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Session Briefing Note**Spring 2025****Atlin**Yukon Development
Corporation

Recommended response:

- The Government of Yukon remains committed to the Atlin Hydro Expansion Project.
- As a First Nation led renewable hydro project, the Yukon government believes that Atlin Hydro Expansion Project provides the Yukon's nearest term opportunity to make progress towards filling the territory's critical winter energy gap.
- The Yukon's challenges of winter energy are well known as are the reconciliation and environmental benefits of the project.
- The Atlin Hydroelectric Expansion Project is not included in the 2025-2026 Budget as the [project's construction permits have not yet been issued](#).
- Yukon government remains committed to the project and is ready to provide funding if the following conditions are met:
 - Receipt of all permits and authorizations required for construction
 - Execution of the credit agreement with the Canadian Infrastructure Bank
 - Conclusion of consultation by all governments
 - Securing the full cost of construction.
- We congratulate the Proponent and the Taku River Tlingit First Nation for achieving the important milestone of a Joint Clan [Mandate](#) Resolution in support of the project in July 2024.

Additional response:

Session Briefing Note**Spring 2025****Atlin**Yukon Development
Corporation

- As the largest Indigenous proponent-led energy project that the Yukon has been involved with to date, it is teaching us many lessons that will be applied as additional projects are advanced to fill the widening renewable energy gap.
- We applaud the Proponent and the Taku River First Nation for their efforts to get the Project to this state of readiness and we are committed to strong and enduring partnerships with First Nations proponents, governments, and communities in the energy economy in the Yukon.
- As the Project continues through the development phase, there is continual due diligence being done to ensure that the Project will bring the expected benefits to Yukoners in a manner that advances climate change goals, and is also affordable and reliable.
- The Proponent estimates a funding gap of \$86.4 million *is needed to fully fund construction*.

Context—this may be an issue because:

- There has been extensive media coverage of the Project, and the Opposition has raised the Project regularly in the Legislature.
 - Budget 2024-2025 does not identify specific funds for the Project, which is a change from Budget 2023-2024.
-

Background:

- The Proponent (Taku Homeland Energy Limited Partnership) plans to expand the existing Atlin hydro facility by leveraging the water storage capability of Surprise

Lake and connect to the Yukon grid with a 69 kV transmission line from the power plant in Atlin, BC to Jakes Corner in the Yukon. The line will follow the Atlin Highway right-of-way for the majority of the route.

- The total cost of the project based on 90% design for generation and construction ready design for the transmission line as of October 2024, is estimated at \$315 million, which includes the \$86.4 million funding gap.
- Cost distribution can be considered 75% to generation, 15% to transmission and substations, and 10% to interconnection with YEC/ATCO.
- As outlined in Table 1 below, the total cost of the project will be influenced by the level of contingency required and the interest rate used in the Canadian Infrastructure Bank credit agreement.

Table 1: 2024 Repricing Results (\$ millions)

Construction Costs	\$271	
Contingency	\$44	
Max. Required for Construction (CIB interest rate 1%)		\$315

- There is currently \$228.9 million notionally committed from the Government of Canada, Yukon government, Canadian Infrastructure Bank, and Taku River Tlingit First Nation equity.
- \$86.4 million is required to close the funding gap, assuming a CIB interest rate of 1%

Session Briefing Note

Spring 2025

Atlin

Yukon Development
Corporation

Table 2: Sources and Uses of Funding to March 31, 2024 (\$ millions)

		Allocated	Spent	Available
NRCan	Smart Renewable Electrification Pathways	\$50	\$5	\$45
NRCan	Clean Energy for Rural and Remote Communities	\$6.1	\$2.9	\$3.2
ECCC	Low Carbon Economy Fund	\$32.2	-	\$32.2
CANNOR	IDEANorth	\$6	\$6	-
Can	Investment Tax Credits	\$12.5	\$0	\$12.5
CIRNAC		\$6.8	\$6.8	-
	Canada Total	\$101.1	\$20.7	\$80.4
YG		\$50	\$2	\$48
BC		\$20	\$12	\$8
CIB	Loan	Up to \$80	-	Up to \$80
THELP	Equity	\$3.2	\$3.2	-
	All Funders Total	\$266.8	\$37.9	\$228.9

Table 3: Project costs over time (\$ millions)

Budget Year	Interest Rate	Completion	Project Cost	Funding Gap
2021/22	1%	2024	\$204	\$0*
2022/23	1%	2025	\$254	\$0*
2023/24	3%	2026	\$360	\$106
2024/25	1%	2028	\$315	\$86.4

*The project had notionally filled the full funding gap in 2022/23. Costs associated with delay in receiving funding, inflation of construction costs as a result of the Covid-19

Session Briefing Note**Spring 2025****Atlin**Yukon Development
Corporation

pandemic, changes in interest rates, no new funding, and less favourable foreign exchange rates resulted in the emergence of a funding gap.

- YDC has provided the Proponent with \$2 million in 2023/2024 to support advancing geotechnical and engineering design of the transmission line.
- Prior to the Transfer Payment Agreement expiring, a TPA Amendment was agreed to that expands the permitting-related expenses that could be supported through the TPA. The Proponent expended the full \$2 million and YDC has received all required reporting.

Approved by:Daniel Carrick-SpechtMarch 6, 2025

a/President, Yukon Development Corporation

Date approved

Session Briefing Note**Spring 2025****Whitehorse Battery Storage System**

Yukon Development Corporation

Yukon Energy Corporation

Recommended response:

- The Whitehorse grid-scale battery energy storage system is expected to come into service by fall of 2025.
- While good progress has been made on the project so far, Yukon Energy's contractor has been experiencing delays in obtaining Canadian Standard Association certifications that are needed to bring equipment that is on site into service.
- Almost all major equipment and infrastructure is now installed on location, except for the batteries, which are in Canada and will ship once the containers have been certified. This is expected to be in the spring.

Additional response

- The battery storage system project is an excellent example of how Yukon Energy is working with First Nations to support a more resilient energy future.
- When complete, the battery energy storage system will help to stabilize the grid and make the electricity system more responsive and reliable.
- The total project budget is \$35 million, of which \$16.5 million has been provided by Yukon Development Corporation through the Investing in Canada Infrastructure Program. The project remains on budget.

Session Briefing Note

Spring 2025

Whitehorse Battery Storage System

Yukon Development Corporation
Yukon Energy Corporation

- It will be the first of its kind in the Yukon and the largest grid-scale battery energy storage system in Northern Canada.

Battery storage system output

- The battery storage system was designed with 20 megawatts of capacity and 40 megawatt hours of potential energy discharge.

Ratepayer impact

- The Yukon Utilities Board reviewed the battery storage system project ahead of construction and deemed the project to be beneficial to ratepayers, as a prudent alternative to acquiring more rental diesel generators that also provides other benefits to the grid.
- The battery storage system was not included in the rates in Yukon Energy's 2023/24 General Rate because the project was not complete. It will be accounted for in a future General Rate Application.

Lease agreements and contractors

- The contractor for the project is SunGrid Solutions.
- The manufacturer of the batteries is LG, and the supplier of the storage containers is EPC Energy.
- The battery storage system is located on Kwanlin Dün First Nation Settlement Land. The lease agreement with the Kwanlin Dün First Nation is for 25 years.

Session Briefing Note

Spring 2025

**Whitehorse Battery Storage
System**

Yukon Development
Corporation

Yukon Energy
Corporation

Approved by:

Daniel Carrick-Specht
a/President, Yukon Development Corporation

March 6, 2025
Date approved

Chris Milner
President and CEO, Yukon Energy

March 5, 2025
Date approved

Recommended response:

- Yukon Energy uses hydro power first and for most of our power.
- Thermal generators play an important role in the Yukon's electricity mix, helping to keep us safe and warm whenever there aren't enough renewable resources available such as during the winter and emergency events.
- Yukon Energy has air emissions permits for each of the diesel and Liquified Natural Gas sites that it owns and operates.
- Diesel generators in Mayo, Faro, Dawson and Whitehorse help Yukon Energy to keep the lights and heat on in these communities during maintenance outages, and in case of trouble on the transmission lines that connect these communities to hydro power on the grid.

Additional response

- The air emissions permit for the Whitehorse Rapids Generating Station was renewed in December 2024.
- [New air emissions permits for both the Mayo and Dawson downtown diesel facilities were issued on March 6, 2025.](#)
- Over the past 25 years, an average of more than 90% of the electricity Yukon Energy has generated comes from renewable hydropower.

Whitehorse

- Yukon Energy's Whitehorse air emissions permit was renewed on December 19, 2024. It will be in effect until December 31, 2034.

- Yukon Energy sought the same limits for permanent and emergency capacity as held previously, which is 13.2 megawatts of Liquified Natural Gas and 28.8 megawatts of diesel.

Downtown Mayo

- Yukon Energy has an air emissions permit for three megawatts of diesel generation in downtown Mayo.
- Yukon Energy submitted a proposal to YESAB in May 2024 to renew this permit.
- YESAB completed its assessment of the licence renewal in December 2024.
- The Yukon government decision document was issued January 30, 2025.
- [The renewed permit was issued March 6, 2025.](#)

Mayo Secondary

- Yukon Energy has an air emissions permit for 4.9 megawatts of diesel generation near its hydro plant in Mayo
- At the request of the Department of Environment, in November 2024, Yukon Energy submitted a proposal to YESAB to increase the operating limit of the site to 9.0 megawatts to account for emergency and back-up capacity on site.
- The proposal is currently being assessed by the Mayo YESAB Designated Office.

Downtown Dawson

- Yukon Energy [recently renewed](#) its air emissions permit for 7.1 megawatts of diesel at its downtown Dawson diesel site.

- The long-term plan is to move diesel generation [capacity](#) out of downtown Dawson to Callison, however, with peak demands for power rising at an accelerated pace, Yukon Energy needs to have thermal generation available in both downtown Dawson and Callison for now.
- Yukon Energy submitted its proposal to YESAB in May 2024.
- The YESAB assessment was completed December 24, 2024.
- The Yukon government decision document was issued January 21, 2025.
- [The renewed permit was issued March 6, 2025.](#)

Callison

- [An air emissions permit is required for the new Yukon Energy Callison Generating Station, which has been constructed to provide additional back-up resources as demand for electricity in the Klondike Region continues to grow.](#)
- YESAB's Executive Committee Screening concluded its assessment of Yukon Energy's proposal in December 2024 and recommended that the project proceed.
- Yukon Energy received an air emissions permit for Callison in January 2025.

Faro

- Yukon Energy's current air emissions permit allows it to generate up to 15.5 megawatts of electricity from the diesel plant in Faro.
- Yukon Energy also has additional capacity installed on site for backup and emergency purposes.
- Recently, the Department of Environment has asked Yukon Energy to permit the emergency capacity at all of its diesel facilities.

- In response, Yukon Energy submitted a proposal to the Yukon Environmental and Socio-economic Assessment Board in August 2024 to permit the operation of up to 20.4 megawatts of electricity at the Faro diesel facility.
- Until it receives its amended air emissions permit, Yukon Energy can continue to generate up to 15.5 megawatts of electricity at the Faro plant under its existing permit.
- The Corporation would only exceed that permitted capacity if necessary to prevent immediate harm to public welfare, health or safety during an emergency. In that case, they would report the exceedance to the Department of Environment.

Context—this may be an issue because:

- The Opposition has raised concerns about the continued reliance on diesel generators.
- The noise from the diesel generators may be disruptive to some that live nearby.

Session Briefing Note

Diesel – Permitting

TAB # 3 Spring 2025

Yukon Energy
Corporation

Background

Location	Current permitted capacity	Proposed permitted capacity	Existing permit expiry date	Status
Whitehorse Rapids Generation Station	42 MW (13.2 MW - LNG 28.8 MW – diesel)	N/A	December 31, 2034	Permit issued December 19, 2024.
Faro diesel plant	15.5 MW	20.4 MW (seeking to permit emergency capacity at direction of YG ENV)	December 31, 2031	Proposal submitted to YESAB in August 2024. Public comment period closed in March 2025, Currently in Evaluation.
Callison substation near Dawson	15.5 MW	N/A	December 31, 2035	Permit issued January 24, 2025.

Session Briefing Note

Diesel – Permitting

TAB # 3 Spring 2025

Yukon Energy
Corporation

Downtown Dawson diesel plant	7.1 MW	N/A	December 31, 2034	Permit issued March 6, 2025.
Mayo secondary diesel site	4.9 MW	9 MW (seeking to permit emergency capacity at direction of YG ENV)	December 31, 2026	YESAB project proposal submitted November 2024. YESAB currently preparing Evaluation Report.
Mayo downtown diesel plant	3 MW	N/A	December 31, 2035	Permit issued March 6, 2025.

Approved by:

Chris Milner

President and CEO, Yukon Energy

April 14, 2025

Date approved

Recommended response:

- Based on a 25-year average, over 90% of the electricity Yukon Energy generates comes from renewable hydropower.
- With an isolated electricity grid and growing population, securing back-up diesel generation each winter is critical to ensure the reliability of electricity service and protect the health and safety of Yukoners during an emergency.
- This past winter, Yukon Energy rented 22 diesel generators:
 - 10 units in Whitehorse
 - 7 units in Faro
 - 5 units in Mayo

Additional response:

- Thermal resources like diesel and LNG help to keep Yukoners safe—they ensure we have the electricity we need during winter peaks, emergencies and when renewable resources aren't available.
- [Between 2015 and 2020, peak demands for electricity increased by 25%, and this trend is expected to continue with an additional 40% increase in non-industrial peak demand between 2020 and 2030.](#)
- Renting diesel generators is currently an interim solution for Yukon Energy to address the capacity shortfall, similar to other utilities across North America.
- Previously, Yukon Energy contracted a third-party to conduct an analysis to determine the cost-effectiveness of renting diesel generators over the short and long-term.

- The study found that renting generators is the most cost-effective option in the short-term until permanent solutions are developed, while permanent thermal options offer similar cost-effectiveness over the long term. There are many factors that impact cost on a yearly basis including how many hours the units are used and maintenance.
- Yukon Energy recognizes that its rental program is not a perfect solution, however it must maintain a sufficient supply of electricity for Yukoners while longer-term solutions are assessed and developed.
- Additional factors like reliability, availability, risks of market increases, emissions, and matching the best engineered solutions for our use and climate must also be considered when it comes to procuring diesel assets.
- Yukon Energy will continue to evaluate options as part of their resource planning process.

Context—this may be an issue because:

- The Opposition has raised concerns about the long-term reliance on rental diesel generators and whether they are leading to increased energy costs passed onto the ratepayer.

Background:

- Yukon Energy estimates the cost to rent diesel generators in 2024/25 will be about \$7.3 million, not including fuel costs.
- Yukon Energy has identified a need to construct new power centres in the Whitehorse area over the next five years. These power centres will house new thermal resources that are required to address energy and capacity needs [in the near term](#).

Session Briefing Note

Diesel – Rentals

TAB #4
Spring 2025
Yukon Energy
Corporation

- In the meantime, the number of diesel generators Yukon Energy needs to rent each year is based on its emergency capacity planning and modelling, which does not include industrial customers. Rental diesel generators also are the fastest solution to meet growing demand [while we plan for large-scale renewable projects in the future](#).
- Yukon Energy's approach to modelling is a transparent process that has been reviewed by Yukon Energy's regulators and is consistent with industry best practices.

Session Briefing Note

TAB #4 Spring 2025

Diesel – Rentals

Yukon Energy
Corporation

Rental diesel costs

Item	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25 estimated
# Units	4 units	6 units	9 units	17 units	17 units	17 units	22 units	22 units
Rental Costs, including transportation, start- up/commissioning costs ¹	\$0.7M	\$1.5M	\$1.9M	\$4.1M	\$3.9M ³	\$3.8M ⁴	\$7.7M ⁵	\$6.4M ⁵
Set-up Capital Costs ²			\$1.3M	\$2.4M			\$5.3M	\$0.9M
Fuel Costs (approximate)		\$0.2M	\$1.9M	\$2.1M	\$3.3M	\$2.9M	\$5.7M ⁶	\$5.6 M (YTD)
Total Costs (approximate)	\$0.7M	\$1.7M	\$5.1M	\$8.6M	\$7.2M	\$6.7M	\$18.7M	
Rental Unit Generation Capacity	7.2MW	10.8MW	16.2MW	30.6MW	30.6MW	30.6MW	36 MW	36MW
YIS Peak Load	92.4MW	90.8MW	101.0MW	99.8MW	114.1MW	118.3MW	112.9MW	110.0MW

Session Briefing Note

Diesel – Rentals

TAB #4 Spring 2025

Yukon Energy
Corporation

TABLE FOOTNOTES

Session Briefing Note

Diesel – Rentals

TAB #4
Spring 2025
Yukon Energy
Corporation

1. Total rental costs paid to the suppliers, including transportation costs to/from Yukon, start-up/commissioning costs and any other maintenance costs.
2. Capital costs related to the rental infrastructures required to connect the rental diesel unit in Whitehorse, Faro and Mayo. The cost in 2023/24 and forecast cost for 2024/25 reflect capital costs related to the additional infrastructure needed in Mayo to accommodate the 5 additional rental units and the required Faro site modifications to accommodate construction activities for the Thermal Replacement project.
3. Costs were lower than in the winter of 2020/21 because of lower transportation and commissioning costs because seven units remained in Faro through the offseason and eight units remained in Whitehorse.
4. The total cost for Faro rentals in 2022/2023 is overall less than what was contemplated in the 2021/2022 agreement. The total cost for the Whitehorse rentals in 2022/2023 is higher than what was contemplated in the 2021/2022 agreement.
5. The 2023/24 rental contract increase reflects increases in both the number of units required and rental cost increase. The higher cost for 2023/24 also reflects stand-down fees for the units that remained in Whitehorse, Faro and Mayo for the next winter season which reduced transportation and start-up/commissioning costs for the 2024/25 winter.
6. More diesel generation was required in winter 2024/25 mostly due to the lower-than-average inflows of water into the Aishihik reservoir last spring and summer. Other contributing factors include the Aishihik Generating Station equipment failure and maintenance work at the Mayo Generating Station. The fuel costs for 2023 and 2024 are updated to the 2023/24 General Rate Application approved prices.

Approved by:

Jason Epp

A/President and CEO, Yukon Energy

March 20, 2025

Date approved

Recommended response:

- Based on a 25-year average, over 90% of the electricity Yukon Energy generates comes from renewable hydropower.
- Due to the isolated nature of our electricity system, diesel also plays a critical role in Yukon's electricity mix, helping to keep Yukoners' homes and businesses warm and the lights on when there isn't enough hydropower available.
- In 2023, approximately 2% of the electricity Yukon Energy generated came from diesel. In 2024, the share of diesel increased to around 8%.
- The increased use of diesel is mainly due to the low water conditions in the Aishihik Reservoir, an issue with a hydro generating unit at the Aishihik Generating Station, and maintenance work at the Mayo Generating Station that resulted in equipment being temporarily offline.
- To support energy security in the Yukon, Yukon Energy is replacing diesel generators in Faro, Dawson and Whitehorse that have either already retired, or will eventually reach end-of-life, with newer more efficient models.
- With Yukon's growing population and increasing demands for electricity, maintaining this diesel capacity will be important for the reliability of our electricity grid in the near future.

Additional response:

If asked about Whitehorse:

- The Thermal Replacement Project in Whitehorse will replace two previously retired diesel engines with two new diesel units.
- Yukon Energy plans to design and implement sound mitigation measures on the east side of its permanent diesel facility to reduce sound levels when the units are running.

If asked about Dawson:

- In the Klondike Region, Yukon Energy will retire its diesel generators in downtown Dawson as they reach the end-of-life.
- With the growing demand for electricity in Dawson City and across the Yukon, Yukon Energy must maintain its ability to generate 7.1 megawatts of electricity in downtown Dawson City for the foreseeable future.
- Yukon Energy also has newly permitted diesel capacity at its Callison Substation ([Tab 8 - Callison Generating Station](#))

If asked about Faro:

- Yukon Energy has decommissioned one of its permanent diesel generators and replaced it with two new, more efficient diesel generators totaling the same capacity.
- As part of this work, Yukon Energy has implemented solutions to reduce air pollution and noise from these generators.

