

Yukon Utilities Board

Board Order 2025-12

Appendix A: Reasons for Decision

June 16, 2025

1 Interim Rate Request

1. In its 2025-2027 General Rate Application (GRA) (Application), YEC is seeking the following, among other things: approval of incremental interim refundable increases to rate rider (Rider J), on July 1, 2025, of 17.89%; approval for an additional interim refundable Rider J increase of 19.66%, on January 1, 2026; an incremental increase on April 1, 2026 to true-up 2025 and 2026 revenue requirements; and a further increase on January 1, 2027 to finalize 2027 rates.
2. YEC stated that the timing for implementation of interim refundable rates proposed is to reduce the impact on final rates and avoid a large true-up. YEC added that the increases on customer bills will be smooth and provide to Yukoners greater bill stability and predictability. The July 1, 2025 interim rate change is to recover a portion of the 2025 revenue shortfall. The January 1, 2026 interim rate increase is to provide recovery of a portion of the 2026 revenue shortfall. The April 1, 2026 rate change is to finalize 2025 and 2026 rates and provide any true-up if required. The January 1, 2027 rate change is to finalize rates for 2027 and coincide with the expiration of YEC's 2023-2024 GRA true-up rider.
3. In its application, YEC presented three options regarding the implementation of interim rates. Option One is favoured by YEC for this application as, in their view, it provides the smoothest bill adjustments over the test years. This option was described as "rate smoothing" and is designed to minimize the required true-up when the Board makes its final decision on this GRA while concomitantly providing relatively smooth bill adjustments. Option Two was described as "summertime interim increases". YEC described the goal of this option is to avoid interim winter increases. Option Three was described as "minimize true-up" and the goal of which is to minimize the final required true-up while assuming a July 1, 2025 date for an initial interim rate.

1.1 Intervener Submissions

4. The Utilities Consumers' Group (UCG) was the only party to comment on the interim rate request by YEC. UCG commented that YEC proposes its GRA halfway through the 2025 test year. UCG is concerned that both YEC and AEY use interim rates as their "go-to" for filing late applications for a test year that has already commenced.

5. UCG submitted that

... the repeated reliance on interim rates undermines the integrity of the regulatory process and creates significant uncertainty for ratepayers. While the justification for such immediate increases often leans on the argument of revenue shortfalls, it is

imperative that these requests come with thorough, transparent data to back such claims.¹

6. The UCG added that

- The timing of the application filing and the magnitude of the rate increases requested is a burden on ratepayers and causes a strain on stakeholders.
- Interim rates should not come at the cost of accountability or ratepayer trust.
- The timing of the filing of the GRA's brings to question the efficient and planning of the utilities and the claims that the rate increase will be smooth and provide greater bill stability and predictability.

7. The UCG concluded by stating that

The implementation of clear schedules and deadlines for future applications could alleviate the recurring strain on stakeholders and enhance trust in the regulatory process.²

1.2 YEC Reply Comments

8. YEC responded that the UCG only provided general comments on the timing of the application and the magnitude of the rate increases but provided no objection to the proposed interim rates.

9. YEC referenced Appendix A to Board Order 2021-08 which provided the Board's views on the purpose of interim rates and some of the factors the Board considers for interim rate requests.³

10. YEC stated the purpose of an interim rate is that

Interim rates address that delay in a manner that avoids rate shock and intergenerational inequity resulting from the large true-up added rate rider that would otherwise be required to recover the resulting revenue shortfalls for the test years in the Application.⁴

11. YEC submitted that the requested interim rates comply with the Board's stated views of the purposes of and the factors to be considered for interim rates.

¹ UCG submission on interim rates, June 6, 2025, paragraphs 6-8.

² UCG submission on interim rates, June 6, 2025, paragraph 9.

³ Appendix A to Board Order 2021-08, YEC 2021 GRA – YEC interim rate request decision, paragraphs 3-5.

