

ATCO Electric Yukon (AEY) & Yukon Energy Company (YEC)
2025

Terms & Conditions of Service

UCG Information Responses Round 2

UCG-AEY/YEC-02-01

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: Stakeholder consultation. AEY gave brief references as to why they did not consult with stakeholders to receive feedback before applying for a new T&C services regulations. They did not provide any concrete reasons. In the YUB-001 reply, AEY proclaims that stakeholders will reserve the right to consultations during this review process.

Request:

- a. Give reasons to why AEY/YEC did not consult and unilaterally posed by the utilities, especially regarding per centage amounts of customer versus utility costs in the MIL, changes/increases in customer charges/fees,etc., rights and obligations of customers and the utilities, and in particular the guiding principles of terms and conditions.
- b. In response to UCG-1 (d), YEC failed to explain how they went about receiving approval from their respective leadership/owners/boards of directors. Explain how each utility received okay from boards, ect. For example, were the amdinistration transparent in noting that no stakeholder consultation had occurred.

UCG-AEY/YEC-02-02

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: The utilities state: UCG-2 that “The Utilities will forecast the charges using the approved rates and apply the amount to the revenue requirement for both the fees and charges and updated MILs in their next rate application.”

Request:

- a. Please confirm that all actual T&C changes/increase in charges resulting from this application, including 2025 and all years moving forward will be carried over to the next GRA for each utility.

UCG-AEY/YEC-02-03

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to UCG-1-6 (d) the utilities state: “Furthermore, setting the MIL too low results in a distorted price signal to customers as they are required to pay a large up-front payment to obtain service to the electrical grid. Thus, as cited in the Application, it is the Utilities’ position that an appropriate MIL, as requested in the Application, balances the interest of both the customer and utility.”

Request:

- a. Did the Utilities unilaterally decide on this balance of interest? Explain.
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UCG-AEY/YEC-02-04

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: SECTION 3: MAXIMUM INVESTMENT LEVELS (MILs)

An appropriate MIL also contributes to the strength of the Yukon economy by providing a proper signal for upfront costs which may deter new connections if set too low.

Request:

- a. Explain how this comment, as such, aided in the determination of this application.

UCG-AEY/YEC-02-05

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to UCG 1-8 (c) the utilities state: “The present study was based on a more extensive dataset that allowed the use of median values, instead of the average, and the specific calculation of Residential Multiple Dwellings projects.”

Request:

- a. Explain the difference between the specific calculation of residential multiple dwelling with that of how residential single dwellings and general purpose dwellings are determined.

UCG-AEY/YEC-02-06

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In UCG-9 the utilities respond: (a)“The Utilities follow a meter dispute process when a metering concern is identified”..... (d)“These costs are borne by the customer as this is a customer request to provide a service up-front, rather than awaiting the results of the meter test.”

Request:

- a. Provide the meter dispute process/policy adopted by the utilities.
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- b. Explain what is meant by “service up-front rather than awaiting the results of the meter test.”
i.e. How does the customer have a choice in this matter, except to keep the meter that is under question.

UCG-AEY/YEC-02-07

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In UCG-10 the utilities respond: “(a) No, the ratios between Customer Contribution and Company Investment are not the same as in 2011. (d) The cost ratio is an outcome of the MIL Study; however, it should not drive the MIL amount. The variation of the ratio over time highlights the importance of periodically updating the MILs Study and adjusting MILs annually. (e) No. The Utilities are seeking approval to apply the Whitehorse CPI annually in years when the MILs and the Fees Schedule are not being updated to ensure ongoing alignment with inflation. This request strikes a balance between ensuring the MILs and the Fees Schedule remain aligned with cost escalations while recognizing that MILs and the Fees Schedule will not be reviewed in detail annually and promotes regulatory efficiency.”

Request:

- a. Give precise reasons why the ratio between customer contribution and company investment for each single residential, multi-residential and general service (i.e not because they need to be periodically updated) are requested to be changed for this application.
- b. For e), Explain why the utilities are wanting to apply annual inflation indexes to this process of T&Cs going forward, when they state earlier in these IRs that inflation is not an accurate way to determine these changes.
- c. Is this no-notice application request to change MILs and Fees each year going forward, in effect, the utilities applying for yet another deferral account changing each year without regulatory scrutiny? Explain.

UCG-AEY/YEC-02-08

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to UCG 1-11 (c) the utilities state: “Utility employees consider each situation on a case-by-case basis and work with customers on keeping their accounts in good standing to avoid disconnection. Payment plans

are often worked out with customers to allow for gradual payback on arrears.” In further response UCG-14 on the question of adding late payment charges, collection fees or dishonored payment fees the utilities explain:

(e-f) Late payments charges are managed by the billing system and are applied automatically to bills. However, the Utilities’ billing staff will work with customers on a case-by-case basis and can accommodate payment arrangements in certain circumstances to assist customers who are in arrears.