Context—this may be an issue because:

- Yukon Energy previously stated it would not be adding more diesel generators; however, it will now be adding more diesel capacity to ensure a safe and reliable electricity supply for Yukoners.

Background:

Session Briefing Note

TAB # 5
Spring 2025

Diesel – Replacements

Yukon Energy
Corporation

- The total cost of all the planned diesel replacements will be around \$63 million:
 - Yukon Energy conducted a feasibility study for the option to replace end-of-life diesel generators at Whitehorse Rapids with natural gas engines, however, the study found that the capital costs of the natural gas engines were higher than the diesel engine solution.

Location	Diesel capacity retired/retiring	Diesel capacity being installed	Forecast in-service date
Faro	Approx. 5 MW	5 MW	In-service
Whitehorse Rapids Diesel Plant	Approx. 5 MW (previously retired)	5 MW	Q3 2025
Dawson City (Callison Substation)	Yukon Energy will maintain its diesel generators downtown until they reach end-of-life. This decision was made based on growing demand for electricity in Dawson. There is no timeline for when these units will be retired.	6.5 MW to be initially installed at Callison substation (Assessed and permitted up to 15.5 MW)	Q2 2025

Approved by:

Chris Milner

President and CEO, Yukon Energy

April 10, 2025

Date approved

Recommended response:

- Yukon Energy is working towards a future with a more reliable, robust and renewable electricity system.
- In the Yukon, thermal resources like diesel and Liquified Natural Gas provide us with the dependable capacity we need today while we plan for new, large-scale renewable projects in the years ahead.
- In 2024, about 18% of the electricity Yukon Energy generated came from thermal resources, with approximately 10% from Liquified Natural Gas and 8% from diesel (about half of this from rental diesel units).
- These numbers are higher than usual, primarily due to low water levels in the Aishihik reservoir and key hydro assets being offline for unplanned repairs and maintenance.
- Thermal resources play an important role in keeping Yukoners safe and warm during the winter, emergency events, and whenever there aren't enough renewable resources available.
- While Yukon Energy is planning for the future, meeting the territory's winter capacity needs remains their top priority.
- All planning efforts aim at adding renewable energy so that we can maintain our nation-leading low emission energy system long into the future.

Additional response:

Growing Electricity Demands

- Based on a 25-year average, more than 90% of the electricity Yukon Energy has generated comes from renewable sources.
- However, in 2024, the number was lower, with around 82% of the electricity generated by Yukon Energy from renewable resources. This was due to challenges with hydropower availability.
- Growing demands for electricity combined with changing environmental conditions has put pressure on the Yukon grid.
- Between 2015 and 2020, peak demands for electricity increased by 25%, and this trend is expected to continue with an additional 40% increase in non-industrial peak demand between 2020 and 2030.
- Thermal resources are the fastest and most cost-effective solution to meet our dependable capacity needs in the near term. In the long term, we plan to have a more robust and renewable electricity system with thermal resources as a back-up.
- Over the next 5 years, Yukon Energy will be investing in more thermal resources near major load centres, and the necessary infrastructure to transmit that electricity.
- This work will support grid stability through increased capacity to carry us through the cold winter months as well as allow for the connection of future battery storage and larger renewable projects to limit the amount of fuel used in the future.

Session Briefing Note

TAB #6
Spring 2025

Diesel – General

Yukon Energy
Corporation

Diesel Replacement Projects

- Yukon Energy is in the process of replacing existing or previously retired diesel generators in Whitehorse, Faro and Dawson City (**Tab 5- Diesel – Replacements**).
- Some of these generators have reached the end of their useful life, and will be replaced by newer, more efficient units.
- The total cost of all the planned diesel replacements will be around **\$63** million.
- While the long-term goal is to increase renewable electricity generation in the Yukon, there is a current need for thermal generation to get us through winter months, when renewable resources aren't enough to meet peak demand.
- Adding more renewable energy in the future will require back-up generators as well as grid supports through updated transmission, distribution and battery storage.

Approved by:

Jason Epp

A/President and CEO, Yukon Energy

March 21, 2025

Date approved

Recommended response:

- Yukon Energy is aware that some residents in Whitehorse and Faro have concerns about noise from the diesel generators at the Whitehorse Rapids Generating Station and Faro Generating Station.

Whitehorse

- Whitehorse represents about 75% of the electricity load on the Yukon grid, and generation to reliably meet this demand is best located close to the load centre.
- This summer, Yukon Energy will be looking at noise reduction design solutions for the plant that houses their owned-diesel generators. An analysis found that these units are largely responsible for elevated sound levels that sometimes can be heard from Riverdale.
- They are also exploring long-term solutions, including the potential relocation of the rental diesel units away from the site.
- Some of the legacy diesel units at the Whitehorse Rapids Generating Station have been in operation since the 1970s.

Faro:

- Yukon Energy has heard some concerns from residents in Faro about the noise from diesel generators.
- In response, Yukon Energy has been continuously monitoring sound levels at two locations in the community since fall 2023.
- Observations indicate that using the generators at night may lead to higher sound levels. However, daytime sound levels from diesel generation are similar to other common noise sources and the measured sound levels within the community.

Diesel – Sound

Yukon Energy
Corporation

- Yukon Energy is working to investigate solutions for the plant that can help reduce noise from the diesel generators.
- Yukon Energy has already reoriented the rental diesel generators at the site and invested in quieter diesel units when replacing the older units at the site.

Context—this may be an issue because:

- Residents of Riverdale and Faro have expressed some concerns online through community pages regarding the noise of the diesel generators at Yukon Energy sites.

Background:

YEC - Whitehorse Air Emissions Permit Renewal:

- As part of the Whitehorse Air Emissions Permit Renewal Project, Yukon Energy committed to designing and implementing noise mitigation measures for the permanent diesel plant. YESAB carried this forward into their recommendation for continued operation of the Whitehorse Rapids Generating Station (WRGS).
- The owned-diesel generators were identified because a noise impact assessment found them to be the units that resulted in elevated night-time sound levels for nearby receptors.
- The rental units at the WRGS are quieter and buffered due to their location behind a building. Additional noise control measures are not required, although Yukon Energy is exploring potential future options to move the units somewhere else.

Health Impacts of Diesel Noise

- As part of Yukon Energy's proposal to renew its air emissions permit for the Whitehorse generators, it hired WSP Canada Inc. to conduct a new noise impact assessment.

Session Briefing Note

TAB #7
Spring 2025

Diesel – Sound

Yukon Energy
Corporation

- The assessment considered how Yukon Energy uses its thermal units during typical operations versus in emergency situations. Results showed noise levels were in line with industry standards in most locations except in a spot closest to Yukon Energy’s diesel plant (200 metres away) during the night.

Noise Legislation:

- Given there is no noise legislation in the Yukon applicable to Yukon Energy operations, Yukon Energy strives to follow the *British Columbia Noise Control Best Practices Guideline*.
- However, as part of this guideline, Permissible Sound Levels do not apply in emergency situations where there may be temporary elevated noise emissions. Public safety, from a continuity of electrical supply perspective, becomes an overriding priority.

Approved by:

Chris Milner

President and CEO, Yukon Energy

March 5, 2025

Date approved

Recommended response:

- The new diesel generation at the Callison substation will allow Yukon Energy to meet growing demands for power and provide reliable back up generation when renewable sources are not available.
- To start, Yukon Energy will install 6.5 megawatts of diesel generation.
- The 6.5 megawatts of diesel generation at Callison is made up of 3.25 megawatts (from the Thermal Replacement Project) plus 3.25 megawatts to support dependable capacity needed for safety, grid resilience, and reliability.
- Through the permitting process, Yukon Energy assessed up to 15.5 megawatts of diesel generation at its Callison substation.

Additional response:

- The diesel generation will also allow Yukon Energy to plan for the future relocation of the downtown diesel generators to Callison.
- This dependable capacity is essential for the integration of additional intermittent renewables in the Dawson area.

Context—this may be an issue because:

- More diesel capacity is being added in Dawson.
-

Background:

- In November of 2024, the Yukon Environmental and Socio-economic Board's Executive Committee recommended to the Decision Body, the Government of Yukon, that the project proceed.

Session Briefing Note

TAB #8
Spring 2025

Callison Electricity Generation

Yukon Energy
Corporation

- In January of 2025, the Government of Yukon agreed with the Executive Committee's recommendation and allowed the project to proceed without terms and conditions.
- An air emissions permit was issued on January 24, 2025.
- The cost of this project is forecasted to be approximately \$12 million.
- Prior to submitting a Project Proposal to the Yukon Environmental and Socio-economic Assessment Board in June 2024, Yukon Energy conducted multiple rounds of engagement with the Tr'ondëk Hwëch'in, the City of Dawson, local stakeholders and the Dawson community.
- In addition to the diesel generators at Callison, Yukon Energy will continue to maintain its existing diesel generators in downtown Dawson City for the foreseeable future.
- Yukon Energy heard during the engagements that reliability, the integration of more renewable projects, and noise and aesthetics downtown are important to the Dawson community.
- This project will help Yukon Energy to support these needs by providing dependable back-up power at the Callison substation located out of the downtown core.
- While most of the electricity Yukon Energy delivers to Dawsonites comes from renewable resources, having diesel generators in the community helps Yukon Energy to keep the lights on during maintenance outages, and in case of trouble on the transmission line that connects Dawson to hydro power on the grid.

Approved by:

Chris Milner

President & CEO, Yukon Energy

March 5, 2025

Date approved

Recommended response:

- The rates that Yukoners pay for energy remain the lowest in the North and similar to those paid in Alberta.
- The Government of Yukon is prioritizing energy affordability and strategic investments in modernizing and expanding the electrical grid.
- The Winter Electrical Affordability Rebate is replacing the Interim Electrical Rebate and provides residential electrical customers with a maximum rebate of \$33.77 per winter month (October through March) based on the electricity they consume, up to 1,000 kilowatt hours.

Additional response:

- Federal funding is an integral financing component on all energy projects to help keep electricity rates affordable. Public utilities actively pursue federal funding to reduce capital costs of projects. For example, \$16.5 million for the Yukon Grid Scale Battery Energy Storage System was provided through the Investing in Canada Infrastructure Program.
- Long-term borrowing is also used to increase affordability for rate payers. For example, in 2010, the Yukon Development Corporation secured a \$100 million bond to help finance the construction of the Mayo B Hydro Facility and Carmacks-Stewart Transmission Line (Tab # 37).
- The Government of Yukon also is providing a \$2.625 million Rate Payer Subsidy each year on the \$100 million bond to Yukon Development Corporation.

Context—this may be an issue because:

- There are regularly questions about costs of electricity, particularly as both ATCO Electric Yukon and Yukon Energy Corporation have been granted increases by the Yukon Utilities Board, which will increase the rates billed to customers.
-

Background:

- Interim Electrical Rebate
 - The Interim Electrical Rebate provides residential electricity customers with a rebate of \$0.02262/kWh for up to 1000kWh/month. On average, Yukoners received approximately \$178 per year through the Interim Electrical Rebate.
 - The Winter Electrical Rebate replaces the Interim Electrical Rebate effective April 1, 2025.
- Winter Electrical Affordability Rebate
 - The Winter Electrical Affordability Rebate provides residential electricity customers with up to \$33.77 off their bills each winter month, October through March.
 - The Winter Electrical Rebate is based on electrical usage and provides a rebate on the first 1,000 kilowatt hours per month for residential customers only.
- Mayo B Ratepayer Support
 - Interest payments on the bond are set at 5 per cent per annum.
 - The Yukon government guaranteed \$52.5 million of the \$100 million bond and agreed to pay the interest on that portion. This currently amounts to \$2.625 million annually, with the Yukon Development Corporation covering the remaining \$2.375 million annually.
 - The \$2.625 million forms part of Vote 22 for the Yukon Development Corporation.

Session Briefing Note

TAB #9
Spring 2025

Affordability

Yukon Development
Corporation

Approved by:

Daniel Carrick-Specht

March 6, 2025

a/President, Yukon Development Corporation

Date approved

Recommended response:

- Yukon Energy, Yukon Development Corporation, and Government of Yukon are working together to keep rates as affordable as possible by providing ratepayer supports and jointly seeking federal investments.
- Electricity rates in the Yukon remain the lowest in the north and are even lower than in Edmonton, Alberta.
- The net bill impact of Yukon Energy's 2023/24 GRA when compared to the pre-GRA bills was about 9.5%.
- To keep up with increasing electricity demand and necessary infrastructure upgrades, Yukon Energy is preparing a 2025-27 GRA Application.
- [Between 2015 and 2020, peak demands for electricity increased by 25%, and this trend is expected to continue with an additional 40% increase in non-industrial peak demand between 2020 and 2030.](#)
- For example, if one house in the Yukon switches from diesel or propane to electric heat, the electrical consumption for that household triples.

Additional response:

- Yukon Energy is committed to building a more reliable and resilient electricity system and achieving this requires substantial investments.
- Yukon Energy's 2023/24 General Rate Application included:
 - Capital projects like the thermal replacement project (only Faro in 2024), Whitehorse interconnection project (Riverside substation upgrades), transmission line replacement (L178 from Carmacks to Faro), Aishihik 5-year licence renewal, Mayo rental diesel infrastructure, Dawson voltage conversion and others;
 - Demand-side management programs;

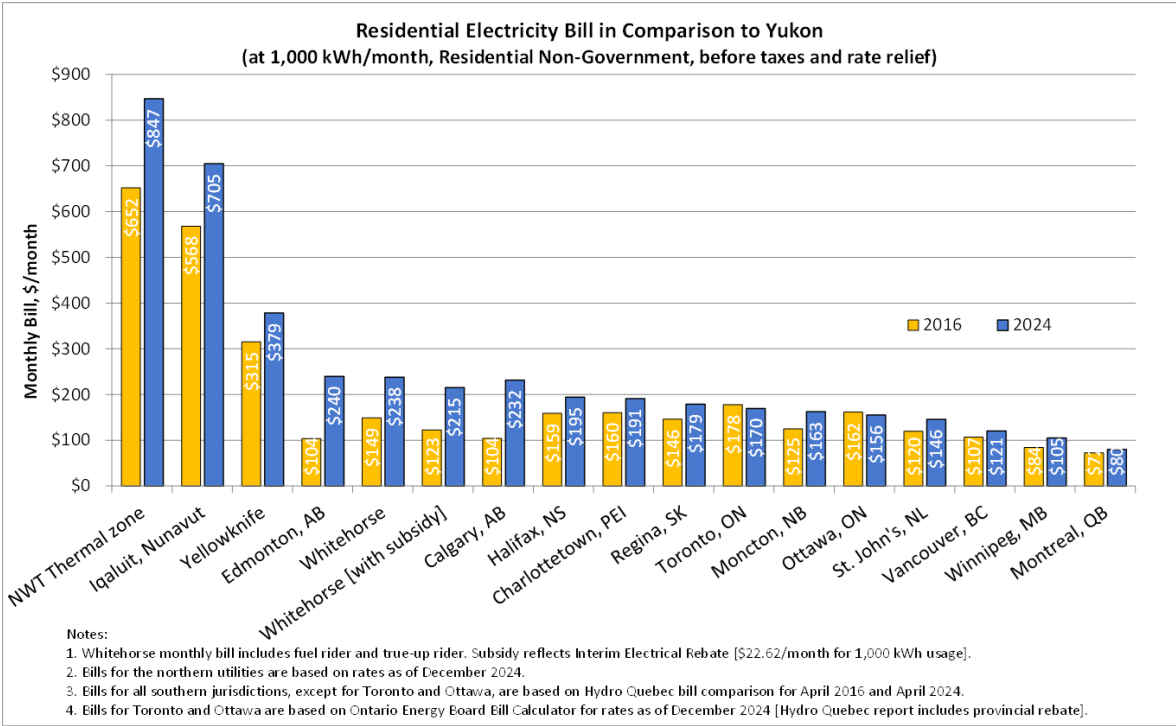
- Dealing with the impacts of electrification of heating and transportation;
 - Purchasing electricity from Independent Power Producers;
 - The cost to rent diesel generators to maintain sufficient capacity during the winter;
 - Upgrading existing power plants and other components of the electricity system that have reached end-of-life;
 - Rising labour costs and the addition of 19 new staff positions since 2021; and
 - Inflation and cost of debt.
- After review of the Application, Yukon Energy's final rate increase was approved by the Yukon Utilities Board and came into effect on October 1, 2024.
 - Yukon Energy's General Rate Application represented the cost increases over three years. When broken down, the bill increases that resulted from the GRA are less than the rate of inflation.
 - The result of this increase is that average residential bills in October 2024 were around 10.5% or \$23 higher than bills in September 2024, all other things, like the amount of power used by the customer being equal month over month.
 - To reduce the bill impacts over winter months, Yukon Energy applied for a refund through the low water reserve fund. Yukon Energy together with ATCO Electric Yukon also applied for fuel refunds.
 - These two refunds resulted in a 1.7% reduction or a \$4 decrease for typical residential bills over the winter months, effective November 1, 2024.

- The Yukon Utilities Board approves all rate increases before they are applied to bills.

Context—this may be an issue because:

- The Opposition has raised concerns regarding the affordability of energy in the Yukon and whether rate increases are necessary, as well as questions about why Yukon government has not intervened in the Yukon Utilities Board process.

Background:



Date of rate adjustment	Utility	Rate increase	Bill impact (to residential customers using 1,000 kWh/month)
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GRA YEC

TAB #10 Spring 2025 Yukon Energy Corporation

January 1, 2024	ATCO	Rider R - 2.5%	1.6% increase
	YEC	Rider J – 10%	6.3% increase
	YEC/ATCO	Rider F (fuel) reduced to 0	7.6% reduction to net 0.3% increase
August 1, 2024	YEC	Rider J – 3.01% increase	0% net bill impact
	YEC	Rider J1 – 3.01% reduction	
September 1, 2024	ATCO	Rider R – 3.58% increase	1.5% net increase
	ATCO	Rider R – 1.15% refund	
October 1, 2024	YEC	Rider J – 7.55% increase	10.5% combined increase
	YEC	Rider J1 – 9.45% increase	
November 1, 2024, to March 31, 2025	YEC (with AEY for Rider F)	Rider E and Rider F refunds	1.7% decrease

Proposed in the Original GRA Filing:

Proposed Date of Rate Adjustment	Proposed Rate increase	Bill increase	Reason for variance
October 1, 2023	3.3%	3.0%	Rate impact is less because it does not apply to Rider F (fuel) charge on bills
January 1, 2024	8.4%	0.0%	Rider F (fuel) expected to be reduced to zero
August 1, 2024	2.3%	3.0%	YEC 2021 GRA True-Up Rider comes off bills. YEC 2024 GRA True-up applied to bills at a slightly higher level than previous 2021 True-Up
Total:	14.1%	6%	

Session Briefing Note

TAB #10
Spring 2025

GRA YEC

Yukon Energy
Corporation

- ATCO and Yukon Energy are separate utilities. Yukon Energy's rate increase will account for Yukon Energy's costs, while ATCO's rate increase accounts for their costs.
- ATCO Electric Yukon also filed for 2023/24 General Rate Application with a net impact of an increase to bills.
- Yukon Energy will be seeking additional avenues to reduce the cost to ratepayers, including seeking additional federal and/or territorial funding. The forecasted combined revenue shortfall for 2023 and 2024 was about \$22 million.
- The Department of Justice is responsible for the oversight of the Yukon Utilities Board and the guiding legislation, the *Public Utilities Act*, is undergoing review.

Approved by:

Jason Epp

March 21, 2025

A/President and CEO, Yukon Energy

Date approved

Recommended response:

- The Yukon Utilities Board recently approved rate increases for both ATCO and Yukon Energy to account for rising costs and inflation.
- In May 2024, Yukon Utilities Board approved rate increases resulted in approximately a 1.5 percent net bill increase in September related to ATCO's rate application and a further 10.5 percent increase in October for YEC's rate application.
- ATCO does not have an active General Rate Application before the Yukon Utilities Board at this time.
- Recognizing Yukoners tend to use more electricity and have higher bills in the winter, Yukon Energy together with ATCO applied to the Yukon Utilities Board that Rider F fuel rebates be provided back to Yukoners. This resulted in a 1.7% reduction or a \$4 decrease for typical residential bills over the winter months, effective November 1, 2024.