⁴ YEC reply submission on interim rates, June 10, 2025 PDF page 2.

12. In response to the other concerns expressed by the UCG, YEC stated that interim rates are necessary to reduce rate shock in those instances where the application process is not complete and a decision rendered by the Board before the start of the test year. YEC is working on filing its rate applications earlier.

1.3 Board Findings

13. In YEC's submission, Option One, rate smoothing is the preferred option for interim rates. The Board has considered the options provided by YEC and is in agreement that Option One is preferred.

14. In Appendix A to Board Order 2021-08, the Board stated the following:

3. The Board confirmed its jurisdiction to set interim rates in Appendix A to Board Order 2017-06. In that Order, the Board stated:

"The Board's jurisdiction to make interim orders is set out in section 63 of the Act [Public Utilities Act] which states, in part,

The board may, in any matter before it,

(a) make any interim orders on appropriate terms that it may consider necessary to facilitate its inquiry or to prevent serious harm occurring before its decision; ..."

4. The Board considers that the purpose of interim rates is two-fold. First, interim rates provide a smooth rate transition for customers to new rates in order to minimize rate shock. Second, they provide additional cash flow to the utility to cover increased costs while its rate case is being tested. The Board assesses an interim rate request with this purpose in mind.

5. In deciding on an interim rate request, the Board considers some or all of the following factors:

- the quantum of the interim rate increase and need for the increase, including the impact of the proposed interim rates and any shortfall in revenue to the utility;
- whether the proposed interim rates promote rate stability and erase rate shock, and whether interim rates help maintain intergenerational equity;
- the need to accommodate regulatory lag to preserve a utility's opportunity to recover the revenues ultimately determined by the Board to be just and reasonable for the year to which the interim rates apply; and
- the merits of the applied-for revenue requirements have not been tested.⁵

⁵ Appendix A to Board Order 2021-08, YEC 2021 GRA – YEC interim rate request decision, paragraphs 3-5.

15. In its determination of YEC's request for interim rates, the Board has considered the purpose of interim rates and the factors in Appendix A to Board Order 2021-08 (set out above).

16. Based on its assessment, the Board finds that the interim rate request by YEC in the current instance is consistent with the Board determinations contained in Appendix A to Board Order 2021-08. Further, the Board considers that the July 1, 2025 interim rate increase covers about two-thirds of the 2025 revenue shortfall, and that the January 1, 2026 interim rate increase covers about 85 per cent of the 2026 revenue shortfall.

17. The Board is of the view that while the UCG disagreed with the timing of the application, it did not provide any specific submissions on the amount or timing of YEC's proposed interim rate increases.

18. Accordingly, the Board accepts the submissions by YEC and approves YEC's request to implement an interim refundable rate rider increase (Rider J) of:

17.89 percentage points for retail firm rates (from 55.40% to 73.29%) and industrial firm rates (from 51.75% to 69.64%) effective on an interim refundable basis as at July 1, 2025. And,

19.66 percentage points for retail firm rates (from 73.29% to 92.95%) and industrial firm rates (from 69.64% to 89.30%) effective on an interim refundable basis as at January 1, 2026.

19. The Board is cognizant that, based on the current proceeding schedule, a decision on this proceeding may be rendered well before April 1, 2026. Therefore, the Board will not make an interim rate decision for April 1, 2026 as proposed by YEC. YEC can address such matters as 2025 and 2026 true-ups as part of any compliance application to the decision on this application.