Request:

- a. The utilities have not answered the question about how punishing customers with penalties for over due or under paid accounts help the customer with keeping up with payments. Please answer.
- b. Since the utilities claim that it is an automatic billing system that is the culprit and that they will work on a case-by-case to accommodate payment arrangements to assist customers who are in arrears, please confirm that the utilities will delete the collection fees, late payment charges, dishonored payment fees in such cases.

UCG-AEY/YEC-02-09

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: UCG 0-13 asks:

The Maximum Company Investment Levels set out in this Schedule are effective **January xxx 1xx, 2011xx.**

1. Subject to the provisions of paragraph 2 of this Schedule B, the maximum Capital Cost which the Company will incur to extend Service to a Point of Service (herein referred to as the "Maximum Company Investment") shall be determined as follows. Under no circumstances would the Maximum Company Investment exceed the Customer extension cost:

(a) Residential Service:

\$1,500 **10,337** per single family dwelling; and \$ 725 **2,645** per Multiple Dwelling unit

(b) General Service:

\$690 ~~1,801~~ per kW, which shall not be less than five kilowatts, provided that if the estimated service life is less than 25 years or seasonal, then the Maximum Company Investment shall be determined in the manner described in paragraph 2; At the end of one year of Service the Company ~~will re-assess whether the Customer's estimates of their Demand were~~ accurate and, if the loads are significantly different than originally estimated, will collect from the Customer (or refund) any contributions, that are required based on the Maximum Company Investment rules in place when the contribution was originally paid.

(c) Municipal Street Lighting:

\$1,240 ~~6,649~~ per light.

- (a) Explain why residential single family increased 590% while multiple dwellings only went up 265% and general service only 161% since last filing.
- (b) Explain why single family residential MIL was only twice the amount of multiple last filing but 4 times this filing.
- (c) Explain why street lighting went up 440% since last filing.

In response to UCG-013 the utilities state: (a) AEY has conducted a comprehensive MILs Study for each MIL class, utilizing 10

years of historical data with a relevant sample size of projects to establish appropriate MILs that reflect actual project costs.

This was supplemented by a Desktop Study to assess reasonableness. The different percentage increases reflect the

uniqueness of each service type, including development trends such as sizing, density, bylaw requirements, etc., captured in the individual MIL class assessments.

Request:

- a. Explain with examples of how the utility decided their numbers on each of the three questions presented by the UCG above.
- b. Did the utility consult with customers when deciding the cost sharing amount and percentages or was this done unilaterally?
- c. Explain exactly how the cost sharing for each of the above i.e. single residential, multiple residential, general, industrial and street lighting were determined.

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to UCG-14 the utilities state: “ (d)As proposed in the T&Cs, in the context of Supplementary Meter

Reads, a Standard Meter read is a customer-requested meter read for a Standard Meter, which would be conducted

remotely, requested outside of the normal schedule of meter reads. In the event the meter has not been converted to AMI by

the Utilities during the transition from conventional meter to AMI meters the customer would be charged the standard meter

reading rate.”

Request:

- a. Since there is a major cost charge for Standard Meter reads (3.8) \$11.00 (per read per meter) and Non-Standard Meter reads (in person) (3.8) \$87.00 (per read per meter), explain the difference in charges and the reason for these differences of charges.

UCG-AEY/YEC-02-011

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to UCG-15 the utilities rationalize how they have determined the costs in the MIL study for the differing

types of service be it single residential, multiple residential and general service.

Request:

- a. What UCG wishes to understand is how the utilities determined that the portion of customer cost of the total cost is 61% for single residential, 53% for a multi residential, 49% for general service and 82% for street lights. Please give reasons for each customer base and explain.

UCG-AEY/YEC-02-012

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to UCG-15 the utilities state: “(f)In Section 2.1 of the T&Cs, "Multiple Dwelling" is defined as “a residential building containing more than one Single Family Dwelling unit”. The extension to a multiple Dwelling will be shared between the units, as well as its cost. As such, in conducting the MILs Study, AEY evaluated historical projects costs for each service type separately (i.e., Multiple Dwelling and Single-Family Dwelling) and identified that service extensions to multiple dwellings, on a per dwelling basis, are generally less expensive than those to single units. This fact is

reflected in the MIL calculation, currently at a Multiple Dwelling to Single-Family Dwelling ratio of approximately four as mentioned in the question. Each dwelling from the same service point will have its corresponding MIL and investment.