Additional response

- The rates that utilities charge for electricity are set by the Yukon Utilities Board, which is an independent regulator responsible for making decisions that are in the public interest.
- Decisions about the processes used for setting rates and making rate changes are currently within the Board's jurisdiction to determine.
- The Government of Yukon respects the Board's expertise and discretion in making these important decisions.
- The Government of Yukon will continue to support the Board in fulfilling its responsibility to make independent, evidence-based

decisions that are consistent with national standards for utility regulation and reflect the interests of Yukoners.

Context—this may be an issue because:

- The Yukon New Democratic Party have intervened in the Yukon Utilities Board proceeding and has raised concerns through that process, particularly related to AEY's past over-earnings.

Background:

- On July 7, 2023, ATCO Electric Yukon ("AEY") submitted a General Rate Application (GRA) to the Yukon Utilities Board (YUB) for the 2023-2024 Test Period.
- The application sought approvals related to:
 - Revenue requirements for the 2023-2024 Test Period;
 - Deferral accounts;
 - Changes to Rider R in two installments (August 1, 2023 and January 1, 2024);
 - Business Cases for 2023-2024 Capital Additions; and
 - Other reliefs that the Board may view as appropriate.
- Rates
 - AEY requested a 6.68% Interim Refundable Rate Rider ("Rider R") for electrical consumption between August 1, 2023 and December 31, 2023 that would come into force on August 1, 2023.
 - AEY also requested Rider R increase to 13.50%, effective January 1, 2024.
 - The Board issued a decision in Board Order 2023-22 dated September 15, 2023 as follows:
 - Interim Rate Adjustment Rider R was to remain at 8.30% for 2023, and
 - Effective January 1, 2024, the Interim Rate Adjustment Rider R was to be increased by 2.50% to 10.80%.
 - The Board approved final rates for AEY effective September 1, 2024 increasing the Rider R to 14.38% offset by temporary Rider R of -1.15%.
- Return on Equity

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TAB #11
Spring 2025

GRA ATCO

Yukon Development
Corporation

- AEY's ROE set in 2016-2017 was 9.00%, the approved ROE for 2023/24 GRA is 9.50%.
- Reserve Balances
 - The application requested that YUB permit AEY to resume collecting funds to create a sufficient reserve for repairs.
- On May 31, 2024, the YUB issued its decisions and required AEY to submit a compliance filing within 30 days.
- The AEY application makes several references to its relationship with Yukon Energy Corporation (YEC), as well as analysis of the cost implications of Yukon government policies and programs related the renewable energy on AEY.

Approved by:

Daniel Carrick-Specht
a/President, Yukon Development Corporation

February 5, 2025
Date approved

Outages

Yukon Energy
Corporation

Recommended response:

- Yukon Energy works hard to ensure reliable electricity service for all Yukoners, but like any jurisdiction in Canada, power outages happen.
- The Yukon has an isolated electrical system that is not connected to the North American grid, which poses some unique challenges.
- Despite this, outages in the Yukon are generally much shorter than outages in eastern Canada, which can last several days.
- It's important for Yukoners to always be prepared for emergencies and should have a 72-hour kit to keep households safe in the event of a power outage or other emergency.

Additional response:

- Some outages are caused by factors that are out of the utilities' control, like lightning, heavy snow and high winds.
- When these weather events occur, crews are dispatched as quickly as possible to diagnose and correct the issue.
- Restoration can take time as line inspections from vehicles or helicopters are often needed to identify and remedy issues prior to safely re-energizing the system.
- Summer outages can happen for a number of reasons including trees falling on power lines, animal or third-party contact with the power system, equipment failure, human error and sometimes because of instability caused by third-party generation sources.
- Some outages are also planned, related to repair work or system upgrades. For these outages, Yukon Energy provides advanced notice to customers that will be affected so they can prepare.
- Both Yukon Energy and ATCO crews work hard to restore power as quickly as they can, even in extremely cold temperatures.

Outages

Yukon Energy
Corporation

- Yukon Energy, ATCO and the Yukon government's Emergency Measures Organization continue to update and refine their communications protocol to ensure Yukoners receive the information they need during emergencies and extended outages.

If asked about the unplanned extended outage in Faro in September 2024:

- The unplanned outage in Faro that occurred in September 2024 was caused when Yukon Energy's diesel generator in Faro tripped offline.
- At the time, Faro was being powered by a diesel generator in Faro, as the community was islanded from the rest of the grid.
- Faro has since been re-connected to the main Yukon grid and the distribution system in Faro has been reinforced to help prevent future extended outages.

Context—this may be an issue because:

- The Opposition may ask what Yukon Energy is doing to ensure prolonged outages do not become a regular occurrence.

Background:

- In 2024, there were 59 reported power outages. Of this total, 50% of outages lasted less than 30 minutes.
- Yukon Energy's emergency planning standard accounts for Yukon Energy's largest generation source, the Aishihik hydro facility and the connected transmission line, being unavailable.
- In an emergency scenario, to address the capacity shortfall, Yukon Energy could:
 - request mines curtail electricity use;
 - use ATCO's diesel assets;

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Spring 2025

Outages

Yukon Energy
Corporation

- ask high load users like territorial or municipal governments to curtail electricity use or self-generate electricity; and/or
- ask Yukoners to stop all non-essential electricity use.
- The last resort would be rolling blackouts.

Approved by:

Chris Milner

President, Yukon Energy Corporation

March 5, 2025

Date approved

Recommended response:

- The Yukon's growing population and increased electrification of our economy have significantly increased electrical demand and requires new sources of reliable, affordable, and renewable energy.
- The Yukon– British Columbia Grid Connect project could allow the Yukon to maintain high levels of renewable energy over the long term.
- The project is large and complex with infrastructure that crosses multiple traditional territories and provincial/territorial borders.
- Yukon Development Corporation is advancing a phased approach to explore connecting the Yukon and BC electrical grids, including technical feasibility and options, potential cost and funding opportunities, and partnership opportunities with First Nations, industries, and other governments.
- Connecting the Yukon to British Columbia's electrical grid increases our power supply, reduces greenhouse gas emissions from fossil fuel use and provides a nation building opportunity that will advance arctic security, and foster shared growth, prosperity, and reconciliation.

Additional response: In Our Clean Future, the Government of Yukon committed to a target of 97 per cent of electricity on the Yukon's main grid being generated from renewable sources.

- By increasing the Yukon's renewable electricity supply we are supporting our ambitious electrification goals to reduce greenhouse gas emissions from the Yukon's largest emission sources: transportation, heating and mining
- Connecting to British Columbia's electrical grid could increase the Yukon's power supply to support sustainable critical mineral

development in the Yukon. Critical minerals are important for the global transition away from fossil fuels.

- Yukon Development Corporation has secured \$40M through Government of Canada's Critical Minerals Infrastructure Fund and contributed \$13M from the Yukon Development Corporation Fund, for a total budget \$53M over five years.

Context—this may be an issue because:

- Energy and grid issues are popular topics regularly covered by local media.
- During recent sittings of the Legislative Assembly, opposition MLAs criticized the government's renewable energy plans and questioned its ability to meet increasing energy demands

Background:

- In 2019, Midgard Consulting produced the 'Yukon-British Columbia Interconnection Development Plan.' The report considered the feasibility of a grid connection in the context of serving new mining loads such as the Casino Mine and offers costs and risks from a high level description of the proposed project.
- In 2022, approximately 92 per cent of the electricity on the main grid was obtained from renewable energy sources.
- Renewable electricity, especially hydroelectricity, accounted for approximately 80 per cent of the Yukon's total electricity generation in 2022. Over 98% of the electricity generated in BC is from renewable sources.
- At the March and September 2023 Yukon Forum meetings, leadership discussed the potential to connect the Yukon and British Columbia grids. This discussion represents the beginning of the governments' collaboration on the project.

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Spring 2025

Yukon-BC Grid Connect

Yukon Development
Corporation

- The grid connect project was also presented at the Yukon First Nations' Energy Summit in October 2023 and was discussed at the Regional Energy and Resource Table meetings in January and April 2024.
- In February 2024, an application was made to the Critical Mineral Infrastructure Fund requesting up to \$40 million over the next four years to support pre-feasibility and engagement for this project. Canada announced this funding, pending final due diligence in September 2024 and a Contribution Agreement was signed between Yukon Development Corporation and Government of Canada on February 14, 2025.
- Pursuant to the *Yukon Development Corporation Act*, all money received by the corporation is deposited in the Yukon Development Corporation Fund [S.Y. 2002, c. 236, s.16]. The Fund is used to pay expenses incurred by the corporation in carrying out its affairs under the Act. The investment of money by the corporation is subject to the *Financial Administration Act*. The Public Accounts of the Government of Yukon include reporting on the Fund.
- Work on the feasibility of the grid connect project will require the completion of a new conceptual design with updated costing. One of the new actions added to Our Clean Future includes a commitment to complete an updated conceptual design and alternative route analysis for the Yukon-British Columbia grid connect project by the end of 2025.

Approved by:

Gary Gazankas

President, Yukon Development Corporation

March 24, 2025

Date approved

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Resources and Yukon
Development Corporation

Recommended response:

- The micro-generation program has seen strong uptake and popularity throughout the Yukon since it was launched.
- Yukoners have installed renewable energy generating systems at such a high rate that we have achieved our 2030 micro-generation target of 7 megawatts seven years ahead of schedule.
- We have extended the pause until January 2026, as well as expanded it to include the entire Yukon Integrated System. During this time, we are working with public utilities to study the impacts of variable generation on the grid and identify solutions to ensure grid reliability.
- The first phase of the research is complete and validates the need for the pause and the expansion to the entire Yukon; the second phase of the research is looking at mitigation measures / solutions and will be completed in 2025.

Additional response:

- During the program pause, we are making technical improvements to allow existing micro-generation systems to be more resilient to frequency changes on the grid, as well as completing a technical study to inform next steps.
- YEC will be commissioning a utility scale Battery Energy Storage System (BESS) in 2025 and anticipates that the BESS will further support the Yukon Integrated System (YIS) and the existing micro generation already installed. This will be carefully examined and

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Micro-generationEnergy, Mines and
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Development Corporation

information collected will also be included in the second phase technical study to help inform us of next steps.

- There is 10.4 megawatts of direct current renewable energy generating capacity installed.
- The Government of Yukon and the territory's electricity utilities are working together to ensure our electricity supply is reliable, affordable and sustainable.

Context — this may be an issue because:

- The micro-generation program was originally paused for six months in December 2023, and a further six months in June 2024. Most recently, the pause was extended in January 2025 for another year and expanded to cover all of the Yukon Integrated System.
-

Background:

- Our Clean Future (action E10) targets 7 megawatts of installed renewable electricity capacity by 2030 through micro-generation. As of January 2025, there were 981 micro-generators connected to the Yukon utility grid with 10.4 megawatts direct current capacity. (See BN #37)
- Under the micro-generation program, eight First Nations governments and five First Nations Development Corporations have installed 135 renewable energy-generating systems on institutional, commercial and residential buildings throughout the Yukon.
- The micro-generation program launched in October 2013 and is designed to allow Yukoners to connect their home or business renewable electrical generation systems to the grid.

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Micro-generationEnergy, Mines and
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Development Corporation

- In summer 2023, Yukon's electric utilities attributed grid disruptions on the Yukon Integrated System to the high number of micro-generation systems.
 - Yukon Development Corporation and Energy, Mines and Resources have responded to the utilities' concerns in three ways: 1) commencing a technical grid study; 2) agreeing to pause pre-approvals for the microgeneration program, and; 3) changing solar PV system inverter settings.
 - Energy Branch officials are working with utilities, industry, and micro-generation participants to change inverter settings. This will allow micro-generation systems to be more resilient to changes in frequency on the grid with the intention of improving grid stability.
 - As of January 2025, there are 15 buildings that had received prior approval from both YG and ATCO to proceed with their projects. These approvals have been extended until this spring due to a number of them being delayed with the early snowfall last fall. They will be installed with the new inverter settings designed to support improved grid stability.
 - During the pause Yukon government and ATCO Electric Yukon will continue to accept applications in communities not connected to the Yukon's Integrated Grid. These include Watson Lake, Burwash Landing, Destruction Bay, Beaver Creek, and Old Crow.
 - The technical study is in progress. The first phase of the study was completed and validated the grid events the utilities had experienced, as well as the need for mitigation measures for additional renewables. It also recommended not adding any additional distributed solar generation to the Yukon Integrated System at this time.
 - A second phase of the study focused on modelling mitigation measures is underway. Early results suggest that with the anticipated new diesel generation, inverter settings changes and the grid-scale battery in place, the
-

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Resources and Yukon
Development Corporation

stability issues may be corrected.

- The study is expected to be completed in the latter part of 2025. The study will assist in determining the next steps for the program.

Approved by:

Paul Moore

February 26, 2025

Deputy Minister,
Department of Energy, Mines and Resources

Date approved

Gary Gazankas

February 25, 2025

President,
Yukon Development Corporation

Date approved

Session Briefing Note

TAB #15
Spring 2025

Relicensing

Yukon Development
Corporation
Yukon Energy
Corporation

Recommended response:

- Both the Government of Yukon and Yukon Energy are taking collaborative approaches to working with First Nations governments during the assessment and licensing of hydro projects, and on an ongoing basis throughout their operation.
- Working with First Nations governments on large-scale renewable energy projects is foundational to meeting the Yukon's climate change and energy goals.
- Timelines have seen several delays throughout the assessment and regulatory process of the Whitehorse Rapids Generating Station and all parties are focused on licence renewal prior to expiry.
- [The YESAB process for the Whitehorse relicensing has concluded as of April 8, 2025. The project will continue to advance through the water use licensing process.](#)
- Having a licence to operate the Whitehorse Rapids Generating Station is critical for the Yukon, as the facility provides 75% of Yukon's summer energy and 40% of Yukon's winter energy needs and the authority to operate is needed.

Relicensing

Yukon Development
Corporation
Yukon Energy
Corporation

Additional response:

If asked about Whitehorse Rapids Generating Station:

- **60-Day Licence Renewal**
 - Based on recent correspondence between Yukon Energy, the Government of Yukon and the Yukon Water Board, Yukon Energy is pursuing a 60-day renewal for its water use licence for the Whitehorse Rapids Generating Station for June and July 2025. The application was submitted on March 7, 2025.
 - The scope for the 60-day licence is limited to operating Schwatka Lake and diverting water for energy production.
 - Yukon Energy will not be impacting water levels in the Southern Lakes. All gates will be open in June and July at Lewes Control Structure.
- **20-Year Licence Renewal**
 - A Water Use Licence was submitted to the Yukon Water Board in October 2024 so that the processes can move forward efficiently.
 - On January 3, 2025, the YESAB Whitehorse Designated Office completed their assessment and issued a recommendation to the Decision Bodies for the 20-year relicensing project to proceed with terms and conditions.

Relicensing

Yukon Development
Corporation
Yukon Energy
Corporation

- Between November 1, 2024, and January 15, 2025, Yukon Energy was accepting compensation claim applications from people who believed they will be adversely affected by the ongoing operation of the Whitehorse Rapids Generating Station over the next 20 years.
- The Yukon Water Board will also assess individual applications for compensation.
- [Decision Documents were released on April 7th and 8th, 2025, concluding the YESAB process.](#)
- [The Decision Bodies, including the Yukon government, Transport Canada, and the Department of Fisheries and Oceans Canada, decided that they agree with the Designated Office's recommendation that the Project can proceed subject to specified terms and conditions.](#)

If asked about Mayo Generating Station:

- In July of 2024, Yukon Energy submitted its Project Proposal to Yukon Environmental and Socio-economic Assessment Board for its Mayo Generating Station Relicensing Project after extensive discussions with the First Nation of Na-Cho Nyak Dun.
- The project is currently in the Evaluation and Information Request stage of the assessment.

Relicensing

Yukon Development
Corporation
Yukon Energy
Corporation

- Yukon Energy is seeking a five-year licence term at the request of the First Nation of Na-Cho Nyäk Dun, and based on the extensive amount of permitting, civil and construction work that is required around the Mayo hydro facilities in the next five years.
- Yukon Energy has been working closely with the First Nation of Na-Cho Nyäk Dun for many years to better understand the effects the Mayo facility has on fish and to explore solutions.

If asked about the Aishihik Generating Station:

- Yukon government and Yukon Energy Corporation are working with Champagne and Aishihik First Nations to implement agreements signed in 2022, which establish a collaborative relationship that will allow us to advance shared priorities in the Aishihik Lake area over the long term.

If asked about salmon:

- See [Tab 15a Salmon Note](#).

Context—this may be an issue because:

- First Nation governments and the Department of Fisheries and Oceans have raised concerns about the impact of existing hydroelectric facilities on salmon populations.
- The facilities are undergoing assessment and permitting.
- There are ongoing negotiations with First Nations governments related to the relicensing of the facilities.

Background:

Relicensing

Yukon Development
Corporation
Yukon Energy
Corporation

Aishihik Generating Station (AGS)

- The AGS Agreements are intended to improve the efficiency of assessment and permitting processes and the relationships between the parties, and to provide for predictability and collaboration in the long-term relicensing of the facility.
- While the details of the AGS Agreements are confidential, they are consistent with Chapter 22 of the Final Agreements and include a non-equity, passive investment opportunity in the AGS which will allow Champagne and Aishihik First Nations to realize an economic benefit tied to its continued operation.
- The Yukon Energy Corporation (YEC) obtained a 5-year water licence for the AGS in December 2022.

Whitehorse Rapids Generating Station (WRGS)

- Yukon Energy submitted its Project Proposal to YESAB for its Whitehorse Rapids Generating Station on December 8, 2023.
- The submission of the proposal to Yukon Environment and Socio-economic Assessment Board follows two years of discussions with the Carcross/Tagish First Nation, Kwanlin Dün First Nation, Ta'an Kwäch'än Council, and the Government of Yukon.
- The water licence for the WRGS expires on May 31, 2025.
- Yukon Energy closed its compensation claim process on January 15, 2025. Yukon Energy received 35 applications.
- The Department of Fisheries and Oceans helped to design the current fish ladder at the dam when it was built in 1959. When the fourth turbine was added in 1984, the Department of Fisheries and Oceans required the Whitehorse fish hatchery be built and operated. Annually, Yukon Energy works collaboratively with the Department of Fisheries and Oceans on hatchery targets, like salmon broodstock and juveniles released.

Session Briefing Note

TAB #15
Spring 2025

Relicensing

Yukon Development Corporation
Yukon Energy Corporation

- Yukon Energy continues to work with the Carcross/Tagish First Nation, Ta'an Kwäch'än Council and Kwanlin Dün First Nation to develop and implement culturally considerate practices at both the hatchery and fish ladder.

Mayo Generating Station (MGS)

- The water licence for the MGS expires on December 31, 2025.
- A proposal to YESAB was submitted on July 17, 2024.

Approved by:

<u>Daniel Carrick-Specht</u>	<u>April 14, 2025</u>
a/President, Yukon Development Corporation	Date approved

<u>Chris Milner</u>	<u>April 11, 2025</u>
President, Yukon Energy Corporation	Date Approved

Recommended response:

- Yukon Energy acknowledges that the historical development and ongoing operation of its hydro facilities has had lasting effects on both the environment and the traditional use of the land by Yukon First Nations. This includes impacts on salmon and their habitat.
- Yukon Energy is working in collaboration with Yukon First Nations and government partners to improve outcomes for salmon, by exploring additional measures to minimize the effects of its hydro facilities in Whitehorse and Mayo.

Additional response:

If asked about October 2024 fish stranding event:

- Every summer, Yukon Energy installs fish screens and I-beams at the Whitehorse Rapids Generating Station to stop adult salmon from swimming into the tailrace of WH4.
- Every fall, Yukon Energy removes fish screens and I-beams before freeze up. The exact timing of this activity changes in response to water levels, flow rates and air temperatures.
- In October 2024, the ramping procedures followed were similar to ramping procedures conducted in the past, however, did not work as anticipated.
- This resulted in fish stranding and mortality, despite having a plan in place and monitors situated along the river to help prevent fish stranding.