2 UCG Motion for a Negotiated Settlement Process

20. As part of its June 6, 2025 submission, the UCG filed a motion for a Negotiated Settlement Process (NSP). The UCG submitted that ratepayer groups are very concerned about the escalating costs of rate hearings as well as the number of outside consultants and lawyers used by the utilities and the Board. The UCG stated there was an alternative method of determining the outcome of the 2025-2027 YEC GRA, that being a Negotiated Settlement Process. The UCG confirmed "This was done in the 1996/97 GRA. As a full

participant in this process, it was a very enlightening and productive practice involving Yukoner ratepayer groups, the utilities, and the Board representative.”⁶

21. The UCG stated that YEC was asked and

... agreed to send letters to various rate groups, so that each would notify of such a process being entertained and that each rate group be represented. This would include one member from each of the following: the First Nations (one CYFN and one chief) representing all FN ratepayers, UCG for residential and small businesses ratepayers, the Yukon Chamber of Commerce for business/commercial ratepayers, City of Whitehorse for their rates, Association of Yukon Communities representing their constituents, Nathaniel Yee representing ratepayers in a smaller Yukon community and possibly the Chamber of Mines representing industrial customers.⁷

22. The UCG requested that the Board fast track an approval for an NSP. Further, the UCG cited the advantages of the NSP include reduced costs, local decision making, and efficient resolution of rate issues.

2.1 Board Ruling on UCG Motion

23. An NSP allows utilities and interveners to reach agreements on rate structures, often avoiding formal hearings. This process involves a collaborative effort to resolve disputes and find mutually acceptable solutions, ensuring fair rates and a balance between utility interests and public interest.

24. The process typically begins with the utility applying to the regulator for approval to enter into an NSP. In such a case, the utility’s application contains endorsements from known interveners supporting the application for an NSP. If approval for an NSP is given, the parties may proceed to negotiation. Requests for NSP usually occur after an initial round of information requests and information request responses.

25. Sometimes an NSP can be led by staff of the regulator, or regulator staff may act only in the capacity of observers of the negotiating process to determine fairness. Another scenario is that regulator staff will not be present during the negotiating process, but the regulator will require statements from all involved attesting to the fairness of the process.

26. Regulators consider several factors when deciding to allow a negotiated settlement process to proceed. This includes an assessment of the desire to resolve the dispute, the

⁶ UCG submission of June 6, 2025, Notice of Motion for Negotiated Settlement Process Submission on Interim Riders, PDF page 2.

⁷ UCG submission of June 6, 2025, Notice of Motion for Negotiated Settlement Process Submission on Interim Riders, PDF page 2.

interests of all parties, the credibility⁸ of the parties involved, and whether a negotiated solution is in the best interest of the parties. They also assess whether the parties have the proper authority to negotiate.

27. When presented with a negotiated settlement, the regulator's mandate typically involves reviewing the drafted and signed agreement to ensure it aligns with their regulatory objectives and protects the public interest. This might include verifying compliance with relevant laws and regulations, assessing the fairness of the terms, and considering the impact on consumers and other stakeholders.

28. Even if a negotiated settlement is reached, there may still be the need for an oral public hearing or some other further process for the Board to carry out its statutory duty and assess whether the public interest has been met.

29. The Board notes that only two of the parties identified in the UCG motion (the UCG and Nathaniel Yee) registered as interveners for this proceeding.

30. The UCG noted that it was a participant in a 1996/1997 GRA. However, a review of Board Orders 1996-6 and 1996-7 which provide the decision and the reasons for decision for the approved 1996-1997 negotiated settlement did note:

The settlement participants agreed with the contents and details of the Application, except for certain adjustments and the identification of specific issues which were reviewed by the Board in a public hearing. (Board Order 1996-7, Reasons for Decision, page 2, PDF page 3)

31. Although the settlement agreement was accepted by all other parties, the UCG position was:

UCG no longer supports the negotiated level of return on equity.... UCG also proposes that the net revenues of the Companies effectively become “decoupled”. This issue has not previously been raised in this process.... It will be up to the Board to determine if this new issue should be considered in this hearing, studied towards review at a later period, or dismissed.” (Board Order 1996-7, Reasons for Decision, Letter from W.J. Grant, PDF pages 11-12)

⁸ In this case means the reliability and trustworthiness of a party, their actions or their statements. It is the degree to which the regulator can depend on information or claims made, and includes such aspects as veracity, reliability, integrity, transparency, consistency, expertise, and representation of large constituencies or customer groups that are affected by the application.

