

YUKON UTILITIES CONSUMERS' GROUP (UCG)

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Yukon Utilities Board
Box 31728
Whitehorse, Yukon Y1A 6L3
Attention: Chair and Board Members

Re: UCG Submission AEY application for Industrial Rider R Deferral Industrial

To all concerned:

Consistent with the Board Order 2025-05, UCG has the following to offer the Board in their deliberations regarding the above AEY application :

A. General Concern

1. Board Order 2025-04 states that AEY “is to publish in plain language an explanation of this application” to aid in the public understanding.
2. UCG submits that the offering that AEY made on this order falls seriously short. They simply reiterate that there is a shortfall in industrial forecasts from the last GRA and they need to be compensated, without any details/facts supporting this request.

B. The Simplified Scope of the AEY Industrial Deferral Account

3. UCG submits that we first need an explanation of how the Industrial Customer charge by AEY is connected to the YEC industrial customers.
4. UCG is of the understanding that the Board has previously sanctioned the above deferral account for a rate relief program. However, the requested scope of this AEY application appears to be now asking for the Board to allow the utilization of this deferral account to provide AEY with a shortfall revenue, without a defined description of what has transpired to validate this request. This same rationalization, requesting this shortfall rider, is also presented in the AEY attempt to make this public friendly, i.e response to Board Order 2025-05.
5. Granted that the AEY presented two Schedules (1.1 and 1.2) with their application in the attempt to justify their shortfall, these schedules simply demonstrate the difference between Industrial Rider Forecast and Industrial Rider Collection since its inception in November of 2022. Just telling the Board

that there is now a perceived negative impact to the AEY due to the industrial customer/s usage not being what they claimed in their forecasted/estimated 2023/24 GRA, is not enough information to make an informed decision on whether to proceed with the requested Rider R, or not to proceed with a Rider R, or to proceed with a Rider R with a lower amount than requested.

6. Although AEY proclaims this is a narrow scope application, the UCG requests more information be given on this account in order for the Board to make an informed decision:
 - a continuity schedule (money in/money out) for this account since inception;
 - a description of all industrial customers that AEY have been serving and exactly what service/s have been or are being rendered for each year since 2022; and
 - the amounts of actual revenues earned for each industrial customer each year, as well as the projected/forecast gain/loss of this income from each of these customers going forward; and
 - if this is distribution service to accommodate camp/s for various industrial customers, UCG submits that these are General Service and should be entered as such, i.e not under industrial rates. Therefore, no deferral be allowed.
7. The AEY has claimed a collections shortfall for 2024.¹ With the AEY past history of critically over earning in prior years, we submit that before the Board awards AEY even more money, the Board review the 2024 actual financial reports to demonstrate that they are indeed short of their revenue requirement.
8. As well, for 2025 which is a non-test year, the AEY is forecasting a continued shortfall.² UCG submits that there is need for proof that the AEY will not use this deferral account to maximize their profits, i.e. over earn for 2025. As such, we submit that if the Board determines the need for this shortfall rider to be established, before a shortfall rider is collected moving forward, an actual financial report for 2025 be documented demonstrating there is indeed a deficit in the revenue requirement.

C. Schedule 1.1 and 1.2

9. It is UCG understanding that these two schedules reflect different months that AEY would apply the rider if accepted i.e. May 1st. 2025 or June 1st. 2025.
10. For both these schedules AEY is using forecasted base revenue, for either May or June until the end of the 2025 non-test year.³
11. There has been no GRA for the 2025 year, so UCG submits that AEY has no authority to use these forecasts that have not been tested nor adopted by the Board.

¹ Schedule 1.1 and 1.2 Lines 4 and L10

² Schedule 1.1 and 1.2 Lines 5 and 11

³ Schedule 1.1 and 1.2 Lines 17-21