- Yukon Energy takes this event very seriously and is committed to learning from it and working with First Nations and others to reduce the risk of a similar event happening again. They have already drafted changes to the ramping protocol and are sharing them for review with partners.

If asked about the change in counts of salmon returning to the Whitehorse fish ladder:

- In response to feedback from the Whitehorse Rapids Generating Station Fish Ladder and Hatchery Working Group, Yukon Energy now keeps the gates to the viewing chamber at the fish ladder open 24/7 (except when collecting broodstock), so as not to temporarily pause the salmon's journey through the ladder.
- Fish are counted, sexed, and identified as hatchery or wild origin by reviewing continuous motion-triggered camera footage.
- As with any transition to a new system, there can be initial inaccuracies as the process is used and refined. This year, a review of the camera footage using an artificial intelligence process identified that some fish were not counted.
- The AI data processing results were confirmed by human review, and Yukon Energy was pleased to learn that the number of returning salmon to the fish ladder increased from the previously recorded 355 to an updated count of 479.

YEC - Salmon

Yukon Development
Corporation
Yukon Energy
Corporation

- Going forward, Yukon Energy will verify counts through artificial intelligence and through additional human checks.

If asked about Whitehorse:

- Yukon Energy has been making structural improvements to both the upstream and downstream entrances to the Whitehorse fish ladder to provide greater operational flexibility, optimize attraction flows for fish, and enhanced passage effectiveness.
- Yukon Energy has also been working with First Nations and staff at the fish hatchery to develop and implement culturally considerate practices related to the key activities of the hatchery.
- In 2024, over 24,000 Chinook were recorded passing into Canada and 479 were recorded reaching the Whitehorse Fish Ladder.
- Since 1984, Yukon Energy has operated the Whitehorse fish hatchery to offset fish injury and mortality that occurs as juvenile salmon pass through the Whitehorse dam. Each year up to 150,000 Chinook salmon fry are released upstream of the generating station.
- Given the cultural and ecological importance of salmon, Yukon Energy continues to work with Yukon First Nations to explore additional measures to address the effects of its facilities on salmon populations.
- This includes further discussions around improving fish passage and First Nations participation and involvement in fish ladder operational activities.

If asked about Mayo:

- Yukon Energy has worked with the First Nation of Na-Cho Nyäk Dun and other partners to identify various measures to improve outcomes for salmon over time at the Mayo Hydro Facility.
- When Wareham Dam was constructed in 1951, salmon were no longer able to migrate to the upper Mayo River and Mayo Lake.
- In the years ahead, Yukon Energy will be working to improve fish passage at the hydro facility as part of the critical infrastructure upgrade work that will be taking place.
- One example is the Mayo Lake Control Structure replacement project, which will be designed to provide both upstream and downstream fish passage benefiting the existing fish within the upper Mayo River and Mayo Lake. The Mayo Lake Control Structure currently supports downstream fish passage and the concept design will provide provisions for Chinook in the future.
- Another example is the Wareham Dam spillway refurbishment project, which includes plans to improve downstream fish passage from current conditions.
- Yukon Energy and the First Nation of Na-Cho Nyäk Dun have begun conversations about what potential upstream fish passage at the Wareham Dam could mean. Initial options have been explored, however, building fish passage at Wareham Dam would require

involvement by all levels of government and require substantial funding from the Government of Canada.

- Prior to the construction of the Mayo Hydro Facility in 1951, salmon were able to access the upper Mayo River, Mayo Lake, and its tributaries.
- On average, 0.2% of Canadian-origin salmon that enter Canada at Eagle are destined for the Mayo River.
- Yukon Energy has completed aerial spawning redd surveys of the lower Mayo River in most years between 2010 and 2024 as part of its aquatic ecosystem monitoring program, allowing approximations of fish numbers.
- Surveys over this period have identified that some quality spawning habitats downstream of the facility are under-utilized.

If asked about Aishihik:

- Yukon Energy has agreements in place and communicates regularly with Champagne and Aishihik First Nations and other government partners regarding the operation of this facility.

Context—this may be an issue because:

- First Nation governments and the Department of Fisheries and Oceans have raised concerns about the impact of existing hydroelectric facilities on salmon populations.

Background:

Whitehorse Rapids Generating Station (WRGS)

- The Department of Fisheries and Oceans helped to design the current fish ladder at the dam when it was built in 1959. When the fourth turbine was added in 1984, the Department of Fisheries and Oceans required the Whitehorse fish hatchery be built and operated.
- Annually, Yukon Energy works collaboratively with the Department of Fisheries and Oceans on hatchery targets, like salmon broodstock and juveniles released.
- An agreement between the Government of Canada and the State of Alaska reached in April 2024, requires that all partners address several factors, including examining the impact that infrastructure and development has on the Yukon River salmon population.
- The Government of Canada's Department of Fisheries and Oceans is responsible for the management of Pacific salmon and their habitat.

Mayo Generating Station (MGS)

- Yukon Energy maintains a comprehensive monitoring and adaptive management plan for the hydro facility and lower Mayo River.
- Over the last 15 years, aquatic ecosystem monitoring has not triggered any adaptive management responses.
- While monitoring and numerous studies of Mayo Lake and the Upper Mayo River have been undertaken since 2009, Yukon Energy is updating the existing Monitoring and Adaptive Management Plan as part of the relicensing project in collaboration with the First Nation of Na-Cho Nyäk Dun to formally include the upper Mayo River and Mayo Lake.

Session Briefing Note

TAB 15a
Spring 2025

YEC - Salmon

Yukon Development
Corporation
Yukon Energy
Corporation

Approved by:

Gary Gazankas

April 7, 2025

President, Yukon Development Corporation

Date approved

Chris Milner

April 1, 2025

President, Yukon Energy Corporation

Date approved

Recommended response:

- To meet growing demands for power and future needs of the territory, significant and urgent investments are required in every aspect of the Yukon's electricity system in the next five years, including: [upgrading](#) hydro facilities, updating power generation, substations, storage, transmission, distribution, as well as supporting end-use electrification.
- Yukon Energy's five-year capital plan is focused on three key priority areas: ensuring an adequate and dependable supply of power, strengthening the grid and planning for the future.
- An estimated average of [more than \\$100 million](#) per year in targeted capital infrastructure funding will be required to meet the demands of the electricity system.

Additional response:

- More than 70% of Yukon Energy's investments in the next five years will go towards ensuring an adequate and dependable supply of electricity is available locally to meet growing demands for power, particularly in the winter.
- Some of Yukon Energy's critical hydro infrastructure is more than 60 years old and requires major upgrades to continue providing dependable and renewable electricity into the future.
- Yukon Energy strives to keep electricity affordable and reduce the magnitude of how much of its capital investments are passed on to ratepayers.

Session Briefing Note

TAB #16
Spring 2025

5-Year Capital Plan

Yukon Energy
Corporation

-
- Yukon Energy will be working with the Yukon Development Corporation to identify investment opportunities for First Nations and seek federal government support to help fund critical capital projects.

Context—this may be an issue because:

- [There may be questions about YEC's 5 year capital plan.](#)

Background:

- Over the next five years, over \$200 million of major upgrades are needed to the Mayo Generating Station to ensure it remains a keystone of dependable and renewable energy for the Yukon.
- Another major project included in the 5-year capital plan is the [Whitehorse power expansion centres](#) to support load growth and modernization needs, [which is estimated to cost more than \\$100 million.](#)
- From 2025 – 2030, the planned work to build a robust and resilient grid will cost [more than \\$500 million.](#)
- Yukon Energy updates their 5-Year Capital Plan every year.

Approved by:

Chris Milner

President and CEO, Yukon Energy

March 26, 2025

Date approved

Recommended response:

- Yukoners need more power during the winter than our existing resources in the Yukon can supply.
- Our long-term vision is a more renewable energy future that can meet growing demand. However, we require thermal resources to meet the needs of Yukoners in the near-term and as back-up during emergencies in the future.
- Yukon Energy is currently assessing site options for each of the power centres. The sites will be determined based on discussions with First Nations, the results of environmental and socio-economic assessments, and financial considerations.
 - The sites by the battery are not being considered further for the thermal site in south Whitehorse because Yukon Energy learned from Nav Canada and the airport branch that those two sites are not viable given their proximity to the airport.

Additional response:

- The current winter dependable capacity of the Yukon's main grid is 131 megawatts coming from Yukon Energy and ATCO's permanent generation resources.
- This year, Yukon Energy is renting 22 diesel units to close the capacity shortfall for emergency scenarios.
- By 2030, an additional 25 megawatts of firm winter capacity is needed. By 2035, another 20 megawatts will be needed for a total of 45 megawatts more than what is available in the Yukon during the winters now.

- As part of its planning parameters, Yukon Energy must ensure a sufficient supply of electricity in the Yukon, even if its largest winter generating facility – in our case, the Aishihik Generating Station – goes down.
- To address this, Yukon Energy will build two new thermal power centres in the Whitehorse area in the next five years.
- The power centres will include a combination of mobile and permanent thermal units. This allows short-term power needs to be met, and at the same time provides options to sell or remove those assets as more sources of firm winter renewables are built or connected to the grid.
- The new power centres will be built in three phases.
 - **Phase 1:** Construction of a new 15-megawatt thermal site in South Whitehorse in 2026. This site will be used to relocate some rental diesels that are currently located in North Yukon to Whitehorse where most of the power is needed.
 - **Phase 2:** Construction of a power centre in North Whitehorse in 2027/2028. This site will be used to replace some of our existing rental diesel fleet with more reliable units. This phase will also include the addition of new substations and transmission infrastructure around Whitehorse.
 - **Phase 3:** Expansion of the thermal site in North Whitehorse in 2029 to add more power as needed. More upgrades to the transmission system will be done in this phase to increase the resiliency of the Whitehorse power system.

Whitehorse Power Expansion

Yukon Energy
Corporation

- Yukoners need more power now. During winter peaks on an average day, homes and businesses connected to the Yukon grid (excluding mines) use about 80% of all the power Yukon Energy can generate at a point in time.
- A YESAB assessment of the sites is expected to begin in 2025.
- Over the next 5 years, the estimated capital cost of this project will be more than \$100 million.

Context—this may be an issue because:

- In 2019, Yukon Energy completed a public engagement for a thermal project in Whitehorse that did not move forward at the time.

Background:

- The exact site locations for the new substations, transmission and generation sites in the Whitehorse area are being assessed and will move through the permitting process when confirmed.
- Yukon Energy will be considering residential noise impacts, emissions and air quality, and environmental and socio-economic impacts.
- Yukon Energy plans to work closely with First Nations to identify partnership opportunities for this project. Engagement is ongoing.
- The construction of a thermal power station in the Whitehorse area is essential to address Yukon's growing electricity demands, especially during winter months when hydroelectric generation is less available due to seasonal constraints.
- Currently, Yukon Energy relies on a fleet of rental diesel generators located in Whitehorse, Faro, and Mayo to fill the capacity gap.
- However, this approach is not ideal, and a permanent thermal generation solution is necessary to ensure a stable and dependable power supply.

Session Briefing Note

Whitehorse Power Expansion

TAB #17
Spring 2025
Yukon Energy
Corporation

Approved by:

Chris Milner

April 15, 2025

President and CEO, Yukon Energy

Date approved

Recommended response:

- Two hydro generators at the Aishihik Generating Station are offline due to equipment failure.
- While the temporary loss of these generating units adds pressure to the electricity system, we are not in an emergency situation, thanks to Yukon Energy's back-up diesel and LNG generators.
- This spring, Yukoners can expect to see an increase in thermal use because of the two hydro generators at Aishihik that are offline, low water levels in Aishihik and Marsh Lakes, and required maintenance activities.
- Yukon Energy continues to upgrade and maintain its existing renewable energy infrastructure, such as the upgrades at its Mayo Generating Station, which are estimated to cost over \$200 million.

Additional response:

- In October 2024, Yukon Energy identified an equipment failure in one of the three hydro generating units at the Aishihik Generating Station.
- Yukon Energy immediately carried out an analysis and repair, with technical experts on site to determine the extent of the damage.
- The hydro generating unit has been offline since then, while the repairs are underway.
- Repairs are expected to be completed this spring; however, this timeline could change depending on weather and equipment availability.
- In April 2025, the second hydro generating unit failed due to a bearing-related issue in the unit. The issue is not related to the issue with AH1.

Session Briefing Note

Aishihik Generator Issue

TAB #18
Spring 2025
Yukon Energy
Corporation

- Occasionally machines fail, and Yukon Energy plans for these scenarios to ensure there is enough generation when demand for electricity is greatest.

Context—this may be an issue because:

- Members of the public express concern that the equipment failure could lead to a shortage of electricity during the winter.

Background:

- The Aishihik Generating Station is the Yukon's largest generating source in the winter, generating about 40% of the electricity Yukoners need.
- The AH1 hydro generating unit failed in October 2024 due to the mechanical separation of an integral component.
- The AH1 repairs are expected to be completed by Q2 and the AH2 repairs are expected to be completed by Q3.
- In the event of a grid split, emergency protocols with ATCO, the Government of Yukon, and the City of Whitehorse would be activated, including calls for reduced electricity use in large buildings to help manage demand.
- Yukon Energy estimates the cost of repairs to the AH1 unit to be around \$7 - 9 million. The work is highly specialized, requiring custom parts that are sourced internationally. Additionally, it involves the complex task of removing the unit, which is located more than 300 feet underground.

Approved by:	
<u>Chris Milner</u>	<u>April 14, 2025</u>
President & CEO, Yukon Energy	Date approved

Recommended response:

- Yukon Energy is advancing multiple critical upgrades to the Mayo Hydro Facility over the next five years.
- These upgrades include repairs to the penstock, Wareham spillway, slope stabilization, refurbishment of the Mayo A plant and replacement of the surge chamber, as well as replacement of the Mayo Lake Control Structure.
- Yukon Energy will continue to [collaborate with the First Nation of Na-Cho Nyäk Dun and communicate plans](#) and opportunities for involvement, as well as with local stakeholders.

Additional response:

If asked about the current maintenance at the MGS:

- In 2024, the Mayo Generating Station was taken offline so repairs to the penstock could be made. This was one of the reasons why Yukon Energy has had to use more thermal sources to generate electricity this winter.
- These repairs are now complete, and the facility is back online.

If asked about the Wareham spillway:

- Yukon Energy completed temporary repairs to the spillway in the spring of 2024, however permanent repairs are still required. Refurbishment of the existing spillway and installation of an auxiliary spillway is progressing rapidly.
- At this time, there is no risk to public safety.

If asked about the slope stabilization work:

- In 2022, a rockslide occurred behind the Mayo A plant, followed by another slide in 2023.
- While Yukon Energy is actively monitoring the slope, its instability is presenting safety concerns for Yukon Energy staff and is creating challenges in accessing the plant.
- Yukon Energy is currently working on a permanent solution to stabilize the slope, with the project out to tender.

If asked about the Mayo A plant work:

- Built in 1951, the Mayo A plant and its components are reaching end-of-life.
- The plant needs to be refurbished or replaced and the surge chamber needs to be replaced to ensure the safety of Yukon Energy staff and the environment, particularly in light of instability in the surrounding slopes.

If asked about relicensing of the Mayo Generating Station:

- Yukon Energy has applied for a five-year license term to allow for the assessment and completion of all the repair work needed at the Mayo Generating Station.
- See Relicensing note, [Tab 15](#).

Context—this may be an issue because:

- Climate change impacts, like rockslides, continue to pose a risk to Yukon Energy infrastructure.

Session Briefing Note

TAB #19
Spring 2025

Mayo Generating Station

Yukon Energy
Corporation

- Questions may be asked about the state of Yukon Energy's assets and whether sufficient investments are being made to keep assets in good operational order.

Background:

Component	Cost	Planned completion
Wareham spillway	\$150 million	<ul style="list-style-type: none">• Tunnel – 2027• New Spillway – 2029
<ul style="list-style-type: none">• Mayo A slope stabilization and surge chamber replacement• Mayo A plant upgrades	\$130 to \$150 million	<ul style="list-style-type: none">• Slope stabilization & surge chamber – 2026• Mayo A upgrades - 2029
Mayo Lake Control Structure	TBD	Design to start in 2029

Note: Based on Class 5 estimates

Approved by:

Jason Epp

A/President and CEO, Yukon Energy

March 21, 2025

Date approved

Terms and Conditions of Service Application

Yukon Energy
Corporation

Recommended response:

- ATCO Electric Yukon and Yukon Energy filed an application with the Yukon Utilities Board requesting the approval of updates to the Terms and Conditions of Service.
- The application follows an order issued by the Yukon Utilities Board in 2023 for the utilities to review the Maximum Investment Levels in the Terms and Conditions.
- It has been over 10 years since the last update to the Terms and Conditions, maximum investment levels and the fees charged by the utilities outside of rates.
- The proposed updates to the Terms and Conditions of Service aim to modernize, improve clarity, and ensure they reflect current regulatory practices. This will help provide better guidance to the utilities and customers.

Additional response:

- Through the application, the utilities are not directly seeking a change in electricity rates.
- If approved, the proposed increase in maximum utility investments will reduce the upfront cost customers have to pay to have a power line built or new service installed at their home or business. This would result in the utility bearing more of the upfront costs of these types of installations, which could lead to an increase in rates.
- Ratepayers could see the impact when utilities file General Rate Applications reflecting these lower customer contributions. The exact rate impact would depend on the number of new connections built.

Session Briefing Note

TAB #20
Spring 2025

Terms and Conditions of Service Application

Yukon Energy
Corporation

Context—this may be an issue because:

- There may be questions about ATCO Electric Yukon and Yukon Energy's application to the Yukon Utilities Board requesting the approval of updates to the Terms and Conditions of Service.

Background:

- The Yukon Utilities Board directed ATCO Electric Yukon and Yukon Energy to review their Terms & Conditions of Service, including Maximum Investment Levels and Fees Schedule, in a letter from March 2023.
- In December 2024, ATCO and Yukon Energy submitted an application to the Yukon Utilities Board with a revision to the Terms and Conditions. ATCO prepared the revision for the Maximum Investment Levels and Fees Schedule as it serves most of the distribution customers in the Yukon.
- ATCO and Yukon Energy have initiated a public outreach campaign to notify Yukoners of the application.
- Interveners who intended to participate in the hearing and other process steps had to register in writing with the Yukon Utilities Board's Executive Secretary by February 3, 2025.
- The Yukon Public Utilities Board decided to hold a written process in lieu of oral hearing considering the limited scope of the submission.

Approved by:

Chris Milner _____
President & CEO, Yukon Energy

March 5, 2025 _____
Date approved

Arctic Energy Fund (AEF)

Yukon Development
Corporation

Recommended response:

- The Arctic Energy Fund provides funding to renewable energy projects.
- The fund is part of the larger Investing in Canada Infrastructure Program. This program aims to build modern, resilient and green communities for Canadians.
- Four projects have been approved for funding:
 - Sãde Initiative (Watson Lake Solar) \$18 million
 - Haeckel Hill Wind Project (Whitehorse) \$13.07 million
 - Kluane N'tsi Project (Burwash/Destruction Bay) \$2 million; and
 - Dome Road Solar Project (Dawson City) \$486,000.
- With the approval of the Sãde Initiative, the Arctic Energy Fund is fully subscribed.
- Yukon Development Corporation is working with federal funders to identify new sources of funds to support the development of future energy projects.

Additional response:

- The Arctic Energy Fund has contributed \$33.55 million for energy projects in the Yukon.
- This is in addition to the Innovative Renewable Energy Initiative, which provides \$2.5 million annually to the development of renewable energy and heating projects in the Yukon (Tab #27).

Context—this may be an issue because:

- There may be questions about how the Yukon government and Yukon Development Corporation are using the Arctic Energy Fund.

