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**IN THE MATTER OF THE YUKON ENERGY CORPORATION AND
ATCO ELECTRIC YUKON
TERMS AND CONDITIONS OF SERVICE APPLICATION**

Before the

YUKON UTILITIES BOARD

December 2024 to June 2025

REPLY ARGUMENT OF JOHN MAISSAN

Reply Argument introductory comments

In this Reply Argument, I address matters raised by the joint applicants, Yukon Energy Corporation (YEC) and ATCO Electric Yukon (AEY) (together the Utilities) in their Final Argument in the Terms or Conditions of Service (T&C of Service) Application proceeding before the Yukon Utilities Board (the Board or YUB). My silence on any matter not spoken to are issues on which I have no strong views. I leave these matters to the Board to address based on all the information on the record. I will reference my Final Argument and the Utilities' Final Argument by numerical Section or paragraph number and page number. Where responses to information requests (IRs) are referenced, they will again be identified in simplified format in footnotes. For example, round 1 IR response AEY-YEC-JM-001 will be referenced as JM-1-1, and round 2 IR response AEY- YEC-JM-001 will be referenced as JM-2-1.

Utilities Final Argument Paragraph 2, page 3

In this paragraph the Utilities state that they have provided significant evidence both in their Application and in response to two rounds of IRs. They state that Intervenors tested their evidence through IRs but since no Intervenors filed evidence the Utilities evidence is uncontroverted. True, no Intervenor filed evidence, however, this does not mean that the Utilities evidence in support of their Application is complete in every respect, is sufficient to support every one of their proposed changes, is fair to Customers, or is in the public interest.

To the contrary I submit to the Board that there are a number of proposed changes in the Utilities' Application, as presented in my Final Argument, that are not supported by adequate evidence, or are unfair to Customers or prospective customers, or are not in the public interest. These are identified and briefly discussed below.

1. Application, Appendix 1, Section 4.5 page 10 and Section 8.1 page 23

Please refer to my Final Argument Section 2 pages 1-6. In the referenced Sections of the proposed new T&C of Service the Utilities propose significant new requirements on their Customers for notifying their Utility for 'material' changes in their load and requiring the Utilities written permission for such changes. The Utilities refused to provide any measure or guidance as to what a significant or material change in load is, but not only that, they even indicated that a device plugged into a regular 115-volt home outlet (like a level 1 EV charger) would constitute a significant change in load.¹

The history and knowledge of electric home heating in Yukon, including the high and seasonal nature of the load, makes it reasonable in my view that notification

¹ JM-1-1

to the Utilities and required written permission to proceed from the Utilities is justifiable.

However, the Utilities have not presented one shred of evidence with regard to the electricity consumption of EVs in Yukon. The implications of the Utilities proposals imply that EVs require significantly more electrical energy than electric heating. I believe that the Utilities are responding to the fear of what might be possible in extreme situations rather than what the reality is. The Utilities should either provide Yukon based and averaged data on consumption of EV usage (by types sold in Yukon) from a credible third-part study before EV specific requirements are included in the T&C of Service. Alternatively they could provide generic requirements for any increased electrical load based on very specific data such as breaker size to be added.

The lack of any clear guideline would be unfair and confusing to Customers and could create an enormous administrative burden on the Utilities should ratepayers follow the letter of what is proposed. The proposed changes to the T&C of Service with respect to load changes, other than conversions to electric heat, in the Application are not justified.

2. Application, Appendix 1, Section 4.8 (b)

The cost sharing of long expensive service extensions was proposed to be limited to 5 years by the Utilities. The present wording in the 2011 T&C of Service which allows for a 10-year cost sharing period for more costly projects (rather than a 5-year period) exists because of unfair advantage having been taken of existing Customers. The Utilities have said that this is to balance administrative burden and equitable cost sharing.² However, there have only been 53 projects over 13 years at the 2011 cost thresholds.³ From a Customer fairness perspective the administrative burden is very small, especially compared to the administrative burden that the Utilities are prepared to commit to discussed in Section 1 (above) and Section 3 (below) of my Reply Argument, compared to the monetary unfairness to Customers.

The Utilities did not propose to increase the higher cost threshold for the 10-year cost sharing specified in 2011. This is wholly unfair to Customers who pay the very highest extension costs, an appropriate balance between administrative costs as well as Customer fairness and the public interest would be to adjust the threshold costs under the same structure as in the 2011 T&C of Service.

² YUB-1-4

³ JM-1-10

3. Application, Appendix 1, Section 9.2

The Utilities' desire to have the right to interrupt Micro-Generation customers, almost all of whom would not have back-up generation, along with Industrial Customers who must have their own back-up generation and other large Customers who have installed back-up generation, is totally unfair. The labour cost burden that the Utilities would place on themselves and the ratepayers is very much not in the public interest. Why the Utilities would propose such a ridiculous thing is beyond comprehension.

