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2021 GRA Information Requests of Yukon Energy Round 2, 10-Aug 2021

NY-YEC-2-1

Follow-up on NY-YEC-1-5, NY-YEC-1-8(a) and NY-YEC-1-13(a,c)

Original request was for an “updated Yukon Integrated System Generation Inventory” and I was sent “Appendix A from the 10-Year Renewable Electricity Plan” as what is current. However, some of the capacities differ from the correspondence with the regulator provided in response to NY-YEC-1-8(a)

	YEC GRA Nov 2020 in reply to NY-YEC-1-5 and YUB-YEC-1-50 and UCG-YEC-1-18	App to Regulator, Sep 2020 in reply to NY-YEC-1-8(a) and sound and dispersion studies NY-YEC-1-13(a,c)
FD1 Dependable Capacity:	3.0 MW	2.4 MW

The 3.0MW listed in the 10-Year Renewable Electricity Plan was given as the current capacity list in IRs NY-YEC-1-5, UCG-1-18, YUB-YEC-1-50 and others.

However that capacity was reduced to 2.4 for all communications with the regulator – and for all sound and air dispersion studies. Noting that the 2.4 MW is more convenient for regulation (allowing FD1+FD7+3 Rentals to be 10.6MW), but also that the 3.0 MW is needed for N-1 Capacity.

- a) These numbers should be consistent and not arbitrarily chosen. Which is correct? Why were the two different numbers used?
- b) Please provide a history of capacity of the FD1 generator – from nameplate capacity of 5.15MW down to the 3.0MW or 2.4MW currently claimed.
- c) Please provide dated documentation used in support of each change in dependable capacity.

NY-YEC-2-2

Follow-up on NY-YEC-1-5, NY-YEC-1-8(a) and YUB-YEC-1-50(b)

GRA Page 2-14, “Installed YEC and AEY dependable grid capacity for the winter peak in 2021, based on existing capacity today and any planned additions/retirements and excluding Fish Lake hydro, is 139.1 MW in 2021 (70.5 MW of YEC hydro, 12.6 MW YEC LNG, 23.5 MW of YEC diesel, 5.6 MW of AEY diesel and plus 27 MW²⁰ diesel from rented diesel units in order to meet the N-1 criterion assessment).²¹”

and

“²⁰ 15 units at 1.8 MW for each unit to total 27 MW for 2021.”

Of the 23.5MW of YEC diesel, Faro FD1&FD7 provide 5.8MW, according to the 10-Year Renewable Plan. So in the GRA and for N-1 purposes, Faro diesel provides 14.8 MW (FD1+FD7=5.8MW + 5 Rentals @ 1.8MW Ea=9MW).

However, 14.8 MW clearly exceeds the maximum 10.6MW permitted by the regulator or listed in the expired 2008 and 2011 decision documents. YEC is counting 4.2MW (14.8 MW-10.6 MW)that it has no authority to install or use to meet N-1.

And from GRA Page 2-15 *“In summary, under N-1, there is surplus of dependable capacity of approximately 1.25 MW in 2021. Without rented diesel units, the N-1 capacity shortfall would be 25.75 MW in 2021.”*

This is not true, as YEC actually has an N-1 capacity shortfall of 2.95 MW. (1.25 – 4.2)

a) Please explain how N-1 is affected with Faro capacity being limited to 8.15 or 10.6 MW, at least 4.2 MW less than the 14.8 MW cited on the GRA and 10-Year Renewable Plan?

b) Please provide a corrected and complete answer to YUB-YEC-1-50(b)

NY-YEC-2-3

Follow-up on NY-YEC-1-8(a)

From Elizabeth Barker’s reply to Travis Ritchie 23-Sept, 2020:

“Specifically, the Faro generating station underwent a YESAA assessment in 2014. In the assessment, FD1 and FD7 were assessed with production capacities of 5.15MW and 3MW for a total of 8.15MW. Currently, FD1 and FD7 have been derated to 2.4MW and 2.8MW however, with the addition of YM20-22 (5.4MW) and the addition of the YM23-25(5.4MW) as emergency backup, this brings the station capacity to a total of 16MW. This is 7.85MW greater than the capacity that was previously assessed in 2014. As the modification of production capacity is greater than 50kW, this project will need to proceed through YESAB before we can issue any permit amendments. Please let me know if you would like to discuss this further.