Arctic Energy Fund (AEF)

Yukon Development
Corporation

Background:

- The Arctic Energy Fund is part of an integrated bilateral agreement signed between the Government of Canada and the Government of Yukon's Department of Community Services.
- Amendments to the agreement include allowing First Nation development corporations to access higher levels of funding support, and extending project completion deadlines from 2028 to 2033.
- It is not anticipated that the Arctic Energy Fund will be recapitalized by the Government of Canada.

Project	Location	Size	YDC Funding	Total Project Cost
Sãde Initiative	Watson Lake	4.7 megawatts DC PV connected to a 2.85 MW AC of inverter capacity	\$18 million	\$29.9 million
Haeckel Hill Wind	Whitehorse	4 megawatts	\$13.07 million	\$29.8 million
Kluane N'tsi Project	Burwash/ Destruction Bay	900 kilowatts and 40 kilowatts battery	\$ 2 million	\$17.7 million
Dome Road Solar Project	Dawson	309 kilowatt DC/199 kilowatt AC solar power	\$486,000	\$790,000

Session Briefing Note

TAB #21
Spring 2025

Arctic Energy Fund (AEF)

Yukon Development
Corporation

Approved by:

Daniel Carrick-Specht

April 15, 2025

a/President, Yukon Development Corporation

Date approved

Session Briefing Note

TAB #22
Spring 2025

Peak Smart/DSM

Yukon Development
Corporation
Yukon Energy
Corporation

Recommended response:

- Reducing the Yukon's winter demand for electricity is an effective way to help minimize our reliance on thermal resources and provide necessary power in the coldest, darkest months.
- Yukon Energy is designing and implementing demand-side management programs that encourage Yukoners to shift their electricity use to off-peak times to help reduce the strain on the electrical grid.
- In December of 2024, Yukon Energy launched Peak Smart Home as a bring-your-own-device program.
- The Government of Yukon is supporting the Peak Smart Home program by offering one of the highest rebate amounts in the country—Yukoners can receive 75% off the purchase and installation costs of eligible and enrolled thermostat and hot water tank controllers, up to \$1,500 per home.

Additional response

- As of February 2025, around 65 people have signed up for Peak Smart Home as a bring-your-own-device program.
- In the Peak Smart Home direct-install program, nearly 1,500 electric baseboard thermostats and over 400 hot water tank controllers were installed.
- To date, Yukon Energy's demand-side management programs have provided [around 0.18 MW](#) of dependable capacity.

- Yukon Energy has also signed Peak Smart Home Participation Agreements with Yukon Housing, the Ta'an Kwäch'än Council, the Kwanlin Dün First Nation, and the First Nation of Na-Cho Nyak Dun.
- Future demand-side management initiatives will include an electric vehicle charging program. This is expected to launch by the end of 2025.

Context—this may be an issue because:

- Questions may be asked about how the Government of Yukon is incentivizing Yukoners to sign up for these programs.

Background:

- The first phase of the demand side management project, through to the end of 2024, cost \$2.4 million dollars.
- In 2024, Yukon Energy secured \$125,000 in funding from Northern REACHE to support the participation of Yukon First Nations in the Peak Smart Home program.
- Yukon Energy's contribution to the pilot and new program was included in rates proposed to the Yukon Utilities Board in the 2023 General Rate Application.
- The Yukon Utilities Board approved these costs in a Board Order issued in July 2024.
- The budget for the program from 2025 to 2027 is \$1.7 million dollars.

Session Briefing Note

TAB #22
Spring 2025

Peak Smart/DSM

Yukon Development
Corporation
Yukon Energy
Corporation

Approved by:

Gary Gazankas
President, Yukon Development Corporation

March 24, 2025
Date approved

Jason Epp
A/President and CEO, Yukon Energy

March 21, 2025
Date approved

Recommended response

- Yukoners rely on electricity for almost every aspect of daily life, and this means the system needs to grow faster than ever before.
- Yukon Energy is rising to the challenge by building a dependable system that can meet the territory's electricity needs and set us up for the next generation of community renewables.
- [Between 2015 and 2020, peak demands for electricity increased by 25%, and this trend is expected to continue with an additional 40% increase in non-industrial peak demand between 2020 and 2030.](#)
- Yukon Energy [has a new road](#) map for the next twenty-five years that unfolds in three stages ([Tab #43 – Planning-Strategic](#)).
- Over the next five years, Yukon Energy will focus on building a reliable and robust grid and planning for the build out of more renewable energy.
- This will be made possible through a dependable local supply of electricity and backup capacity, capable of meeting growing winter demands and withstanding challenges like droughts, emergencies and fluctuations in solar and wind energy production.

Additional response

- In 2024, around 82% of the electricity Yukon Energy generated came from renewable resources.
- The remaining 18% of the electricity generated came from thermal resources, of which approximately 10% was Liquefied Natural Gas and 8% was diesel (about half of this from rental diesel units).
- This is lower than the Yukon's 25-year average, which is over 90% renewable thanks to our hydro generating stations.

- Yukon Energy used more thermal resources this winter to generate electricity for a few reasons:
 - Lower-than-average inflows of water into the Aishihik reservoir last spring and summer. Less water means a limited ability to produce hydropower.
 - The Aishihik hydro facility is the largest source of winter hydropower in the Yukon and usually produces about 40% of the electricity Yukon Energy generates each winter.
 - Equipment repairs at the Aishihik and Mayo Generating Stations.
 - One of the generators at the Aishihik Generating Station continues to be offline.
 - Growing demands for power in the Yukon.

Context—this may be an issue because:

- Yukoners want to ensure there is an adequate and reliable electricity supply, especially during cold winter days.
 - The Opposition has raised concerns about the use of rental diesel generators to meet peak demand.
-

Background:

- Yukon's residential and commercial peak demand for power in winter 2024/25 was around 105 megawatts.
- Yukon Energy currently has 22 rental diesel units available for operation in their fleet.

Session Briefing Note

Electricity Supply

TAB #23
Spring 2025
Yukon Energy
Corporation

Historical Percentage Renewable

2019	2020	2021	2022	2023	2024	5-Year Average	25-Year Average
84%	86%	92%	92%	91%	82%	89%	95%

Approved by:

Jason Epp

A/President and CEO, Yukon Energy

March 21, 2025

Date approved

First Nation Investment Framework

Yukon
Development
Corporation

Recommended response:

- Yukon Development Corporation is working with Yukon Energy, the Government of Yukon, and Indigenous Proponents to meet the renewable energy generation targets set out in the Our Clean Future strategy.
- To create pathways for Yukon First Nations to economically participate in utility-led projects, Yukon Development Corporation is developing a framework.

Additional response:

- There is a need for a predictable and replicable Framework for First Nation investment in the energy economy, regardless of which projects are advanced.

Context—this may be an issue because:

- There may be questions because in the tracking of implementation of Action Items in *Our Clean Future*, the Action is marked as delayed.

First Nation Investment Framework

Yukon
Development
Corporation

Background:

- Action E9 of *Our Clean Future* states that Yukon Development Corporation shall “Develop a framework by 2022 for First Nations to economically participate in renewable electricity projects developed by Yukon’s public utilities.”
- A Discussion Paper was circulated for the Council of Yukon First Nations Energy Conference in November 2023. The Discussion Paper addressed:
 - An overview of the Yukon’s energy needs.
 - The regulatory context for energy in the Yukon.
 - A jurisdictional scan of how other Canadian provinces and territories are incentivizing First Nation participation in the energy economy.
 - An assessment of the unique challenges facing the Yukon to create economically viable energy projects.
 - Identification of different opportunities for First Nation ownership of energy projects, including through ownership participation in Yukon Energy or the development of a new public utility.
 - Non-equity participation in the energy economy through training, employment, and participation in decision-making structures.

Approved by:

Daniel Carrick-Specht

a/President, Yukon Development Corporation

February 5, 2025

Date approved

Investing in Canada Infrastructure Program (ICIP)

Yukon Development
Corporation

Recommended response:

- Under the Investing in Canada Infrastructure Program, Yukon Development Corporation funded two priority green infrastructure projects undertaken by Yukon Energy:
 - \$ 16.5 million into the Yukon Grid Scale Battery Energy Storage System to help balance daily demand for electricity (Tab #2); and
 - \$ 22.7 million was invested in the Stewart - Keno Transmission Line upgrade.
- The funding program is fully allocated towards the Yukon Grid Scale Battery Energy Storage System and the Stewart-Keno Transmission Line (Mayo McQuesten Transmission Line).
 - The upgrade of the 31 kilometre transmission line from McQuesten substation to the community of Mayo was completed in 2021.
 - The Battery Energy Storage System is under construction and expected to be completed in spring of 2025.

Context—this may be an issue because:

- The Opposition has raised concerns about the status of energy projects.

Investing in Canada
Infrastructure Program (ICIP)

Yukon Development
Corporation

Background:

- The Green Infrastructure Stream falls under the Investing in Canada Infrastructure Program with the aim of supporting greener communities by contributing to climate change preparedness, reducing greenhouse gas emissions, and supporting renewable technologies in Canada.

Approved by:

Daniel Carrick-Specht

February 5, 2025

a/President, Yukon Development Corporation

Date approved

Session Briefing Note

Spring 2025

Independent Power Production (IPP)

Yukon Development Corporation

Yukon Energy Corporation

Recommended response:

- The Government of Yukon developed the Independent Power Production policy to enable entrepreneurs, communities, and Yukon First Nation governments to generate renewable energy and sell it to the main electrical grid or micro-grid in diesel-dependent communities.
- The Independent Power Production Policy includes three programs: the Standing Offer Program; Unsolicited Proposals; and Call for Power.
- The Standing Offer Program is not accepting new applications at this time, while the study on integrating intermittent renewables from microgeneration and independent power production is underway.
- Yukon Development Corporation is reviewing and updating the Independent Power Production policy to focus on the growing demand for renewable winter capacity on the Yukon Integrated Grid and initiatives in diesel dependent communities.

Additional response

- The first phase of the two part study on integrating intermittent renewables on the main grid is complete. The results of this study state that no additional solar should be added to the Yukon Integrated System at this time.
- The second part of the study will provide recommendations for system investments that are needed to integrate more intermittent

Session Briefing Note**Spring 2025****Independent Power Production (IPP)**

Yukon Development Corporation

Yukon Energy Corporation

renewables without affecting grid stability. It will inform future developments to the Independent Power Producer Policy and renewable energy programs.

- Solar projects that were in the queue for the main electrical grid have been canceled so as not to jeopardize grid reliability. The Watson Lake Solar project is on-going, as it is on the Watson Lake micro-grid.
- Acceptance to the Independent Power Production Standing Offer Program does not guarantee funding for projects through the Innovative Renewable Energy Initiative or that an Electricity Purchase Agreement will be signed.
- Proponents of renewable energy initiatives (Tab #27) can submit unsolicited proposals for Independent Power Production and these will be considered by Yukon Development Corporation and the utilities, with a focus on renewable winter capacity for the Yukon's Integrated Grid and initiatives in diesel dependent communities.

If asked about Call for Power program:

- Yukon Energy plans to issue one or more Calls to Power over the next five years, with the approval of the government, to incorporate large-scale winter renewable Independent Power Producer projects into Yukon's electrical system.

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Spring 2025

Independent Power Production (IPP)

Yukon Development Corporation
Yukon Energy Corporation

Context—this may be an issue because:

- There is strong First Nations, municipal, and private sector interest in renewable energy and in government support for such initiatives.
- Some Independent Power Producers have expressed concerns about the high costs of connection.

Background

- The Standing Offer Program has an annual limit of 40-gigawatt hours of electricity purchased by the utilities.

	Number of Projects	Combined Capacity (MW)	Combined Energy (GWh)	% of Program Cap (40 GWh)
EPAs Executed and Connected to the Grid	7	9.35	20.08	50%
EPAs Executed and Connected to Micro Grid Diesel	4	2.95	1.86	N/A
EPAs Executed and Not Connected	1	4.7	TBD	N/A
Total	12	17	21.94	50%

Session Briefing Note**Spring 2025****Independent Power Production
(IPP)**Yukon Development
Corporation
Yukon Energy
Corporation

- There were three studies in the queue for the Independent Power Production program which have been canceled to avoid jeopardizing grid reliability. These projects will not be considered under the program.
- Oro Enterprises Ltd., the proponent of the proposed 2 MW New Era North Fork Hydro project in Dawson City, was the eleventh proponent in the queue. On January 29, 2024, Oro Enterprises Inc informed Yukon Energy that the North Fork Project was cancelled.
- Twelve Independent Power Production projects have signed Energy Purchase Agreements with their respective utility. Of these, eleven are actively producing electricity.
 1. Solvest's North Klondike solar project - Whitehorse (active)
 2. Nomad Construction and Electrical Services' Mt.Sima solar project - Whitehorse (active)
 3. Vuntut Gwitchin Government's Sree Vyaa solar project - Old Crow (active)
 4. Klondike Development Organization's Dome Road solar project - Dawson City (active)
 5. Chu Níikwän Eagle Hill (Haeckel Hill) I (active)
 6. Chu Níikwän Eagle Hill (Haeckel Hill) II (active)
 7. Kluane First Nation's Nt'si wind project - Kluane Lake (anticipated to be in service in 2025)
 8. Takhini IPP -Arctic Pharm's solar project - Whitehorse (connected July 2024)
 9. Sunergy's solar project - Haines Junction (active)
 10. Beaver Creek Solar Project (connected August 2024) and
 11. Daylu Dena Council - Lower Post solar project (active)

Session Briefing Note

Spring 2025

**Independent Power Production
(IPP)**

Yukon Development
Corporation
Yukon Energy
Corporation

- The twelfth project is being developed by First Kaska to provide power to the Watson Lake micro-grid and is anticipated to be connected in 2027. The Sade Initiative project is being partially funded through the Investing in Canada Infrastructure Program. The federal program is contributing \$18,000,000 towards the project.
- Funding is available in 2024-2025 for prospective renewable energy projects through the Innovative Renewable Energy Initiative.

Approved by:

Gary Gazankas

President, Yukon Development Corporation

April 23, 2025

Date approved

Chris Milner

President and CEO, Yukon Energy

April 9, 2025

Date approved

Innovative Renewable Energy Initiative (IREI)

Yukon Development Corporation

Recommended response:

- Yukon Development Corporation can fund feasibility, design and construction of renewable energy projects through the Innovative Renewable Energy Initiative.
- Innovative Renewable Energy Initiative funds are available for Yukon First Nation governments, municipalities and community-based organizations to identify and develop electricity-generating projects and it is presently accepting new applications.
- We expect to receive new applications from several First Nations located on the integrated grid and are hearing about proposals that would evaluate a range of renewable energy technologies.
- Our government contributed \$2.5 million to the Innovative Renewable Energy Initiative in 2024-2025. [This pilot initiative is being extended in the 2025-2026 budget, with \\$1.5 million allocated for the Innovative Renewable Energy Initiative subject to legislative approval.](#)
- Since it started in 2018, the Yukon Development Corporation has invested over \$11.4 million in this initiative and interest continues to grow each year.

Additional response:

- Some projects which have advanced through the Innovative Renewable Energy Initiative fund which are now delivering power to Yukoners are:
 - Kluane N'tsi Wind Energy Project
 - Haeckel Hill Wind
 - Dome Road Solar
 - Sree Vyaa Solar – Old Crow Solar
 - Beaver Creek Solar
 - Sunergy Haines Junction Solar

Innovative Renewable Energy Initiative (IREI)

Yukon Development Corporation

- Takhini Solar Project
 - Mount Sima Solar
 - In the 2024-25 fiscal year, Yukon Development Corporation supported twelve projects across the territory through the Innovative Renewable Energy Initiative fund. In the years to come, these projects hope to deliver renewable energy to Yukoners. Example future projects include:
 - Mt. Sumanik Wind,
 - TKC Pumped Storage,
 - Drury Creek Hydropower,
 - Fort Selkirk Run of the River and
 - Tehcho Wind.
 - The Innovative Renewable Energy Initiative will be reviewed in 2025 to inform a future redesign.
 - Proponents of Innovative Renewable Energy Initiatives can submit unsolicited proposals under the Independent Power Production policy (Tab #26).
-

Context—this may be an issue because:

- There may be questions about how Government of Yukon is meeting the Yukon's growing need for renewable energy and fulfilling the Confidence and Supply Agreement commitment to provide \$5 million annually to support renewable energy projects.
-

Background:

- The Innovative Renewable Energy Initiative fund allows proponents to access up to a maximum of \$500,000 per project.
 - The fund is staged to allow projects in the feasibility stage to access up to \$150,000; projects in the design stage to access up to \$300,000; and projects in the construction/power production stage to access up to \$500,000.
-

Innovative Renewable Energy Initiative (IREI)

Yukon Development Corporation

- To date, we have provided over \$11.4 million in project funding, including funds committed in fiscal 2024-25.

Projects being Funded under IREI in 2024-25

Proponent	Project	Project Location	Funded
Chu Níkwän Limited Partnership	Mt Sumanik Wind	Whitehorse	\$98,971
Ta'an Kwäch'än Council	TKC Pumped Storage	Whitehorse	\$290,000
Carmacks Development Corporation	Drury Creek Hydropower	Drury Creek	\$300,615
Selkirk Development Corporation	Fort Selkirk Run of River RivGen	Fort Selkirk	\$150,000
Nacho Nyak Dun Development Corporation	Tehcho Wind Project	Ferry Hill-Stewart Crossing	\$150,000
Northern Energy Capital	Net-Zero cold storage	Whitehorse	\$150,000
Yukon Energy Corporation	Long-term Load Forecast Phase 1 - Economic Forecast	Whitehorse	\$14,438
Yukon Energy Corporation	Yukon Integrated System Resource Adequacy Study	Whitehorse	\$64,000
Vuntut Gwitchin First Nation	Old Crow Biomass Project	Old Crow	\$72,439

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Innovative Renewable Energy Initiative (IREI)

Yukon Development Corporation

Teslin Tlingit Council	Biomass District Heating Phase 2 Expansion	Teslin	\$40,500
Teslin Tlingit Council	Teslin Biomass District Heating Enhancement Project	Teslin	\$59,295
Takhini Power	Solar	Whitehorse	\$350,000

IREI projects funded since 2021

Project Stage	Proponent	Project	Project Location	Funded
Feasibility	Solstice Clean Energy Cooperative	Community owned Solar	Whitehorse	\$41,250
	Chu Níkwān Limited Partnership	Mt Sumanik Wind	Whitehorse	\$98,971
	Eavor Yukon	Geothermal Drilling	Across Yukon	\$500,000
	Northern Vision Development	District Heating Biomass	Whitehorse	\$37,500
	Kluane Lake Research Station	Hydrogen Energy Storage Project	Kluane Lake Research Station	\$150,000
	Ta'an Kwäch'än Council	TKC Pumped Storage	Whitehorse	\$290,000
	Carmacks Development Corporation	Drury Creek Hydropower	Drury Creek	\$300,615

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Innovative Renewable Energy Initiative (IREI)

Yukon Development Corporation

	Selkirk Development Corporation	Fort Selkirk Run of River RivGen	Fort Selkirk	\$150,000
	Nacho Nyak Dun Development Corporation	Tehcho Wind Project	Ferry Hill-Stewart Crossing	\$150,000
	Chu Níkwän Limited Partnership	Net-Zero cold storage	Whitehorse	\$150,000
	Yukon Energy Corporation	Long-term Load Forecast Phase 1 - Economic Forecast	Whitehorse	\$14,438
	Yukon Energy Corporation	Yukon Integrated System Resource Adequacy Study	Whitehorse	\$64,000
	Vuntut Gwitchin First Nation	Old Crow Biomass Project	Old Crow	\$72,439
	Teslin Tlingit Council	Biomass District Heating Phase 2 Expansion	Teslin	\$40,500
	Teslin Tlingit Council	Teslin Biomass District Heating Enhancement Project	Teslin	\$59,295
Design	Carcross Tagish Management Corporation	Carcross Solar	Carcross	\$300,000
	ORO Enterprises	Run of River Hydro	Dawson City	\$500,000

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Innovative Renewable Energy Initiative (IREI)

Yukon Development Corporation

Construction	Nacho Nyak Dun Development Corporation	Snowline Gold Solar	Mayo	\$265,995
	Fellhawk Enterprises	Portable off-grid solar	Dawson Mining Area	\$210,000
	Sunergy	Solar	Whitehorse	\$150,000
	Takhini Power	Solar	Whitehorse	\$500,000
	Kluane First Nation	Kluane N'tsi Wind Energy Project	Destruction Bay / Burwash Landing	\$1,000,000
	First Kaska	Watson Lake Solar	Watson Lake	\$295,900
	Klondike Development Corporation	Dome road Solar	Dawson City	\$83,200
	Nomad Electrical and Contracting Services	Mount Sima Solar	Whitehorse	\$272,800
	Vuntut Gwitchin First Nation	Old Crow Solar	Old Crow	\$500,000
	Teslin Tlingit Council	Biomass District Heating System	Teslin	\$400,000
	Chu Níkwän Development Corporation	Haeckel Hill Wind	Whitehorse	\$485,000
	Yukon Energy Corporation	Demand Side Management	Yukon	\$500,000
	Dena Nezziddi Development Corporation	Off Grid Power Box	Ross River	\$300,000

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TAB #27
Spring 2025

Innovative Renewable Energy Initiative (IREI)

Yukon Development Corporation

	Copper Niisüü LP	Solar	Beaver Creek	\$1,500,000
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Approved by:

Gary Gazankas

May 1, 2025

President, Yukon Development Corporation

Date approved

Session Briefing Note**Spring 2025*****Public Utilities Act Amendments***Justice

Recommended response:

- The Government of Yukon is developing an amendment to the *Public Utilities Act* to improve the efficiency and effectiveness of electricity regulation in the Yukon.
- Public engagement is occurring in spring 2025 to discuss the proposed changes.

