \$1,500 per site x 1,437 sites which is \$2,155,500 and approximates AEY's calculation. When either number (\$2,145,636 or \$2,155,500) is taken as a per cent of the total cost of \$20,226,300, the result is roughly 11 per cent.

However, the Board is unable to confirm the total company investment of \$12,259,246 by taking the proposed MIL of \$10,337 per site x 1,437 sites which equals \$14,854,268. When \$14,854,268 is taken as a per cent of the total cost of \$20,226,300 the result is 73 per cent. This is in contrast to AEY's results which show that a proposed MIL of \$10,337 x 1,437 sites equals a total company investment of \$12,259.636, or 61 per cent.

Similar issues arose in the other MIL categories of Residential Multi Dwelling, General Service and Street Lighting.

**Request:**

- (a) Please respond to the Board's observations as noted in the preamble for each of the four MIL categories by explaining AEY's derivation of its proposed MIL and the corresponding calculation of company investment in dollars and as a percentage of total costs in (inflated) 2025 dollars. Please show all mathematical calculations in support of AEY's response.
- (b) Does paragraph 19 on PDF page 98 as quoted above provide for a comparison of equivalent-type costs? For example, is there a difference between recovering "61 per cent of the **total costs being invested by the utility**" and "only 11 percent of the **average connection's total costs**?" [emphasis added]
- (c) Please provide the approved company investment percentages approved in AEY's previous MIL related application for each of the four MIL categories?
- (d) Referring to 2024-12-20 Appendix B - MILs Study – Excel, tab "General Service" please identify and fully explain the source and derivation of the inputs with respect to the "MIL, 2011\$" in the amount of \$1,394<sup>10</sup> found at Row 14, Column AM.

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<sup>10</sup> The cell indicates "=(5545+285\*5)/5"

**YUB-AEY/YEC-1-042**

**Reference:** AEY-YEC 2025 T&Cs Application, Appendix 3 - MILs Study, PDF pages 101, 104, 109, and 113; and Appendix A – Guiding Principles, PDF page 114

**Issue:** Consideration of Guiding Principles

**Quote:** (6) Changes to MILs should balance the need to attain the target MILs over a reasonable timeframe, while ensuring there is not undue upward pressure on tariff rates;

**Preamble:** The Board has prepared the following table from information provided in Appendix 3 - MILs Study and Board Order 2020-10-13 Appendix A, PDF Page 55

MIL category	Approved MIL (2011-2012)	Proposed MIL (effective 2025)	Percentage Increase	Proposed MIL reference to Appendix 3
Residential Single Family (per site)	1,500	10,337	6,891%	PDF 101
Residential Multi Dwelling (per site)	725	2,645	365%	PDF 104
General Service (per kW)	690	1,801	333%	PDF 109
Street Lighting (per light)	1,240	6,649	5,362%	PDF 113

**Request:**

- (a) For each of the four MIL categories identified in the table above, please discuss how each of the proposed increases (expressed as a percentage above) meets the objects outlined in item (6) as quoted above.
- (b) For each of the four MIL categories identified in the table above, please discuss how each of the proposed increases (expressed as a percentage above) accords with the principle of gradualism.
- (c) Please calculate the forecast impact on each of AEY's and YEC's rates, associated with the proposed changes to AEY's MILs.