UCG must dissent on section (1) of the package.... In addition, UCG proposes the following three amendments to the package.... (Board Order 1996-7, Reasons for Decision, UCG letter, PDF page 22).

32. In the Board's view the above examples demonstrate that NSPs are not always successful and can require additional process steps.

33. Paragraph 3 of the UCG June 6, 2025 submission states the following:

A UCG representative presented this concept at the YEC workshop meeting of May 29, 2025, and everyone in attendance agreed that this process was a very good idea and should be investigated and initiated with the Board.⁹

34. The Board does not initiate NSPs. Applications for NSPs come from the applicant and are endorsed by interveners for the Board to consider.

35. The UCG submission goes on to ask at paragraph 5

UCG requests the Board canvas the YEC and all ratepayer groups represented above before denying this motion.¹⁰

36. The Board does not canvas or solicit support for motions or applications but makes decisions on evidence and submissions of the parties before it. Other than the applicant, there were no other parties to the application as intervener status had not been granted to any person at the time the motion was submitted.

37. Only the UCG is requesting an NSP and it has not provided any persuasive reasons on the merits of instituting an NSP for this application. In addition, YEC has not submitted a request for an NSP and many of the persons identified by the UCG are not registered in this proceeding as interveners. As a result, the Board denies the UCG motion for an NSP.

3 Requested Supplemental to YEC Application

38. The Board staff has completed, at the request of the Board, a preliminary review of YEC's application and has noted some aspects of the application do not appear to fully address certain Board directions.

39. In addition, the Board staff has identified aspects of the currently filed application which seem to need additional information as explained below.

⁹ UCG submission June 6, 2025, PDF page 2.

¹⁰ UCG submission June 6, 2025, PDF page 2.

40. The Board is requesting the information noted below to assist the Board and parties with their initial review of the application and preparation of information requests to ensure an efficient and timely process.

41. The Board asks YEC to provide the requested information by June 30, 2025.

3.1 Additional Information to Address Board Directions

42. In its initial review of the application, Board staff note that two directions from Appendix A to Board Order 2024-05, found at paragraph 250 and paragraph 399, have not been fully addressed. These are discussed separately below.

3.1.1 Provision of approved forecasts breakdown in 2023-2027 Period CWIP continuity schedule

43. In its findings in Section 10.3 of Board Order 2024-05 Appendix A Errata, the Board found room for improvement in future YEC GRA applications, particularly in respect of measures that would be needed to assist the Board and interveners to compare project expenditure forecasts to actual project costs. In light of this concern, the Board directed YEC to provide a single CWIP continuity schedule in respect of capital projects in all future GRAs filed after its 2023-2024 GRA:

Second, the Board directs YEC to include equivalent information for both forecasts and actuals. For example, in the current Application, ideally, YEC would have provided a single CWIP continuity schedule which included columns providing opening balance, capital expenditures, capital additions, and closing balance for each of 2021 Approved, 2021 Actual, 2022 Actual, 2023 Forecast, and 2024 Forecast. In YEC's subsequent GRA period (assuming for illustrative purposes, a 2025-2026 test period), YEC would again provide a single CWIP continuity schedule which includes opening balance, capital expenditures, capital additions, and closing balance for each of 2023 Approved, 2023 Actual, 2024 Approved, 2024 Actual, 2025 Forecast and 2026 Forecast.¹¹

44. Table 5.8, filed with the current application, provides a CWIP continuity schedule of actuals for the years 2023 through 2024 and forecasts for the years 2025 through 2027, but does not provide the information about approved forecasts as set out in the above reproduced direction.

45. YEC is asked to provide a CWIP continuity schedule as contemplated in the above reproduced direction from paragraph 399 of Board Order 2024-05 Appendix A Errata for the

¹¹ Board Order 2024-05 Appendix A Errata, paragraph 399.

years 2023-2027, which is to include columns showing approved forecast amounts for the years 2023 and 2024, by June 30, 2025.