4. Application, PDF page 113 of 115

It was suggested to the Utilities that they should be adjusting the MIL rates (and some other numbers) in an annual two-line calculation (prior year and presently ending year) as opposed to one only (presently ending year), the Utilities said that this was not efficient or necessary.⁴ If "efficient" here refers to the Utilities cost involved there is certainly no substantiation provided. Furthermore, the Utilities themselves stated that the Handy-Whitman Index is more accurate than the CPI⁵ thus it is in the public interest to use a two-step calculation.

Utilities Final Argument Paragraphs 9 and 10, page 5

The Utilities have stated that "... the proposed changes to the T&Cs included broad consideration of customer interests based on the Utilities' experience working with customers on a regular basis ..." (paragraph 9) and that they have "... relied on these numerous interactions to determine what aspects of the T&Cs require additional guidance or clarity" and "... the Utilities submit that specific customer consultation ... was not necessary" (paragraph 10). I believe that when Customers interact with the Utilities they deal with the matter of concern that brought them there and are not required to answer a survey about the myriads of other issues covered by the T&C of Service. Thus, Customer interactions cannot substitute for Customer consultation on the broad range of issues covered by the T&C of Service.

In particular Section 2 in this Reply Argument on proposed Section 4.8 (b) of the T&C of Service does not appropriately consider Customer interest and should be amended by the Board as per my Final Argument.

5. Based on an unsatisfactory Customer interaction with the Utilities that I am aware of, I submit that Section 8.3 of the proposed T&C of Service part (c) should be amended by the Board as proposed in my Final Argument.

⁴ JM-1-21

⁵ YUB-1-40 (a), Utilities Final Argument PDF page 16, paragraph 42

6. The Utilities have stated that benefits from improvements in efficiencies get passed on to ratepayers in the longer term.⁶ Do the Utilities consider it in the ‘broad customer interest’ to increase Schedule D rates by amounts greater than inflation? Were Customers specifically asked this question in their interactions with the Utilities in which a customer fee was involved? The Utilities have no valid basis for their request despite their arguments,⁷ and fees adjustments should be reduced as proposed in my Final Argument.

Utilities Final Argument Paragraph 14, page 7

In this paragraph the Utilities repeat an IR response⁸ that the proposed Sections 4.5 and Section 8.1 of T&C of Service are not intended to restrict Customers. Yet the Utilities use phrases like “the customer shall not change its Service requirement without the company’s written permission” (Section 4.5 (b) and Section 8.1) and “only with the prior written permission” (Section 4.5 (c)). Yet these are specific restrictions and, furthermore, restrictions around which the Utilities refused to provide bounds.⁹ The Utilities are pretending to ‘play nice’, but the wording is anything but nice, it is draconian and inappropriate, and the Board should order changes as proposed in my Final Argument.

Utilities Final Argument Paragraphs 15 to 22, pages 6 to 10

The Utilities’ present reading of the T&C of Service and the proposed continuance incentivizes baseboard electric heating in all Multiple Dwelling Units rather than encouraging more electrically efficient central heating systems, despite the arguments put forward in these paragraphs. If we are to modernize the T&C of Service in step with a modernized, efficient grid, this issue must be addressed rather than be swept under the carpet for the convenience (and higher revenues) of the Utilities.

Utilities Final Argument Paragraphs 35 and 36, page 10

7. The Utilities’ MIL proposal adequately covers single family dwellings and large Multiple Dwelling Unit buildings but does not adequately address the increasing middle ground of one to three standalone suites within what is otherwise a single-family home or on the property originally intended for a single-family home. With the promotion of such units by municipalities and governments, this needs to be addressed in MIL rates as proposed in my Final Argument.

Utilities Final Argument Paragraphs 43 to 45, page 17

As per Section 4 of this, my Final Argument, I can see no justifiable reason why it would be inappropriate for the Utilities to do a two-line calculation once per year, to keep the

⁶ YUB-1-16(b)

⁷ Utilities Final Argument pages 12 to 13, paragraphs 28 to 32

⁸ YUB-2-10

⁹ Maissan Final Argument footnote 1

MIL rates better in line with the Handy-Whitman Index. The Utilities themselves say it provides a better representation of costs than the Consumer Price Index.¹⁰

Concluding remarks

I believe that I have addressed the Utilities Final Argument content that applies directly to my own Final Argument. Any matters raised in my Final Argument or the utilities' Final Argument, not addressed in this, my Reply Argument, I leave to the Board to address based on all the evidence before it.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "John Maissan".

John Maissan
June 24, 2025

¹⁰ YUB-1-40 (a), Utilities Final Argument page 16, paragraph 42,