And from Travis Ritchie’s email to Elizabeth Barker 24-Sept, 2020:

“I was anticipating that either Decision Document 2008.0230 or 2011.0246 were technically still valid for the purposes of granting an approval...”

and

“I understand the need to assess the additional capacity (beyond what has been assessed historically) before it can be permitted, but I would ask for approval to reinstall the previously relocated and de-rated capacity pursuant to the 2008/2011 assessment findings and related decision documents.”

and

“If you need, I can resubmit the amendment application for reinstallation of only the previously assessed capacity, removing reference to the 3 additional units (YM23-YM25). YEC can then work on getting a YESAA assessment completed for the additional capacity, which could be permitted afterward. Does that sound reasonable?”

And from Elizabeth Barker’s reply to Travis Ritchie 13-Oct, 2020:

“We have determined that the information provided in YEC’s previous Faro station YESAA assessments (2008-0230 and 2011-0246) is still valid for the proposed 2020 amendment of reinstalling capacity of approximately 5.65MW at the Faro generating station. YEC has authorization to reinstall previously relocated/de-rated capacity of up to 10.6MW, cumulative station capacity, without proceeding through the YESAA assessment process. As discussed, any additional capacity increase that will bring the Faro station’s cumulative capacity above 10.6MW will need to proceed through the YESAA assessment process before being considered.”

These documents were for the 2008 and 2011 permits and were not considered valid for the 2014 permit in 2014. A new YESAB assessment was required, and produced Decision Document 2014.0119.

- a) Were the 2008 and 2011 Decision Documents “still valid” in 2014 when a new permit was required to replace the expiring 2008 and 2011 permits? And, if they are “still valid” now, why were they not used for the 2014 permit?
- b) In giving this exception, Elizabeth Barker specifically states that YEC can reinstall 5.65MW for “*up to 10.6MW, cumulative station capacity*” and “*any additional capacity increase that will bring the Faro station’s cumulative capacity above 10.6MW will need to proceed through the YESAA assessment process before being considered.*” and yet, YEC installed 6 generators at 1.8MW each, bringing cumulative capacity to 16 MW. This is of course exactly what Elizabeth Barker rejected in the email of 23-Sept. How does YEC justify this?
- c) Exactly how many rental generators has YEC installed in Faro? Physically, it seems to be seven – and the GRA uses the cost of installation and rental of 7 generators to justify a significant portion of the rate increase. However for purposes of the N-1 Capacity, 5 generators are listed as operational in Faro, and for the regulator, only 3 can actually be installed. So how many generators are there? How can using these different numbers be justified? Which one is real?
- d) What is the social license of asking the regulator to use documents created for expired permits instead current documents? Having submitted the YESAB documents in 2008, 2011 and 2014, Travis Ritchie must have known that the 2008 and 2011 permits had expired?
- e) The original (rejected) application of 10-Sept, 2020 is to “*Reinstall relocated/derated capacity (aprx. 5.65 MW) & add 3 x1.8 MW emerg-only units.*” This is rejected in Elizabeth Barker’s email of 23-Sept, and Travis alters the application and resubmits on 28-Sept, “*removing reference to the 3 additional units (YM23-YM25).*” So three of the six generators were removed from the application to get a pass from the regulator, but... then they were installed anyway, in direct contradiction of the regulator and the regulators explanation of YESAA requirements. Please explain.
- f) I was under the impression that expired permits are no longer “still valid.” Are there other examples or instances where the limits from expired permits can take precedence over current limits? Most expired permits actually expire – ie the catch limits of a 2008 or 2011 fishing permit would not be suddenly “still valid” in 2021, but somehow limits on expired YEC pollution permits are “still valid.” What other expired permits are “still valid” after expiration? What precedent did YEC have for suggesting using expired documents in this way?
- g) Explain the ethical and legal aspects of bypassing the clear intent of YESAA and the regulator?

NY-YEC-2-4

Follow-up on NY-YEC-1-10 – YESAB / generating capacity

From YEC’s reply to NY-YEC-1-10, emphasis added:

“Yukon Energy is requesting a recommendation by the Designated Office to allow the Permit amendment to proceed, on the basis that the Project (i.e., the continuing operation of the Yukon Energy’s Faro Diesel Facility with the addition of 4.9 MW of additional diesel generating capacity (total of 15.5 MW of generating capacity) in accordance with the terms and conditions of the amended Permit and the applicable provisions of the Environment Act and Air Emissions Regulations)...”