3.1.2 Variance explanations provided for completed projects forecast in 2023-2024 GRA

46. In its discussion of forecast vs. actual cost variances, in section 5.4 and Appendix 5.5, YEC has provided brief variance descriptions for only four projects for which variances between actual expenditures and forecast expenditures exceeded a threshold of \$100,000.¹² Using this assumed threshold, YEC provided brief forecast vs actual variance explanations for capital additions totalling only \$3.54 million for the following four projects:

- Vehicle Purchases (2024)
- HQ Datacentre Server Replacement
- Wareham Spillway Concrete Repair
- Schwatka Lake Safety/Debris Boom.

47. YEC's decision to limit its discussion of actual vs forecast variances on projects completed in 2023 and 2024 to the \$100,000 threshold does not seem consistent with the Board's findings at paragraph 250 of Board Order 2024-05 Appendix A Errata, reproduced below as follows:

When YEC requests these capital projects to be added to its rate base, all actual costs incurred and the prudence thereof, will be examined further. YEC is reminded that the Board will expect YEC to file sufficient detail respecting its forecast and actual costs for each such capital project and to include all variance explanations where actual costs are different from those approved on a forecast basis in this Board Order. [emphasis added]

48. Table 1 below prepared by Board staff using information obtained from Tables 5.3, 5.4, and 5.8 of the application shows the amount of completed projects costs added to YEC's rate base in respect of the years 2023 and 2024 for the YEC project categories of Generation, Transmission, Distribution, General Plant, Overhaul, Intangible Assets, and Deferred Costs.

¹² Application Section 5.2, PDF page 204.

Table 1 - Completed projects costs added to YECs rate base in respect of the years 2023 and 2024

	2023 Addition Amount	2024 Addition Amount	Total 2023-2024 Period Additions	CWIP Balance at year-end 2024?
	(\$ 000s)			
Generation				
Thermal Replacement (16.5)	122.4		122.4	Yes
Mayo Mobile Diesel Genset	5,289.7	1,226.3	6,516	No
MH0 Road & Road Slope Stability	1,762.5	44.4	1,806.9	No
Wareham Spillway Concrete Repair		936.7	936.7	No
Schwatka Lake Safety/Debris Boom		1,220.2	1,220.2	No
Lewes River Boat Lock	20.4		20.4	Yes
Other Projects with <\$400k Spending	(207.5)	1,088.9	881.4	Yes
Generation projects subtotal	6,987.5	4,516.5	11,504.0	
Transmission				
Whitehorse interconnection	10,772.5	86.5	10,859	No
P&C: S250 Callison Protection, Control and SCADA Upgrade	2158.1		2,158.1	Yes
Load Bank & Transformers		1,722.8	1,722.8	No
L177 Re Route	524.4		524.4	No
Other Projects with <\$400k Spending	211.7	380.9	592.6	Yes
Transmission projects subtotal	13,666.7	2,190.2	15,856.9	
Distribution				
IPP Connections	538.4	5,905.3	6,443.7	No
Customer Extensions	152.6	2655.2	2807.8	No
Synchronous Condenser Overhaul	991.8		991.8	No
Dawson Distribution 3 Phase Loop	500.2		500.2	No
Distribution Upgrades	210.9	166.7	377.6	No
Other Projects with <\$400k Spending		27.2	27.2	Yes
Distribution projects subtotal	2,393.9	8,754.4	11,148.3	
General Plant				
Whitehorse Stoplog Crane Replacement		3,323.3	3,323.3	No
Vehicle Purchases	612.6	890.2	1,502.8	No
Crane Refurbishment Program		115.1	115.1	No
New Mobile Office Unit - IT	738.7		738.7	No
SCADA Upgrade Program	18.8	18.3	37.1	No
HQ Datacenter Server Replacement		492.2	492.2	No
Mayo Digger		453.5	453.5	No
Computer Replacements	61.4	138.3	199.7	No
Other Projects with <\$400k Spending	1,410.9	1,091.8	2,502.7	Yes
General Plant projects subtotal	2,842.4	6,522.7	9,365.1	
Overhaul				
AH1 10 Year Overhaul	2,337.9		2,337.9	No
AH3 Overhaul		2,286.8	2,286.8	No