Request: _____

- a. What UCG wishes to understand is how the utilities determined four was the proper ratio.

UCG-AEY/YEC-02-013

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to UCG-15 the utilities state: (b)The generic guidelines principles with respect to establishing an appropriate MILwere developed following the direction of the Alberta Utilities Commission (AUC or Commission) under Decision 2008-011 that FAI discuss a common approach to MILs with other utilities and stakeholders. The Utilities note that Yukon ratepayers did not participate; however, these guiding principles are standard guidelines that can be used to develop appropriate MILs in any jurisdiction.

Request:

- a. Provide these generic guideline principles with respect to establishing an appropriate MIL in another jurisdiction.

UCG-AEY/YEC-02-014

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to UCG-17 the utilities state: “(a-b)Please refer to AEY-YEC-UCG-015(f).

There is a fair balance between single and multiple dwellings as the extension cost for a Multiple Dwelling is shared among all of its units.” And in response to UCG-18 the utilities state: “(a)A Multi Dwelling is a separate rate class for MILs and has different attributes compared to the residential MIL class. For example, for Multi Dwelling’s one extension can serve multiple units or Service Points in near proximity (e.g., an apartment building). As such the development of service extensions to multiple dwellings is generally less expensive than to individual residences.

Request:

- a. UCG understands that is less costly to put in a service extension for a multi-residential which can serve multiple units or Service Points in near proximity, but what we want to know is how the utility determines how much to charge each individual customer receiving this service.

- b. How does the utility determine what to charge for a duplex for example as compared to a 12 plex or a multi unit apartment complex.
- c. How does this individual charge on a multi residential compare to a single residential charge.

UCG-AEY/YEC-02-015

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to YUB-007, the utilities reply: “The proposed changes simply aim to clarify, add transparency and increase the ease of understanding of the provision. The Canadian Electrical Code (CEC) sets minimum standards for electrical installations to protect individuals, properties, and the environment from hazards such as fires and equipment failures. Compliance with the CEC is required. Many regulatory authorities, such as seen in the Yukon, enforce the CEC to ensure safe and effective electrical installations.”

Request:

- a. Explain how the changes in the CEC since the last T&C review in 2011 were incorporated into the standards of operations, for each of the years before this application, by each utility.
- b. How was this regulated since 2011?

UCG-AEY/YEC-02-015

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to YUB-008, the utilities reply: “ Proposed changes to the T&Cs will ensure that additional costs for reading Non-Standard meters are properly allocated to the customer who has chosen to opt-out of the Standard meters.”

Request:

- a. Confirm all new meters now being installed are AMI. If not, why not?
- b. Comfirm if a person wishes to opt out of the standard meters for a new AMI, they will not be charged for this change over.

UCG-AEY/YEC-02-016

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to YUB-009, the utilities reply: “(c)AEY and YEC do not have data on the number of instances of harmonic and interharmonic distortions that have been found.”

Request:

- a. How are harmonic and interharmonic distortions important to limit?
- b. Does AEY have intentions on monitoring these distortions going forward? Explain

UCG-AEY/YEC-02-017

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to YUB-011, the utilities reply: “c) AEY’s proposed customer usage information request fee includes engineering and IT resources which it seeks to recover as part of its customer service rate.” And (d) AEY user fees are based on services time and materials used.”

Request:

- a. Provide details of engineering and IT resources are used and how they are costed to connect or reconnect a single residential customer.
- b. Provide details of materials used in each of the requested customer charges.

UCG-AEY/YEC-02-018

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to YUB-012, the utilities reply:

Request:

- a. Confirm that a customer usage report is a one or two page print out of the amount and costs of electricity used for the past year or past 12 months.

UCG-AEY/YEC-02-019

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to YUB-016, the utilities reply: “ There was no 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. The Utilities work with customers daily to ensure electricity needs are being met. The currently-approved T&Cs continued to provide guidance in achieving this objective. This is demonstrated by the minimal changes being sought to the T&Cs in this Application.

Request:

- a. Explain how the Utilities work with customers daily to ensure electricity needs are being met when no customer consulting was even done to entertain this application.
- b. Did you perform a survey or any type customer consult to actually see if the ratpayers agree that the charges requested are minimal to them?