Additional response:

- This work honours a commitment made in Our Clean Future to table an amendment to the *Public Utilities Act* by 2025.
- Changes being considered are designed to reduce administrative burdens and increase the Yukon Utilities Board's capacity to respond to issues that arise in a modern electricity system, while maintaining the Board's independence and authority over its procedures.

Context:

- Our Clean Future action item E3 states that the departments of Justice and Energy, Mines and Resources must "update the *Public Utilities Act* by 2025 to ensure an effective and efficient process for regulating electricity in Yukon."

Background:

- The Yukon Utilities Board is an independent regulator of electricity that receives its mandate from the Government of Yukon through the *Public Utilities Act*, its regulations and Orders in Council.
- This legislation gives the Board authority to set rates that may be charged for electricity and to oversee capital expenditures of public electricity utility companies.
- The scope of the engagement is focused on those issues that may have interest to the public or affect rate payers, with limited emphasis on administrative or procedural changes that are mostly of interest only to the board and public utilities.

Session Briefing Note

Public Utilities Act Amendments

Spring 2025

Justice

Department of Justice

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- In addition to administrative changes aimed at improving efficiency of the board's processes, the engagement and potential changes also propose amending the scope of what the board may consider in its decision-making to better align with policy shifts towards electricity generation that include renewable sources of electricity with fewer greenhouse gas emissions.

Approved by:

Mark Radke

Deputy Minister, Justice

2025-01-21

Date approved

Session Briefing Note**Spring 2025*****Public Utilities Act Amendments***

Justice

Prepared for Minister Tracy-Anne McPhee
Department of Justice

Date prepared: January 3, 2025

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Session Briefing Note

YUB – Electricity Costs and Rate Reviews

Justice

Recommended response:

- The rates charged for electricity are set by the Yukon Utilities Board, an independent regulator responsible for making decisions in the public interest.
- Decisions about the processes used for setting rates and making rate changes are currently within the board's jurisdiction to determine within the framework established under the *Public Utilities Act*.
- The Government of Yukon respects the board's expertise and discretion in making these important decisions.

Additional response:

- The Government of Yukon will continue to support the Board in fulfilling its responsibility to make independent, evidence-based decisions consistent with national standards for utility regulation and the interests of Yukoners.
- Anyone may make a complaint to the Board regarding utility rates, which could result in a review by the Board and an order for a remedy.

Context:

- In the fall of 2022, questions arose in the media and the Legislative Assembly regarding the system of rate setting and the Government of Yukon's ability to cause a utility to undertake a rate review.
- These questions corresponded with an application by ATCO Electric Yukon (ATCO) to the Yukon Utilities Board (the Board) to rebate certain costs to consumers and concerns from the public that ATCO was profiting beyond what should be permitted.

Session Briefing Note

Spring 2025

YUB – Electricity Costs and Rate Reviews

Justice

Background:

Yukon Energy Corporation 2023–24 General Rate Application

- Yukon Energy Corporation (YEC) filed the 2023–24 General Rate Application (GRA) on August 31, 2023. Public hearings in written and remote form were held between September 2023 and March 2024.
- On July 12, 2024, the Board issued its decision on YEC's 2023–24 GRA.
 - The Board approved a 10 per cent rate increase effective January 1, 2024, which resulted in a 6.3 per cent residential bill increase. However, this change was made when another charge came off bills, meaning the bill impact effective January 1, 2024, was zero.
 - The Board approved a second interim rate increase (Rider J), effective August 1, 2024, of 3.0 per cent. This replaced the Rider J1 which expired on the same day, meaning that there was no net increase impacting customers.
- YEC claims that the request for increased rates was driven by four main factors:
 - growing demand for electricity;
 - the need to maintain and upgrade the Yukon's electricity system;
 - to support the energy transition; and
 - the rising cost of material and labour.

ATCO's 2023–24 General Rate Application

- ATCO's GRA for 2023–2024 was filed on July 7, 2023, and public hearings (in writing and by remote meetings) took place from September to December 2023.
- On May 31, 2024, the Board issued its decision on ATCO's 2023–24 General Rate Application.
 - Final rates were approved on July 26, 2024, following compliance filings. ATCO states that a typical residential customer can expect to see an increase of 1.7 per cent effective September 1, 2024, and a further increase of 0.8 per cent effective September 1, 2025.
 - ATCO had applied for a 1.6 per cent decrease for 2023 and a 5.2 per cent increase for 2024.
 - Prior to this application, ATCO had not completed a GRA since 2017.
 - Excess revenues from that period will continue to be rebated through a rate rider (Rider R1) from September 1, 2024, to August 31, 2025.

Session Briefing Note

Spring 2025

YUB – Electricity Costs and Rate Reviews

Justice

- ATCO claimed that the increase was needed to cover higher capital and inflation costs.

ATCO's rate relief application

- On July 18, 2022, ATCO applied to the Board for approval to rebate excess revenue accumulating in certain regulated deferral accounts to residential and commercial customers (excluding industrial).
- Intervenors at the hearing presented evidence that ATCO's failure to request a GRA contributed to excess revenues beyond what was being proposed for rebate. The Board considered this evidence out of scope for the decision at hand.
- On November 7, 2022, the Board issued its decision that the excess revenue should be distributed back to customers but ordered that it should be distributed to all customer classes.
- The rebate was, and continues to be, issued through a rate rider (Rider R1) which was estimated to reduce residential bills by 3.4 per cent.

The system of rate setting in the Yukon

- Currently, the *Public Utilities Act* gives the Board exclusive authority to set or change the rates that utilities may charge and directs the Board to hold public hearings before changes to rates can be made.
- Utility companies (YEC and ATCO) must apply to the Board to increase rates through a General Rate Application or for specific, short-term adjustments.
- In determining the rates that the utility may charge, the Board must consider the costs and revenues of the utility. The rates must also include a reasonable return on investment, which is prescribed by the Board.
- The process used to review and change rates typically begins when the utility applies to the Board for a GRA. In this application, the utility requests approval of its proposed rate, based on its current and expected costs.
- GRAs are prompted by the utility's assessment that changes to its costs should be reflected in higher rates. There is no periodic requirement for GRAs in law, although this is being contemplated in current proposals to amend the *Public Utilities Act*.
- In a GRA, the utility's changing costs and revenues are accounted for and reviewed alongside changes in demand for electricity.

Session Briefing Note

Spring 2025

YUB – Electricity Costs and Rate Reviews

Justice

- The Board’s role is to publicly review the utilities’ forecasted costs and their proposed rate, then set a new rate based on costs that are incurred plus a reasonable rate of return.
- In doing this, it is the Board’s responsibility to act in the public interest and ensure that electricity is affordable, safe and reliable.
- Frequently, the Board allows adjustments to rates through surcharges, interim charges, “rate riders” and rebates. These are added to the rate that the Board allows the utility to charge, based on its costs and a reasonable return. Changes to rates over time may also be prescribed by the Board through a rate schedule.
- Utilities may recover shortfalls from previous years through rate riders. Alternatively, if revenues are above the amount needed to recover costs and a reasonable rate of return, a rate rider prescribing a rebate may be ordered by the Board.
- The rate-setting process relies on forecasts of the utilities’ costs. As the full cost to generate, transmit and distribute power gradually diverges from the forecasted cost due to environmental, economic and other unpredictable factors, a review of the current and forecasted costs is needed to set a new, updated rate.
- The GRA process serves the public interest because the utilities’ activities and costs are publicly scrutinized. The Board has the discretion not to allow certain expenses to be added to the rate base if they were not prudently incurred.
- The Yukon’s regulatory system includes an alternative to a full-scale rate review. Any person may file a complaint about rates or rate changes and subject to the Minister’s approval, the Board may investigate the complaint and determine whether action should be taken by the Board.

Approved by:

Mark Radke

2025-01-21

Deputy Minister, Justice

Date approved

EMR #39/YDC #29

Spring 2025

Session Briefing Note Renewable Energy Initiatives

Energy, Mines and
Resources and Yukon
Development Corporation

Recommended response:

- We are investing in local renewable energy projects, creating business opportunities in the growing clean energy sector, and encouraging the purchase of green technologies.
- We have extended the pause for the micro-generation program until January 2026 and expanded it to include the entire Yukon Integrated System. During this time, we are working with public utilities to study the impacts of variable generation on the grid and identify solutions to ensure grid reliability.
- The first phase of the research is complete and validates the need for the pause and the expansion; the second phase of the research is looking at mitigation measures and solutions and will be completed in 2025.
- Small-scale solar systems have enjoyed strong popularity and there are currently more than 22.1 megawatts of direct current solar capacity installed, including over 10 megawatts through the micro-generation program.
- The Haeckel Hill wind project adds 4.0 MW of capacity to the Yukon's main power grid.

Additional response:

- We are providing funding to building owners to install efficient electric heat pumps and biomass heating systems that will reduce greenhouse gas emissions from heating buildings.
- Yukoners are installing renewable energy generating systems at such

**Session Briefing Note
Renewable Energy
Initiatives**

Energy, Mines and
Resources and Yukon
Development Corporation

a high rate that we achieved our micro-generation target of seven megawatts, seven years ahead of schedule.

- Energy Purchase Agreements have been signed by 12 independent power production (IPP) projects. Of these, 11 are producing electricity.

Additional response (if asked about Yukon Energy Corporation's Strategic Plan, electric heat, or electric vehicles):

- The Government of Yukon recognizes that transitioning to low-carbon heating and transportation sources, such as heat pumps and electric vehicles, increases demand on Yukon's electrical system.
- Yukon Energy's Road Map to 2050 and the five-year strategic plan outline the plans, partnerships, and capital investments needed to build a stronger, more renewable power system for Yukoners. (YDC/YEC Tab #43 – Strategic Planning)
- Reliability is at the core of Yukon Energy's strategy over the next five years, as it focuses on increasing the supply of dependable winter power to meet growing demands and building a more resilient power system.
- Looking forward, Yukon Development Corporation, Yukon Energy Corporation, Energy, Mines and Resources and First Nations are collaborating to advance long term energy planning to meet growing energy demands and further Our Clean Future's aspirational goal of 97 per cent renewable electricity.

Session Briefing Note Renewable Energy Initiatives

- Following best practices, this will include a Pathways Assessment, Energy Roadmap and Integrated Resource Plan to assess, plan for and deliver new reliable sources of affordable and renewable capacity.

Context — this may be an issue because:

- There is strong interest from First Nations governments, municipalities, the public and industry to install renewable energy systems with support from the government.
- New federal funding has been secured for the Affordable Heat Pump program and intake will re-open. Intake had been paused three weeks after its launch date.
- The micro-generation program was paused in December 2023 to allow the Government of Yukon and the utilities to study the impacts of distributed renewable generation on the grid.

Background:

Our Clean Future

- Our Clean Future commitments include increasing renewable electricity on the Yukon's main grid to 97 per cent (action E1) and setting a target of increasing renewable heating in the Yukon's buildings to 50 per cent by 2030. (See EMR BN #38)

Heat pumps

- We have secured additional funding from the Government of Canada for our Affordable Heat Pump Program and have re-opened applications for this program. The new combined funding for the program is \$8.6 million, up from \$2.3 million.
- We will first be processing applications that had been on our waitlist.
- To date, 84 households have been pre-approved to receive funding for their heat pump installations. (See EMR BN #43)

**Session Briefing Note
Renewable Energy
Initiatives**

Energy, Mines and
Resources and Yukon
Development Corporation

Renewable energy generation: Independent Power Production Policy

- Yukon Development Corporation's Innovative Renewable Energy Initiative provides financial and technical support to Yukon First Nations, municipalities, and community organizations for community-led renewable energy projects. (See EMR BN #35)
- A four-megawatt wind project was installed and commissioned on Thäy Tăw (Haeckel Hill) in 2024. The project is owned by Chu Níkwän.
- Seven solar Independent Power Production (IPP) projects with a total of 8.74 megawatts DC capacity are operating on the main grid.
- 940 kilowatts DC of solar is operating in Old Crow, owned by Vuntut Gwitchin First Nation. 118 kilowatts of DC of solar is operating in Lower Post, connected to the Watson Lake micro-grid.
- Two new renewable projects were substantially completed in 2024: solar PV with 1.9 megawatts DC capacity owned by White River First Nation, and a 900 kilowatt wind turbine, owned by Kluane First Nation. Both projects are expected to be fully commissioned by early 2025.
- The Sâde Initiative (Watson Lake Solar) is planned to provide an oversized (1.6) - 4.70MW DC PV connected to 2.85MW AC of inverter capacity. Construction is planned to begin in the spring of 2025 with connection in 2027.

Renewable energy generation: Micro-generation Program

- Our Clean Future (action E10) targets seven megawatts of installed renewable electricity capacity by 2030 through micro-generation. As of January 1, 2025, there were 981 micro-generators connected to the Yukon utility grid which are producing approximately 10 GWh of electricity and exporting 3.7 GWh to the grid.
- Under the micro-generation program, eight First Nations governments, five First Nations Development Corporations have installed 135 renewable energy-generating systems on institutional, commercial and residential buildings throughout the Yukon.

Session Briefing Note Renewable Energy Initiatives

- During the pause of the Micro-generation program, the Government of Yukon and ATCO Electric Yukon will continue to accept applications in communities not connected to the Yukon's Integrated Grid. These include Watson Lake, Burwash Landing, Destruction Bay, Beaver Creek, and Old Crow.

Biomass

- We have supported nine large-scale commercial and institutional biomass heating projects in the territory. We are also aware of four large-scale biomass heating projects built independently from the Energy Branch's programs.
- Since 2007, the Energy Branch has offered rebates for new, efficient wood-heating systems in existing homes. Uptake of these rebates has been trending down in recent years from 145 in 2008-2009 to 52 in 2023-2024.
- The Energy Branch offered a fuel wood rebate from 2022 to 2023 that had close to 900 applicants.
- Highways and Public Works is installing biomass heating systems in Government of Yukon's buildings and is exploring the potential for biomass and other renewable energy systems in additional buildings. (See EMR BN #45)

Geothermal resources

- The Government of Yukon is committed to advance the development of legislation to regulate geothermal energy development per Our Clean Future (action E11) in partnership with First Nation and transboundary Indigenous governments.
- Geological research is underway on the potential for geothermal as a renewable energy source for heating and electricity. (See EMR BN #81)

Energy storage

- In 2022, the report, Meeting the Yukon's Electricity Needs through 2050, was completed by Navius Research.
- The report asserted that the Yukon's electricity demand is expected to grow, that solar and wind are the most cost-effective options for meeting electricity demand, electricity storage is critical to high penetration of renewables, and that growing demand for electricity will increase generating costs.

EMR #39/YDC #29

Spring 2025

Energy, Mines and
Resources and Yukon
Development Corporation

Session Briefing Note Renewable Energy Initiatives

- Yukon Energy Corporation is working towards completing the grid scale battery and will consider other energy storage solutions with independent power producers through the integrated resource planning process. (See YDC/YEC BN #2)

Approved by:

Heather Mills

Acting Deputy Minister

Department of Energy, Mines and Resources

April 14, 2025

Date Approved

Daniel Carrick-Specht

April 11, 2025

a/President and CEO

Yukon Development Corporation

Date Approved

Recommended response:

- To meet growing demands and address aging infrastructure, significant and urgent investments are required in every aspect of the Yukon's electricity system.
- This includes power generation, stability and storage, transmission and distribution, as well as end-use electrification.
- In order to build a more resilient and renewable electricity system, we must first have a reliable and robust foundation.
- Some key capital projects that are planned include major upgrades to the Mayo Generating Station and the development of new power centres in Whitehorse.
- Yukon Energy will also be replacing generation and transmission infrastructure and equipment that is nearing end-of-life.

Context—this may be an issue because:

- People may wonder what plans Yukon Energy has in place to address aging infrastructure and a growing population.

Background:

Five-Year Capital Planning

- Yukon Energy estimates an average of [more than \\$100 million per](#) year in targeted capital infrastructure funding will be needed over the next five years.

Grid Modernization Strategy

- Yukon Energy is participating in a Grid Modernization Strategy with ATCO Electric Yukon, the Yukon government and Yukon Development Corporation to further understand where system upgrades and investments are needed most.
- The Grid Modernization Strategy will identify, prioritize, and establish an agreed-upon sequence of tailored initiatives to support a dynamic, responsive system that enhances grid reliability and meets the growing needs of the Yukon.
- Yukon Development Corporation has entered into a \$250,000 Transfer Payment Agreement with Yukon Energy to advance the Grid Modernization Strategy.

Dawson Voltage Conversion Project

- The Dawson Voltage Conversion Project is estimated to cost \$5.87 million.
- As the second fastest-growing community in the Yukon, the addition of people, homes and community infrastructure are all contributing factors to an increasing demand for electricity in Dawson.
- This, coupled with the switch from propane and heating oil to electricity for heating and transportation, means Yukon Energy expects to see demand for electricity in Dawson City double in the next five years.
- To make sure it can continue to provide electricity safely and reliably in Dawson, Yukon Energy is converting parts of its distribution system – power lines, poles, and transformers – from 4.2 kilovolts to 12.5 kilovolts.
- For Dawson residents, the benefits of voltage conversion include:
 - Access to better power quality and reliability thanks to the replacement of older infrastructure;
 - Planned and unplanned outages can be resolved faster; and
 - Opportunities to connect larger buildings to our system.
- Yukon Energy expects to complete the project by the end of 2025.

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System Upgrades

Yukon Energy
Corporation

Other Examples of System Upgrades Include:

- The completion of upgrades to Yukon Energy's Riverside substation that connects additional electricity to the Yukon grid.
- The completion of Dawson City's Three-Phase Loop Project that allows Yukon Energy to shift electrical load around to sections of Dawson City when necessary, building reliability and robustness into the system, positioning Yukon Energy to better respond to issues, and providing room for growth in the electrical system.
- The completion of upgrades to the Callison substation near Dawson City so that the corporation is better positioned to manage the increase in electrical demand in Dawson City and less likely to experience failure of critical protection and control systems and prolonged outages over the winter.