WG3 Overhaul		453.2	453.2	No
Other Projects with <\$400k Spending	690.5		690.5	No
Overhaul projects subtotal	3,028.4	2,740.0	5,768.4	
Intangible Assets				
PAMMS Asset Management Framework	5,459.5		5,459.5	No
Tailrace Gate Certifications		552.4	552.4	No
Other Projects with <\$400k Spending	86.9	340.4	427.3	Yes
Intangible asset projects subtotal	5,546.4	892.8	6,439.2	
Deferred Costs				
Mayo Lake Enhanced Storage		2,267.2	2,267.2	No
DSM Program 2022-2030	1,289.2	1,101.6	2,390.8	No
Other Projects with <\$400k Spending	994.5	952.1	1,946.6	Yes
Deferred cost projects subtotal	2,283.7	4,320.9	6,604.6	
Grand Total	36,749.0	29,937.5	66,686.5	

Source: Prepared by Board staff from Application Tables 5.3, 5.4, and 5.8

49. Note that Table 1 above includes line-items obtained from Table 5.3, Table 5.4, and Table 5.8¹³ for “other projects” which appear to be aggregations of multiple projects. These “other projects” are addressed separately under the heading “Disaggregation of Other Projects” below.

50. For all of the individually identified (i.e. other than aggregated “other projects” line items) projects noted in Table 1 above, YEC is asked to

- (i) Identify the exhibit, section, and PDF page range for any GRA business cases filed in respect of each project. For clarity, for any project noted in Table 1 above where business cases have been filed in more than one GRA, YEC is asked to provide cross-references to the business cases filed in each GRA.
- (ii) For the “Thermal Replacement (16.5 MW),” “Lewes River Boat Lock,” and “P&C: S250 Callison Protection, Control and SCADA Upgrade,” projects, each of which shows remaining CWIP balances at the end of 2024, YEC is asked to
 - i. provide a brief description of the project elements that were completed therefore and proposed for addition to the YEC rate base during the 2023-2024 test period; and
 - ii. provide a brief description of the project elements remaining to be completed during the 2025-2027 or subsequent test periods. (Note: if any

¹³ Application, PDF pages 213-218 and 228-233.

project elements remaining to completed after 2024 arise from project scope changes not contemplated in the original project forecasts, YEC is directed to describe any such project scope changes along with the rationale therefore).

3.2 Additional Requested Supplemental Information

51. The following information is requested to assist the Board and interveners in the review of the application and preparation of information requests, as noted above.

3.2.1 Confirmation of Capital Expenditure and Addition Actual Amounts

52. Board staff note that the CWIP continuity schedule for 2024, provided by YEC in Table 5.4 of the application (PDF pages 216-218), is described as “2024 Preliminary Actuals.” However, as amounts shown in the 2023-2027 CWIP continuity schedule for the year 2024 in Table 5.8 appear, for the most part, to be comparable to corresponding amounts shown in Table 5.4,¹⁴ the Board wishes to confirm that all amounts shown in Table 5.8 are confirmed final actual amounts.

53. The Board requests YEC update any schedules or Tables included in the application, in particular Tables 5.3, 5.4, and 5.8, to ensure that final actual amounts are shown where applicable.