UCG-AEY/YEC-02-020

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to YUB-024, the utilities reply: “ Examples of additional or supplementary services for which costs are not specified in Schedule D are set out below. In these cases, costs would be flowed through to the customer as discussed in the response to (c) below:

- a. Call-out fee for after-hours reconnects, which would be based on employee overtime rates; and

- b. Auto pay non-sufficient funds (NSF) charges.
- (b) Typical frequency of occurrences for the two examples noted above are:
 - a. Call-out fee for after-hours reconnects: Approximately 20 per year.
 - b. Auto pay NSF charges: Approximately 100 per month.
- (c) While the costs are not specified in Schedule D specifically, the costs are flowed through to customers in providing services that support our customers.
- (d) Fees for these types of additional or supplementary services are cost-recovery only and reflect the actual cost of the work done. With respect to the examples above, for after-hours callouts, the Utilities will advise the customer of the applicable charge in advance. NSF charges are outlined in the preauthorized payment form when customers sign up for autopay.”

Request:

- a. Explain why these cost recoveries are not reflected in the T&Cs so that customers have a clear transparency on these charges.
- b. Since auto pay out NSF are approximately 100 per month, explain why this method of payment is still utilized by the company?

UCG-AEY/YEC-02-021

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to YUB-030, the utilities reply: “Reconnection (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. Explain how the utilities will place this vague comment (b) into the T&Cs so it is obvious to the customer what is the expectation (i.e. not left to utility to “may request” or “may add a collection fee.”)

UCG-AEY/YEC-02-022

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to YUB-031, the utilities reply: “Examples of no access when this provision would have been necessary, include: meter reading where meters are blocked by snow/ice; where junk and debris are blocking the meter; where the customer's aggressive dogs were in the yard preventing the safe entry of meter readers; the meter reader was told to not enter an area; and did not have a key if the meter is behind a door.”

Request:

- a. Explain why these are not written into the T&Cs to provide clarity for the customer.

UCG-AEY/YEC-02-023

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to YUB-032, the utilities reply: “The steps described in (e) are consistently followed to ensure that customers are receiving the proper rate charges and interim rebate.”

Request:

- a. If estimates are for more than one month in arrears of actual reading, explain how the utility ensures that customers are receiving the proper rate charges and **interim rebate Per Month**, especially if the estimated readings are above the 1000Kw.h per month and the second block clicks in.

UCG-AEY/YEC-02-024

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to YUB-032, the utilities reply: “The Utilities post payments daily. Customers providing payment on or before the due date would not be subject to late fees.”

Request:

- a. Please answer the question clearly that if a payment is made on or before the due date but the actual transaction is beyond this date will the customer be charged late fees?

UCG-AEY/YEC-02-025

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to YUB-038 the utilities respopnd: k. “The Desktop Study provides a reference point for the minimum extension cost required to supply a typical new customer without cost sharing. The “customer without cost sharing” case was adopted because it reflects the majority of the new extensions. For instance, from 2014 to 2023, 83 percent of Residential Single Family extensions were for a single customer without cost sharing. Projects involving hundreds of customers, such as Project ID 783 (AEY is assuming that the reference in this request to Project ID 773 is meant to refer to ID 783), accounted for less than 1 percent of the projects during the same period.” And j. “Extension costs are influenced by several factors, including location, distance to the grid, existing installations, and number of customers.”

Request:

- a. Explain why the majority of extension costs to supply a typical new customer are without cost sharing.
- b. Does this not then go directly into the utility cost which is payed for by all residential customers in the revenue requirment? Explain.
- c. Explain how this is fair to those having to pay a cost sharing amount.
- d. Explain how underground and overhead services costs are distinguished in the T&Cs.
- e. Since extension costs are influence by several factors such as location, distance to grid, existing installation and number of customers, how can the utilites base an MIL on average or median costs?
- f. Is determining MIL on average and median costs a fair method? Please answer yes or no without utility rationale.

UCG-AEY/YEC-02-026

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to YUB-039 the utilities explain: “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.”

Request:

- a. Does this include city street lighting or is this for an individual customer?
- b. If a customer for example lives at a area outside of a community where street lighting is paid for through city taxes, why should this customer now get a preferential treatment when it is they who chose a particular lifestyle (i.e. why should all other customers pay 82 per cent of this lifestyle choice)?

UCG-AEY/YEC-02-027

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: In response to YUB-040 the utilities respond: (a) “The Handy-Whitman Index was adopted due to its better representation of the electric utility business, including, for example, impacts of supply costs specific to the utility industry. The CPI is more general as it represents the cost of a fixed basket of goods and services purchased by consumers.”

Request:

- a. Explain why the utilities claim that utilizing average cost indexes, either HWI or CPI Whitehorse, you still propose this method in your determination of MIL.
- b. Explain if the utilites used either of the cost indeces in determining the MILs in the study and in the desktop.

UCG-AEY/YEC-02-028

Reference: AEY/YEC Response to UCG and the Board March 14,2025

Preamble: Please refer to reply to YUB-041 and YUB-042

Request:

- a. Please give all these answers in a laymans terms so that they are understandable, not utility gobbedy-gook.