Approved by:

Jason Epp

March 21, 2025

A/President and CEO, Yukon Energy

Date approved

Renewable Energy Projects by Community

Yukon Development
Corporation

Recommended response:

- The Yukon Development Corporation provides funding for renewable energy projects through two streams of funding; Investing in Canada Infrastructure program and the Innovative Renewable Energy Initiative:
- Investing in Canada Infrastructure Program (TAB # 25) has supported projects accessing the Arctic Energy Fund (TAB# 21) and Green Infrastructure Stream. There was \$33.5M accessed through Arctic Energy Fund. Example projects supported by the Arctic Energy Fund are:
 - Haeckel Hill Wind Farm
 - Kluane N'tsi (Wind) Project
 - Dome Road Solar Project
 - Sade Initiative
 - Watson Lake Solar

There was \$39.3M accessed under the Green Infrastructure Stream. Example projects supported by the Green Infrastructure Stream are:

- Yukon Grid Scale Battery Energy Storage System
 - Stewart - Keno Transmission Line Rehabilitation
- Innovative Renewable Energy Initiative (TAB# 27) which can fund feasibility, design and construction projects. Since 2019-2020 \$10.7M was accessed by proponents under this initiative.
For example, some projects Yukon Development Corporation is supporting in 2024-2025 are:
 - Mount Sumanik Wind exploration;

Renewable Energy Projects by Community

Yukon Development
Corporation

- Ta'an Kwäch'än Council Pumped storage study; and
- Fort Selkirk Run of River RivGen.
- Since 2019-2020, over \$83.5 million has been provided to Independent Power Producers and Yukon Energy Corporation through Investing in Canada Infrastructure Program and the Innovative Renewable Energy Initiative.

Context—this may be an issue because:

- People have questions about how Government of Yukon and Yukon Development Corporation are increasing renewable energy generation and fulfilling the Confidence and Supply Agreement target of \$5 million per year for renewable energy projects

Background:

- See Investing in Canada Infrastructure Program (TAB# 25) and Innovative Renewable Energy Initiative (TAB# 27).

Approved by:

Daniel Carrick-Specht

April 11, 2025

a/President, Yukon Development Corporation

Date approved

Recommended response:

- Wind is important to the energy mix as it can generate power during the cold Yukon winters.
- The 4 megawatts Haeckel Hill project was connected in early winter 2024 and started providing power to the Yukon Integrated Grid as of March 8, 2024. In January 2025 alone, Haeckel Hill contributed about 600mWH of electricity.
- Yukon Development Corporation provided the project with \$13.07 million from the Arctic Energy Fund.

Additional response:

- We extend our congratulations to Chu Niikwan Development Corporation and the Kwanl'in Dunn First Nation for their leadership on this Project and look forward to exploring future partnerships with them.
- For example, through the Innovative Renewable Energy Initiative, the Yukon Development Corporation has provided Chu Niikwan Development Corporation with \$98,971 to further explore wind resources on Mount Sumanik.

Context—this may be an issue because:

- The Project is highly visible in Whitehorse and there has been significant public interest in the Project.

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Haeckel Hill

Yukon Development
Corporation

Background:

- The total project cost is \$29,808,500 with \$14,894,330 of funding coming from federal funders of CANNOR and Clean Energy for Rural and Remote Communities (Natural Resources Canada).
- The Haeckel Hill Project received \$485,000 from the Yukon Development Corporation's Innovative Renewable Energy Initiative.
- Through Innovative Renewable Energy Initiative, \$98,971 has been provided to Chu Niikwan to undertake wind studies.

Approved by:

Daniel Carrick-Specht

a/President, Yukon Development Corporation

February 5, 2025

Date approved

Sāde Initiative (Watson Lake Solar)

Yukon Development Corporation

Recommended response:

- The Sāde Initiative project in Watson Lake led by First Kaska Utilities Limited Partnership is a 4.7 megawatts DC solar system connected to a 2.85 megawatts AC battery.
- With about 24% penetration, it will reduce greenhouse gas emissions by about 100,000 tonnes over a 30 year life span.
- When the Sāde Initiative project comes online in 2027, the Yukon Development Corporation will have provided financial resources to support the development of renewable energy projects in every Yukon off-grid community.
- The estimated total project is \$29.9 million, of which the federal Investing in Canada Infrastructure Program is providing up to \$18 million.

Context—this may be an issue because:

- There may be interest in how much the Sāde Initiative project will cost and what it will accomplish.

Background:

- The proponent is First Kaska, the development corporation of Liard First Nation.
- The project was federally approved under Arctic Energy Fund on June 17, 2024.
- The ground clearing has been completed for this project and construction is anticipated to begin spring 2025.
- Greenhouse gas emissions reduction includes reductions associated with fuel refining, fuel transportation, and fuel combustion, averaging about 3,500 tonnes per year.

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TAB #33
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**Sādeḡ Initiative (Watson Lake
Solar)**

Yukon Development
Corporation

Approved by:

Daniel Carrick-Specht
a/President, Yukon Development Corporation

February 5, 2025
Date

Federal Funding and Policy Initiatives

Yukon Development Corporation

Recommended response:

- The Yukon Development Corporation is actively raising awareness with federal funders about the Yukon's energy needs.
 - Yukon Development Corporation and Yukon Energy Corporation are both actively working with federal funding agencies to secure financial support for energy projects.
 - Federal funding is essential to alleviate financial pressures on consumers' electricity bills.
-

Context—this may be an issue because:

- Energy projects require significant financing to complete. Without funding, future rates will increase significantly.
-

Background:

- Federal Budget 2024 was heavily focused on housing initiatives, energy efficient homes and tax credits.
 - The Federal funding model for clean energy projects includes a mixture of regulatory, debt, and grant tools.
 - Smart Renewables and Electrification Pathways Program launched three new programs in 2024.
 - Critical Regional Priorities stream that helps provinces and territories decarbonize their electricity systems, with a focus on maintaining affordability and reliability.
 - Indigenous-Led Clean Energy Stream which intends to increase meaningful and equitable Indigenous participation in decarbonizing the electricity system.
 - The Utility Support Stream is funding for the utility and system operator-led projects, such as grid modernization, technology upgrades, and upgrades and expansion to transmission and distribution systems.
-

Federal Funding and Policy Initiatives

Yukon Development Corporation

- Yukon Development Corporation has partnered with many federal funders such as NRCan, Cannon and Housing, Infrastructure and Communities Canada to help to fund independent power production projects, such as:
 - Haeckel Hill
 - Atlin Hydroelectric Expansion Project
 - Sādę Initiative (Watson Lake Solar Project).
- Northern REACHE Program – Wah-ila-toos
 - This funding program launched in April of 2022 with the Government of Canada announcing \$300 million in funding to support communities launching clean energy projects.
 - The program's objective is to reduce Northern communities' reliance on diesel for heating and electricity by increasing the use of local renewable energy sources and energy efficiency. This will result in environmental, social and economic benefits to support developing healthier, more sustainable Northern communities.
 - Although, the funding program has been operating for a few years it is still accepting applications for;
 - Clean Energy for Rural and Remote Communities – Biomass heating, district heating, and combined heat and power systems
 - Northern Responsible Energy Approach for Community Heat and Energy program (Northern REACHE).
- Canadian Infrastructure Bank
 - The Canadian Infrastructure Bank provides low-cost debt to critical infrastructure projects.
 - They have committed up to \$80 million for the Atlin Hydroelectric Expansion Project.
- Clean Energy Investment Tax Credits

Federal Funding and Policy Initiatives

Yukon Development Corporation

- Federal Budget 2023 announced five tax credits related to clean energy. The tax credit has not yet been passed.
- The Clean Electricity Investment Tax Credit will provide a 15% refundable tax credit for non-taxable entities investing in: wind, solar, small modular reactors, abated natural gas-fired electricity generation, batteries, pumped hydroelectric storage, transmission of electricity between provinces and territories, and biomass.
- It is anticipated to apply to both new projects and the refurbishment of existing facilities.
- For Yukon Energy Corporation to access the Clean Electricity Investment Tax Credit, Yukon must commit that savings will be passed onto ratepayers, as well as a commitment to achieve a net-zero electricity sector by 2035.
- Canada Electricity Advisory Council
 - The Canada Electricity Advisory Council recently released their final report that highlights 28 key recommendations to the Government of Canada to ensure electricity systems can continue to decarbonize while expanding capacity to help support Canada's transition to net-zero.
 - The recommendations centered on four foundational themes to ensure Canada's electrical system can effectively transition to net zero; that electrical infrastructure can be developed rapidly, that electrical systems remain affordable and cost-competitive to Canadians, that electrical systems remain reliable, and ensuring Indigenous participation is embraced and supported.
 - Many of the recommendations touch on substantial topics for the Yukon, including further supports for inter-regional grid infrastructure, and ensuring northern remote and indigenous communities are substantively included and supported alongside provincial counterparts within the net-zero transition.

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Federal Funding and Policy Initiatives

Yukon Development Corporation

Approved by:

Daniel Carrick-Specht

a/President, Yukon Development Corporation

February 5, 2025

Date approved

Accomplishments - YDC

Yukon Development
Corporation

Recommended response:

- Yukon Development Corporation is advancing its mission to deliver a reliable, renewable, and affordable energy future for all Yukoners that drives long-term economic growth, builds northern resilience, and contributes to our net-zero carbon commitments.

Ensuring reliable and sustainable energy supply:

Yukon-British Columbia Grid Connect Project:

- Yukon Development Corporation is advancing a phased approach to explore connecting the Yukon and BC electrical grids, including technical feasibility and options, potential cost and funding opportunities, and partnership opportunities with First Nations, industries, and other governments.
- Yukon Development Corporation has secured \$40M through Government of Canada's Critical Minerals Infrastructure Fund and contributed \$13M from the Yukon Development Corporation Fund, for a total budget \$53M over five years.
- The project is large and complex with infrastructure that crosses multiple traditional territories and provincial/territorial borders.
- Connecting the Yukon to British Columbia's electrical grid increases our power supply, reduces greenhouse gas emissions from fossil fuel use and provides a nation building opportunity that will advance arctic security, and foster shared growth, prosperity, and reconciliation.

Innovative Renewable Energy Initiative:

- Yukon Development Corporation actively supports the development of renewable energy projects through its Innovative Renewable Energy Initiative (IREI).

Accomplishments - YDC

Yukon Development
Corporation

- IREI provides funding for small-scale, First Nation, and community-led renewable energy projects that generate electrical or heat energy and are based in the Yukon.
- The initiative was established in the Government of Yukon's 2017/18 fiscal year with an annual budget of \$1.5 million. In July 2021, the Government of Yukon responded to the high uptake of the initiative by expanding the available funding to \$2.5 million per year until 2024/25. [Subject to legislative approval, the 2025/26 budget commits \\$1.5million to extend the program due to its continued success.](#)
- To date, over thirty renewable energy projects have been funded in every region of the territory. In 2024-2025 alone, IREI is supporting 12 projects, both on and off the Yukon Integrated System.
- Some projects which have advanced through the Innovative Renewable Energy Initiative fund which are now delivering power to Yukoners are:
 - Kluane N'tsi Wind Energy Project
 - Haeckel Hill Wind
 - Dome Road Solar
 - Sree Vyaa Solar – Old Crow Solar
 - Beaver Creek Solar
 - Sunergy Haines Junction Solar
 - Takhini Solar Project
 - Mount Sima Solar

Investing in Canada Infrastructure Program:

- Under the Investing in Canada Infrastructure Program, Yukon Development Corporation funded two priority green infrastructure projects undertaken by Yukon Energy:

Accomplishments - YDC

Yukon Development
Corporation

- \$ 16.5 million into the Yukon Grid Scale Battery Energy Storage System to help balance daily demand for electricity (Tab #2); and
- \$ 22.7 million was invested in the Stewart - Keno Transmission Line upgrade.
- The funding program is fully allocated towards the Yukon Grid Scale Battery Energy Storage System and the Stewart-Keno Transmission Line (Mayo McQuesten Transmission Line).
 - The upgrade of the 31 kilometre transmission line from McQuesten substation to the community of Mayo was completed in 2021.
 - The Battery Energy Storage System is under construction and expected to be complete in spring of 2025.

Arctic Energy Fund:

- [Arctic Energy Fund is a sub-stream of the Investing in Canada Infrastructure Program](#). This funding stream is intended to reduce the reliance on diesel-based generation of electrical and heat energy.
- To date, four projects have been approved for funding:
 - Săde Initiative (Watson Lake Solar) \$18 million
 - Haeckel Hill Wind Project (Whitehorse) \$13.07 million
 - Kluane N'tsi Project (Burwash/Destruction Bay) \$2 million; and
 - Dome Road Solar Project (Dawson City) \$486,000.
- The Arctic Energy Fund has contributed \$33.55 million for energy projects in the Yukon. With the approval of the Săde Initiative, the Arctic Energy Fund is fully subscribed.

Independent Power Production policy:

Accomplishments - YDC

Yukon Development
Corporation

- The Government of Yukon developed the Independent Power Production policy to enable entrepreneurs, communities, and Yukon First Nation governments to generate renewable energy and sell it to the main electrical grid or micro-grid in diesel-dependent communities.
- The Independent Power Production standing offer program has received significant interest from Yukoners. [The Standing Offer Program is not accepting new applications at this time, while the study on integrating intermittent renewables from microgeneration and independent power production is underway.](#)
- There are currently 11 Independent Power Producers connected and generating 12.3 MW, which help meet the Yukon's energy needs.
- There is currently a study on microgeneration and independent power production being underway. This will help inform future developments to the Independent Power Producer Policy.

Keeping energy affordable:

Electrical Rebate:

- [The Government of Yukon increased the electrical rebate and adjusting it to apply only during the winter months when Yukoners need it the most.](#)
- [The new Winter Electrical Affordability Rebate replaces the Interim Electrical Rebate, increasing the rate to 3.4 cents per kilowatt hour, with a maximum of \\$33.77/month \(October–March\), up from \\$22.62/month.](#)
- [The electrical rebate is applied automatically to electricity bills by people's provider.](#)

Demand Side Management:

Accomplishments - YDC

Yukon Development
Corporation

- Yukon Development Corporation continues to work with partners at Yukon Energy Corporation and Department of Energy Mines and Resources to advance demand side management programs such as PeakSmart.

Approved by:

Gary Gazankas

President, Yukon Development Corporation

April 23, 2025

Date approved

Recommended response:

- Yukon Energy is committed to advancing projects and partnerships that provide Yukoners with safe, reliable and affordable electricity.
- Yukon Energy continues to work collaboratively with various First Nations to develop its projects, reduce impacts and create innovative investment opportunities.
- So far in 2025, accomplishments include the:
 - [Release of Yukon Energy's new Road Map to 2050 and five-year strategic plan.](#)
 - Receipt of the air emissions permits for the Callison Generating Station, Whitehorse Rapids Generating Station, [and the downtown Mayo and Dawson Generating Stations.](#)
 - Advancement of the Whitehorse Rapids and Mayo Generating Station Relicensing.
- In 2024, accomplishments included the:
 - Successful implementation of the first and second phases of Peak Smart Home, with over 300 Yukoners applying for the first phase of the program and exceeding the program's year one goal.
 - Signing of Peak Smart Home Participation Agreements with the Ta'an Kwäch'än Council and the First Nation of Na-Cho Nyäk Dun.
 - Submission of the Mayo Generating Station Water Relicensing Project Proposal to YESAB.

- o The release of Yukon Energy's first Climate Change Adaptation Plan, which outlines how the corporation will improve its resilience to key risks from climate change and extreme weather.
 - o Connection of 4 MW of wind power on Haeckel Hill and two additional independently owned solar farms to the grid.
 - o Building energy awareness and sharing information:
 - Fifteen facility tours.
 - The launch of a new campaign bringing awareness to Yukon Energy's reality and plans for the future. Engagement with the campaign was high, earning over 3,000 clicks and over 1,700 interactions.
 - o Advancement of Yukon Energy's system wide asset management program.
 - o System improvements in Dawson City and Faro allowing for growth.
- In 2023, Yukon Energy's accomplishments included:
 - o Submission of the Whitehorse Rapids Generating Station Water Relicensing Project Proposal to YESAB.
 - o Completed a major overhaul on one of the generators at the Aishihik Generating Station, a facility that is critical to providing winter energy.
 - o Generated 91% renewable electricity.
 - o Completed upgrades to its Riverside substation that connects additional electricity to the Yukon grid so that Yukoners can use it.

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Accomplishments – YEC

Yukon Energy
Corporation

- o Completed Dawson City's Three-Phase Loop Project that allows Yukon Energy to shift electrical load around to sections of Dawson City when necessary, building reliability and robustness into the system, positioning Yukon Energy to better respond to issues, and providing room for growth in the electrical system.
- o Completed upgrades to the Callison substation near Dawson City so that the corporation is better positioned to manage the increase in electrical demand in Dawson City and less likely to experience failure of critical protection and control systems and prolonged outages over the winter.

Approved by:

Chris Milner

President and CEO, Yukon Energy Corporation

April 10, 2025

Date approved

Recommended response:

- The Government of Yukon pre-approves all external debt acquired by the Yukon Development Corporation and Yukon Energy Corporation that would impact the government's borrowing limit.
- Yukon Energy's borrowing enables the corporation to invest in new generation and transmission infrastructure, while maintaining existing infrastructure, ensuring reliable, affordable and renewable energy for Yukoners.
- The breakdown of all long-term debt is publicly available for review and can be found in Note 14 of the Yukon Development Corporation's consolidated financial statements, which are also included in Part III of the Yukon's Public Accounts.

Additional Response

New Borrowing

- The Government of Yukon approved an increase of \$27.254 million dollars of long-term debt for Yukon Energy in 2024.
- The \$27.254 million long-term debt will be repaid with money earned from the sale of electricity.

Line of Credit

- The line of credit is an interim financing tool used by Yukon Energy Corporation to plan and build energy related capital projects, until those costs can be recovered through rate.
- The Government of Yukon approved Yukon Energy to maintain their line of credit at \$100 million until December 2025.
- The Yukon Development Corporation currently does not hold a line of credit.

Interest Rates

- Interest rates on the long-term loans with the bank are fixed rates set by the market at the time the money is borrowed.
- The interest rate on the line of credit is variable and will change as the banks prime lending rate changes.
- Yukon Energy's interest rate on its line of credit is the bank prime rate less 0.75%.

Public Accounts vs Consolidated Financial Statements

- Long-term debt reported in the Yukon Development Corporation's consolidated financial statements differs from Yukon's Public Accounts due to different fiscal year-ends and the timing of debt payments that the Corporation makes to Yukon government.
-

Context—this may be an issue because:

- Borrowings associated with the Yukon Development Corporation/Yukon Energy represents the majority of debt currently held by Yukon government.
- The Opposition has raised concerns about how Yukon Energy will finance new energy generation capacity and has asked specific questions about the Orders-in-Councils approving the 2023 borrowing.

Background:

- Yukon Development Corporation's long-term debt at December 31, 2023, as reported in the Corporation's Consolidated Financial Statements, was \$226.1 million. This includes the current portion of the debt of \$4.4 million as well as the non-current portion of \$221.7 million.
 - YDC's long-term debt at March 31, 2023, as reported on Page 62 of Yukon's 2022-23 Public Accounts, was \$221.3 million.
 - In 2023, Yukon Development Corporation borrowed \$6,425,000 and re-lent it to Yukon Energy.
 - In 2023, a \$1 million debenture was completed between Yukon Energy and Champagne and Aishihik First Nations.
-

Financial – Debt

Yukon Development
Corporation

- The long-term debt enables Yukon Energy to maintain a 60/40 debt-to-equity ratio.
- In 2024 there were two O.I.C.'s passed related to YDC and YEC borrowing:
 - O.I.C. 2024-156 authorizes YDC to borrow \$27,254,000 and lend it to YEC. This authorization was for YEC to meet its debt-to-equity target ratio of 60/40.
 - O.I.C. 2024-152 was passed to authorize YDC to undertake borrowing and lend it to YEC. This O.I.C. does not exempt YDC from requiring Management Board approval to undertake public borrowing.
 - YEC has a permanent line of credit of \$10.0 million with a temporary increase to \$100.0 million approved until December 30, 2025.
- YEC uses its line of credit as construction financing until the assets are put into use. YEC's actual draw on the line of credit will vary depending on progress on capital projects.
- Listed is a summary of YDC's consolidated long-term debt as reported at December 31, 2023 (see below).