3.2.2 Disaggregation of “Other projects”

54. As noted above, Table 5.8 of the application includes the following instances where YEC has aggregated multiple projects into a single “other projects” line-item:

[Table Y1 “Other Projects” line-items in Table 5.8]

	2023 Addition Amount	2024 Addition Amount	Total 2023-2024 Period Additions	Remaining CWIP Balance?
	(\$ 000s)			
Other Generation Projects with <\$400k Spending	(207.5)	1,088.9	881.4	Yes
Other Transmission Projects with <\$400k Spending	211.7	380.9	592.6	Yes
Other Distribution Projects with <\$400k Spending		27.2	27.2	Yes
Other General Plant Projects with <\$400k Spending	1,410.9	1,091.8	2,502.7	Yes
Other Overhaul Projects with <\$400k Spending	690.5		690.5	No
Other Intangible Asset Projects with <\$400k Spending	86.9	340.4	427.3	Yes
Other Deferred Cost Projects with <\$400k Spending	994.5	952.1	1,946.6	Yes

Source: Prepared by Board staff from Application Table 5.8

¹⁴ Board staff notes that the amount of the 2023 capital addition for the General Plant line item “Other Projects with <\$400k Spending” is shown as \$1,410.9 thousand in Table 5.8 while the corresponding capital addition amount in Table 5.3 is \$1,472.3 thousand.

55. The Board notes that the threshold minimum that YEC has apparently used for aggregating projects into a single line-item by major project category has been increased from \$100,000 in YEC's 2023-2024 GTA to \$400,000 in the present GTA.

56. In respect of each of the "other projects" line items shown in Table Y1 above, YEC is asked to do the following:

- (i) provide a complete disaggregation of the 2023 and 2024 capital addition amounts related to specific individual projects included in the relevant "other projects" line item.
- (ii) prepare a table that provides a cross reference showing, for each disaggregated project identified in the prior step, where the business case, if any, was provided in either the 2023-2024 GRA or in any prior YEC GRA.
- (iii) Identify the projects within each "other projects" category for which addition to rate base is expected to occur subsequent to 2024.

3.2.3 Projects Completed in 2023-2024 Test Period Not Forecast in 2023-2024 GRA

57. In section 5.4 of the application,¹⁵ YEC identifies a number of projects for which no GRA business case was provided as part of YEC's 2023-2024 GRA, but which are accounted for as 2023-2024 period capital additions within YEC's 2025-2027 GRA. YEC provided brief explanations of the projects described for the first time in the 2025-2027 GRA in Appendix 5.5A-2 to the application.¹⁶

58. For each project described in Appendix 5.5A-2, YEC is asked to indicate the capital addition amount by year, if any, that has either already been reflected in 2023 or 2024 actual capital addition amounts, or which is currently forecast to occur in 2025, 2026, or 2027.

3.2.4 Additional Information on Projects Projected to be Added to Rate Base after the 2025-2027 Test Period

59. Section 5.3 of the application discusses YEC expenditures on "deferred projects." In that section, YEC discusses projects that were identified in the 2023-2024 or prior GRAs but which were not brought into service or expected to be brought into service until sometime in the 2025-2027 test period. YEC also discusses certain projects for the first

¹⁵ Application PDF 204-205.

¹⁶ Application Appendix 5.5A-2, PDF 471-474.

time, in its 2025-2027 GRA, that are not expected to be brought into service until after the 2025-2027 test period.

60. In addition to its discussion in section 5.3, YEC also discusses deferred projects and other projects to be brought into service after 2027 in Appendix 5.2A, Appendix 5.2B, Appendix 5.4A, and Appendix 5.4B of the application.

61. The Board has the following directions related to deferred projects at this time:

- (i) For projects described in Appendix 5.2A and 5.2B, YEC is asked to provide a cross-reference (including PDF page range information) to any reference or discussion of each Appendix 5.2A and 5.2B project in any prior YEC GRA.
- (ii) For each project described in Appendix 5.4A and Appendix 5.4B, YEC is asked to do the following:
 - i. provide the amount of the currently forecast capital addition amount for the project, and
 - ii. indicate the year in which the project is currently expected to be brought into service.