

Yukon Utilities Board

Yukon Utilities Board • Box 31728 • Whitehorse, Yukon • Y1A 6L3

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February 25, 2026

Hon. Laura Lang
Minister of Justice
Government of Yukon
Box 2703
Whitehorse, Yukon Y1A 2C6

Dear Minister Lang:

Re: Reconsideration of Forecast Costs of Rental Diesel Units Without Air Emission Permits in Yukon Energy Corporation 2023-2024 General Rate Application

On July 12, 2024, the Yukon Utilities Board (Board) issued Board Order 2024-05 on Yukon Energy Corporation (YEC) 2023-2024 General Rate Application and Appendix A: Reasons for Decision. In this Board Order, the Board approved the forecast costs for diesel rental units as part of YEC's revenue requirement for the years 2023 and 2024, some of which were not permitted under the *Environment Act*.

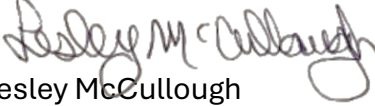
Mr. Nathaniel Yee, an intervener in the YEC 2023-2024 General Rate Application, sought and obtained leave from the Yukon Court of Appeal to appeal Board Order 2024-05 on the issue of whether the Yukon Utilities Board erred in law "by allowing Yukon Energy Corporation to claim and receive payments from customers based on forecasts that factor in the cost of rental diesel units for diesel capacity that exceeds the limits Environment Yukon has permitted it to generate".

On January 19, 2026, the Yukon Court of Appeal issued *Yee v. Yukon Energy Corporation*, 2026 YKCA 1 in which it granted the appeal because "the Board erred in law in approving the rental charges in Issue". The Court further stated "[i]t will be for the Board to reconsider the 2023/24 GRA in light of our legal conclusion on this appeal and to order whatever rate modifications and consequential relief are appropriate in the exercise of its public interest mandate." Therefore, the Court remitted "Board Order 2024-05 to the Board for reconsideration" in accordance with its reasons.

In accordance with the *Public Utilities Act* s. 50, the Board requests your written approval to hold a written public hearing in this matter, and to cover necessary expenses related to such a proceeding.

The Board looks forward to your response at your earliest opportunity.

Sincerely,


Lesley McCullough
Chair