- a) How did YEC come up with 15.5MW as a total? There is no combination of the installed generators and rentals that actually adds up to this total?
- b) The sound and air dispersion studies also note that given the capacities of the generators, there is no actual way for this to be the total, and therefore no way to model for it. The studies are based on 16MW (Derated FD1+FD7 + 6 Rentals) which is physically and mathematically possible. How/why does YEC propose a generating capacity of 15.5MW while the actual installed generation capacity will be 16MW (or 16.6MW if using the 10-Year Renewable Plan for capacities) ?
- c) Why claim the addition of only 4.9 MW, when the proposal is for 5.4 MW, the 3 rentals actually being installed?

NY-YEC-2-5

Follow-up on NY-YEC-1-10 – YESAB and communications

Noting that in materials currently being distributed to residents of Faro, some interesting and quite deceptive definitions have appeared that could use further explanation.

The common understanding in Faro is that the term “permanent generators” and “existing generators” and “permitted generators” would refer to FD1 and FD7, the only generators that have been installed or permitted since 2014 until the arrival of the rentals in 2020.

YEC uses these terms to refer to FD1 and FD7 **and** 3 of the rental generators, despite the fact that the rentals are not permanent, did not exist here before 2020 and were not on the 2014 permit application or the 2014 YESAB – the last notice the public had about what was permitted.

The common understanding of “the rental generators” would be the seven rental generators installed in 2020. It is sometimes used this way. YEC also often uses “the rental generators” to refer to only three of the rentals, as YEC hides three of the new rentals by considering them “permanent” or “existing” generators and one as a spare. This is common in communications distributed to residents of Faro. Confusing?

And an example from “reporting back on a winter with rental diesels in Faro” distributed to Faro residents 21-June, 2021.

“When we added the rental units last winter, we also modelled what air emissions would be like with the addition of the rentals.”

This report (provided in response to NY-YEC-1-13(c)) actually models FD1 + FD7 + 3 rentals (baseline) vs FD1 + FD7 + 6 rentals. So *“the addition of the rentals”* means “addition of three more rentals – not counting the three rentals added that we now consider permanent.”

The sound study does the same thing, using “Existing/Current Operation” to refer to FD1+FD7+ 3 Rentals. Also referred to as “old permanent engines” in the “reporting back on a winter with rental diesels in Faro document.” Referring to half the rentals as “old permanent engines” or “existing/current” is deceptive.

a) Please explain the social license in using such terms as “Existing Permitted Emission Capacity,” “Existing capacity,” and “permanent generators” to refer to a capacity that has not existed or been permitted since 2014.

b) Would you reasonably expect anyone to interpret “Existing Permitted Emission Capacity,” “Existing capacity,” “existing site” or “permanent generators” to mean FD1 + FD7 + 3 of the new rentals? Please explain how a member of the public would come to this correct interpretation.

c) Would you reasonably expect anyone to interpret “the addition of the rentals” to mean only 3 of the 7 newly installed rentals? Please explain how a member of the public would come to understand this interpretation that YEC is using.

d) Previous to the 2020 addition of the rental generators, when was the most recent date that the Faro facility had the physical installed capacity for generating 10.6MW?

e) Discuss the role of a public company in misleading the public.

NY-YEC-2-6

Follow-up on NY-YEC-1-9 Consultation, approval and thanks, RRDC

While YEC is unwilling to provide any of the actual correspondence with RRDC, YEC did provide a list of attempts to contact RRDC in the meeting notes of the Faro virtual meeting on 2-December, 2020 and a comment by the RRDC representative in attendance on 2-December.

As stated in the YEC distributed meeting notes, previous to the installation of the rental generators, YEC made only three attempts to contact RRDC, all by email only, on April 9 and 17 and September 1, 2020.

At the meeting on 2-December, 2020, the RRDC contact who was supposedly emailed *“expressed his deep concern and disappointment that Yukon Energy did not consult with Ross River Dena Council (RRDC) before adding*

the temporary diesel generators to the Faro site. Stanley noted that RRDC was not informed of the project or of the procurement opportunities.” (from YEC distributed meeting notes)

- a) Did YEC consider sending three (unanswered, possibly not received) emails to be sufficient consultation and interaction with RRDC before proceeding to install the generators?
- b) Did YEC confirm the emails were received? Please provide confirmation if any exists.
- c) Why were no phone calls made to anyone at RRDC previous to installation of the generators?

From the meeting handout: *“We give thanks to the Ross River Dena Council for allowing our facilities and this project to take place on their Traditional Territory.”*

We give thanks, but can't we also at least give them a call?