Issuer	Maturity	Interest Rate	Amount ('000s)
Bond	June 29, 2040	5.0%	\$98,666
Toronto Dominion	Sept. 28, 2035	2.06%	\$6,987
Toronto Dominion	Aug. 23, 2043	3.40%	\$20,135
Toronto Dominion	July 14, 2044	2.64%	\$5,877
Toronto Dominion	Nov. 4, 2045	2.06%	\$4,333
Toronto Dominion	Apr. 30, 2046	2.88%	\$7,079
Toronto Dominion	Sept. 1, 2052	4.07%	\$17,598
Toronto Dominion	Dec. 21, 2048	4.10%	\$6,425
Tr'ondëk Hwëch'in First Nation	Dec. 31, 2049	7.79%	\$3,250
First Nation of Na-Cho Nyak Dun	Dec. 31, 2094	9.66%	\$3,072

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Financial – Debt

Yukon Development
Corporation

Chu Niikwan Limited Partnership	Dec. 31, 2040	5.60%	\$17,328
Champagne and Aishihik First Nations	July 31, 2048	Actual final rate of return on equity	\$1,000

Approved by:

Daniel Carrick-Specht

a/President, Yukon Development Corporation

February 5, 2025

Date approved

Financial – Minto and Victoria Gold

Yukon Energy
Corporation

Recommended response:

If asked about Victoria Gold:

- On July 23, Yukon Energy filed a lien against Victoria Gold for an unpaid electricity bill that totaled just under \$700 thousand.
- Yukon Energy will seek to recover those funds through the legal process.
- The court has granted Yukon government's request to appoint a receiver over the company.

If asked about Minto:

- Yukon Energy filed a lien against Minto Mine for unpaid electricity bills that totaled just over \$4 million.
- Yukon Energy is seeking to recover these funds through the legal process.
- Electricity continues to be provided to the mine site ensuring its environmental integrity is maintained.

Additional response:

- The power line that delivers electricity to the Eagle Gold Mine was damaged by a wildfire in summer 2024 but is now back in service.
- Victoria Gold owned the power line and paid for repairs to bring the power line back into service.

Second Additional Response:

- Lower consumption from the Eagle mine will not affect the number of diesel generators Yukon Energy needs to rent each year, as mines are disconnected from the grid during an emergency.
- Having large industrial users connected to the grid is a good thing because:

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Financial – Minto and Victoria Gold

Yukon Energy Corporation

- As a major power user, they help make future rate increases smaller than they would be without them; and
- By being connected to the grid they are able to reduce their carbon footprint by having access to clean hydro power.

Context—this may be an issue because:

- There may be questions about Yukon Energy seeking to recover the money it is owed from Victoria Gold or Minto Mine.

Background:

- As of January 20, 2025, there are no additional liens filed by Yukon Energy against Victoria Gold.
- Yukon Energy cannot provide details on the amount of electricity that individuals customers use, such as mining companies, because the volume is private, customer information.
- Yukon Energy charges interest on overdue accounts and is exploring its ability to require security deposits on industrial accounts.

Approved by:

Chris Milner

President & CEO, Yukon Energy

March 5, 2025

Date approved

Financial - Position

Yukon Development
Corporation

Recommended response:

- The Auditor General reported that the Yukon Development Corporation's 2023 Consolidated Financial Statements presented fairly, in all material respects, the consolidated financial position of the Yukon Development Corporation as of December 31, 2023, in accordance with International Financial Reporting Standards.
- The consolidated entity continues to be a profitable business reporting comprehensive income of \$2.3 million for the year ended December 31, 2023.
- Total equity (the Yukon government's investment) was \$224.4 million, on December 31, 2023.

Additional response:

- The corporation continues to be self-sustaining and generally, reinvests its profits in capital projects. No profits are paid out to the Yukon government.
- Certain programs are funded by the government. In calendar year 2023, those programs included:
 - Inflation Relief Rebate - \$5.5 million
 - Interim Electrical Rebate - \$3.4 million
 - Interest subsidy - \$2.4 million
 - Innovative Energy Renewable Initiatives \$1.8 million
 - Atlin Hydroelectric Expansion Project - \$0.8 million

Context—this may be an issue because:

Financial - Position

Yukon Development
Corporation

- YDC's 2023 consolidated financial statements and Yukon's 2023-24 Public Accounts were both tabled during the 2024 fall legislative session.
- Opposition parties often compare Yukon Development Corporation's financial statements to the Public Accounts.

Background:

- Yukon Development Corporation is the sole shareholder of Yukon Energy.
- The Yukon Utilities Board is responsible for setting electricity rates in the Yukon. This includes setting a rate of return (cost of debt and return on equity) for Yukon Energy.
- The Yukon Utilities Board approved a cost of debt of 3.31 per cent for 2023 and 3.43 per cent for 2024.
- The Yukon Utilities Board approved a return on equity of 9.50 per cent for 2023 and 2024.
- Profits that are paid from Yukon Energy to Yukon Development Corporation are normally reinvested back into Yukon Energy.

Year	Dividend Paid by Yukon Energy ('000s)	Reinvested into Yukon Energy ('000s)
2023	\$27,260	\$27,260
2022	\$11,500	\$10,000
2021	\$0	0
2020	\$0	0
2019	\$2,871	\$3,959

Approved by:

Daniel Carrick-Specht

a/President, Yukon Development Corporation

February 5, 2025

Date approved

Recommended response:

- ATCO Electric Yukon is a privately owned company and is regulated through the *Public Utilities Act*.
- The oversight from the Yukon Utilities Board includes setting earnings targets and rates through General Rate Applications.
- ATCO Electric Yukon distributes to homes and businesses the electricity that is generated by Yukon Energy, except in Watson Lake, Burwash Landing, Destruction Bay, Beaver Creek, and Old Crow, where ATCO Electric Yukon also generates electricity using thermal generators.
- Yukon government works closely with ATCO Electric Yukon to implement the electrification goals in *Our Clean Future*.

Additional response:

- The Government of Yukon will continue to work with utilities to ensure the interests of the Yukon's rate payers are considered and protected.
- As ATCO Electric Yukon is a private entity additional questions related to their business should be posed to the company directly.

Context—this may be an issue because:

- The Yukon Utilities Board sets rates charged by ATCO Electric Yukon through the General Rate Application process.
- There have been questions raised in the past of ATCO Electric Yukon's over-earnings.

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General - ATCO

Yukon Development
Corporation

Background:

- For information on ATCO's General Rate Application see Tab #11.

Approved by:

Daniel Carrick-Specht

February 5, 2025

a/President, Yukon Development Corporation

Date approved

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TAB #41

Spring 2025

General - YEC

Yukon Energy
Corporation

Recommended response:

- Yukon Energy's mission is to lead the transition to a more reliable, robust and renewable electricity system that meets the demands of tomorrow, while safeguarding the energy needs of today.
- Based on a 25-year average, over 90% of the electricity Yukon Energy generates comes from renewable hydropower.
- As demand for electricity continues to grow in the Yukon, and the way people use electricity changes, Yukon Energy is committed to making ongoing investments to strengthen our electricity system.

Additional response:

Yukon Energy is:

- Investing in dependable sources of electricity that Yukon Energy can rely on during the winter. This is essential to providing Yukoners with energy security.
- Supporting the safe and reliable integration of intermittent renewables like solar and wind with thermal generation and batteries for storage and stability.
- Modernizing our systems to make them more flexible and responsive.
- Future-proofing its infrastructure to better manage the impacts of climate change.
- Pursuing significant and coordinated financial investments in the electricity system to keep rates affordable for Yukoners.
- Exploring strategic investment opportunities with Yukon First Nations in the energy sector.

Session Briefing Note

TAB #41
Spring 2025
Yukon Energy
Corporation

General - YEC

- Continuing to explore projects that add sources of renewable, dependable winter capacity to Yukon's grid and advancing the goals set out in *Our Clean Future*.

Context—this may be an issue because:

- Energy projects often attract the public and Opposition attention.

Background:

- Demands on the system are growing faster than renewable energy projects can be identified and constructed due to technical, financial, permitting and social licence complexity.
- Yukon Energy provides power to most Yukoners indirectly, through ATCO Electric Yukon, who buys wholesale power from the corporation.
- Yukon Energy directly serves approximately 2,300 residential and business customers, most of whom live in and around Dawson City, Mayo and Faro.

Approved by:

Chris Milner

President and CEO, Yukon Energy

March 5, 2025

Date approved

Recommended Response:

- Yukon Development Corporation continues to work on its governance responsibilities as we strive to be a model for subsidiary oversight in Yukon.
- To help ensure that Yukon receives the best value for its investment in electricity infrastructure, improving subsidiary governance and accountability is an ongoing activity for the Yukon Development Corporation and Yukon Energy.
- The annual protocol agreement between the Government of Yukon and Yukon Development Corporation as well as the annual protocol agreement and shareholder letter of expectations between the Yukon Development Corporation and Yukon Energy Corporation is updated annually, as required by the *Yukon Development Corporation Act* to ensure alignment of corporate objectives with those of government.

Additional Response:

- Bilateral meetings between the corporations and trilateral meetings with the Minister are conducted on a regular basis to facilitate internal communications.

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Spring 2025

Governance

Yukon Development
Corporation

Context—this may be an issue because:

- Yukon Development Corporation is governed by a Board of Directors as a Government Corporation, and there may be questions about where authorities for decision are shared across the Member-in-Executive Council, the Board, staff, and the subsidiary.

Approved by:

Daniel Carrick-Specht

a/President, Yukon Development Corporation

February 5, 2025

Date approved

Recommended response:

If asked about Yukon Energy Strategic Planning and Road Map to 2050:

- On April 8, 2025, Yukon Energy released its five-year strategic plan *Chapter 1: A Reliable and Robust Grid: 2025 to 2030 and Building a Resilient and Renewable Energy Future – Yukon Energy’s Road Map to 2050*.
- These documents serve as Yukon Energy’s guide to a more resilient and renewable energy future, while ensuring Yukoners have reliable electricity.
- Over the next five years, Yukon Energy will focus on three key priorities to maintain a reliable electricity system:
 - **An Adequate and Dependable Supply of Electricity:** Yukon Energy will upgrade aging infrastructure, advance relicensing for hydro and diesel facilities, build new thermal power centres in the Whitehorse area to provide dependable winter capacity, and deliver programs that help reduce peak demand.
 - **A Strong Electricity System:** Significant investments will be made to expand the capacity of power lines and substations, build new transmission lines, upgrade business systems and invest in a skilled workforce.
 - **Building Tomorrow’s Plan and Partnerships:** Yukon Energy plans to complete a grid modernization plan, and work in collaboration with Yukon Development Corporation to secure critical

investments and construction financing to move projects forward.

If asked about Long Term Planning and Resource Planning:

- Non-industrial peak demand is projected to rise by 50% by 2035 compared to 2020, requiring significant investments in new sources of reliable, affordable, and renewable winter capacity. Yukon Development Corporation – in collaboration with Yukon Energy Corporation, Energy Mines and Resources, and First Nations – is advancing the Pathways Assessment, Energy Roadmap, and Integrated Resource Plan for the Yukon.
 - **Pathways Assessment:** Studies of the available and credible pathways for achieving a net-zero economy by 2050, by evaluating choices and trade-offs, identifying priority actions, and bringing together stakeholders.
 - **Energy Roadmap:** Comprehensive, high-level strategy that guides the development of a net-zero energy system, putting focus on the priority actions required in the near term.
 - **Integrated Resource Plan (IRP):** Utility-centric long-term plan that details how to meet future energy needs in a reliable, cost-effective, and sustainable manner. It considers factors like customer needs and the changing energy landscape, including uncertainties such as technology change and economic growth.

- This long-term energy planning process will follow best practices and be exhaustive, **comprehensive, transparent**, high-level, recurring, and **consultative**.
 - The participatory engagement process will ensure that Indigenous rightsholders, key stakeholders, and the broader public can meaningfully participate.
- Through this work, we are striving towards *Our Clean Future's* aspirational goal of 97% renewable electricity.
- The Yukon-BC Grid Connect feasibility study is one of the steps we are taking right now to explore and advance promising options to meet the Yukon's growing need for more reliable, affordable, and renewable energy.
- We are also exploring other options to increase sustainable power generation in the Yukon through discussions with First Nations and stakeholders, with a focus on increasing renewable winter capacity to meet the growing demand.
- The Yukon is well positioned to seize the opportunity of a low-carbon future to create wealth and prosperity, such as through sustainable development of our critical mineral resources and becoming a net-exporter of renewable energy.

If asked about Yukon Development Corporation:

- Yukon Development Corporation is updating its strategic plan and anticipates completing the exercise by early 2025.

- The YDC Strategic Plan will seek to build out how YDC will accomplish its objectives, as set out in its guiding legislation to:
 - assure a continuing and adequate supply of energy in the Yukon in a manner consistent with sustainable development
 - alleviate the effects of any energy shortage that may occur in the Yukon; and
 - promote the establishment, development and operation within the Yukon of industries or undertakings that are, by their nature, energy dependent through the provision of cost-effective energy or energy-related infrastructure.

If asked about the status of the Advisory Group on Energy Demand and Supply Studies:

- The Yukon Development Corporation is supporting two studies that are jointly being undertaken with ATCO Electric Yukon, Yukon Energy, and the Department of Energy, Mines, and Resources, which will help to better understand the planning parameters related to:
 - **The Intermittent Renewable Integration Study:** This study explores the safe limits for the integration of variable sources of energy (like solar and wind) on the Yukon's main grid; and
 - **The Grid Modernization Strategy:** This study focuses on the modernization of the Yukon's main electrical grid substantially built in the 1950s toward an electrical grid that can be managed more dynamically through the integration of technology.

Context—this may be an issue because:

- Yukon Energy mentioned that the release of the Electricity Supply Plan would happen in 2024. It is now replaced by a five-year strategic plan *A Reliable and Robust Grid: 2025 to 2030*.

Background

- The strategic planning documents are not the same as Yukon Energy's resource plans. The strategic planning documents chart the path by identifying the vision and priorities while the resource plans are technical processes that assess options on how best to meet Yukon's power needs.
- In 2020, Yukon Energy released a 10-year renewable electricity plan technical report. Through this work Yukon Energy learned many valuable lessons, including that large-scale renewable projects require strong partnerships with First Nations to be successful.
- Yukon Energy's last five-year strategic plan was released in 2019, and outlined 6 key priorities:
 - Generate reliable and renewable energy;
 - Secure long-term sustainable financing;
 - Develop mutually beneficial First Nations partnerships;
 - Achieve excellence in employee engagement;
 - Streamline and clarify governance; and
 - Provide outstanding, reliable customer value.
- Yukon Energy continues to build on these priorities through Chapter 1: *A Reliable and Robust Grid 2025-2030*.

Session Briefing Note

Strategic Planning

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Spring 2025

Yukon Energy
Corporation
Yukon Development
Corporation

Approved by:

Daniel Carrick-Specht

a/President, Yukon Development Corporation

March 6, 2025

Date approved

Jason Epp

A/President and CEO, Yukon Energy

March 20, 2025

Date approved

Session Briefing Note**Spring 2025****Corporate Note – Budget Highlights**

Finance

Embargoed until day of budget tabling

Recommended response:

- The Government of Yukon is committed to supporting Yukoners and communities while considering how to most effectively allocate financial resources.
- Budget 2025–26 plans for gross O&M spending of \$1.88 billion, addressing significant O&M pressures in health and education, as well as the response to the heap leach failure at the Eagle Gold mine.
- Overall, Budget 2025-26 forecasts a surplus of \$82 million, thanks in part to our continued capital investments in strategic infrastructure that will provide lasting benefits for Yukoners.
- Despite increases in expenditure, we continue to work to ensure that government spending is allocated in a way that meets key priorities and long-term goals.
- The Yukon remains on a strong financial footing. Budget 2025-26 prioritizes strategic investments that support economic growth, protect the environment, and enhance the quality of life for all Yukoners. It fulfills our commitment to making life affordable for Yukoners while investing in the programs and infrastructure the territory needs to thrive.

Additional response

- **Affordability for all:** Budget 2025-26 reflects our commitment to keeping life affordable for Yukoners with over \$47.3 million in funding for early learning and child care programs, including the universal child care program; \$3.8 million for the new Winter Electrical Affordability

Session Briefing Note**Spring 2025****Corporate Note – Budget Highlights**

Finance

Embargoed until day of budget tabling

Rebate; \$4.8 million for the National School Food Program; and increases in Legislated Grants such as Social Assistance, post-secondary grants and the homeowners grant.

- Budget 2025-26 also includes a record-setting \$57.6 million capital investment in the Yukon Housing Corporation for the construction of new affordable housing units, continued tenancy support and programs responding to the housing needs of Yukoners.
- **Territory-wide growth:** The budget reflects investments in infrastructure across the territory, including major projects such as \$75.5 million for runway and infrastructure upgrades at Erik Nielsen Whitehorse International Airport, over \$50 million for bridge infrastructure, and \$31 million for repairs and upgrades to the North Klondike Highway.
- **Building prosperity through reconciliation:** The Government of Yukon maintains its commitment to reconciliation with First Nations, as demonstrated through a number of partnerships in 2025-26, intended to build economic prosperity. This includes working with Kluane First Nation on the \$15.7 million investment in the Kêts'ádań Kù School construction in Burwash Landing and partnering with Kwanlin Dun First Nation on the Range Point subdivision with an investment of \$5 million.
- **Safe and healthy families and communities:** Health care continues to be a significant source of financial pressure across Canada. Budget 2025-26 provides an additional \$47 million to address ongoing pressures on Insured Health Services and an additional \$24.5 million in Operations and Maintenance and \$4.2 million in capital to support

Session Briefing Note**Spring 2025****Corporate Note – Budget Highlights**

Finance

Embargoed until day of budget tabling

the Yukon Hospital Corporation. These funds will support orthopedic surgeries, new acute care beds, breast cancer screening, medical travel, physician fees, pharmacare, and medical treatments both in and out of the territory.

- **Protecting our environment:** Budget 2025-26 will grow our green economy with \$59 million in investments for *Our Clean Future* initiatives such renewable energy infrastructure and building retrofits. We are making further efforts to protect the environment with an additional \$118 million in additional funding to support environmental protection efforts at the Eagle Gold Mine site, and \$21.5 million for reclamation at the Minto Mine.
- **Supporting Yukon businesses and industry:** The Government of Yukon will continue to provide support for Yukon businesses and industry with over \$11 million for diverse and responsive initiatives that provide sustainable economic benefits to Yukon communities. A few examples include the Innovation Strategy, the Economic Development Fund, the Community Destination Development Fund, the Creative and Cultural Industries Strategy, and the development of a Yukon Trade Resilience Program to support Yukon businesses impacted by possible U.S. tariff decisions.

Context — this may be an issue because:

- The 2025-26 Main Estimates will be debated during the March 2025 legislative session.

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Spring 2025

Corporate Note – Budget Highlights

Finance

Embargoed until day of budget tabling

Background:

- Gross O&M expenditures are forecast to increase by \$282.6 million, or 17.7 per cent, from the 2024-25 Main Estimates.
- The O&M recovery forecast has also significantly increased over the 2024-25 Main Estimates, by about \$10.5 million. Net O&M expenditures are forecast to increase by \$272.1 million, or 19.3 per cent, compared to the 2024-25 Main Estimates.
- Gross capital expenditures are forecast to be about \$477.3 million for 2025-26, which is a \$6.7 million decrease from the 2024-25 Main Estimates. Capital recoveries are forecast to decrease by \$10 million.
- The \$75 million contingency is not included in departmental budgets and would still need to be presented to the legislative assembly for approval, but is included in our fiscal plan so that, if required, it will not affect Yukon's forecast fiscal position.
- On a consolidated basis, when all government reporting agencies, such as Yukon University and public corporations are included, the 2025-26 Main Estimates forecast an annual surplus of \$132.7 million and net debt of \$402.2 million.
- There are 5,561.5 FTEs in the 2025-26 budget, which is an increase of 76.6 FTEs from 2024-25. Growth is primarily for long-term care and home care, Emergency Medical Services, and education personnel, including operational positions for Whistle Bend School and teachers and clerical based on enrollment.

Approved by:

Jessica Schultz

February 25, 2025

Deputy Minister, Finance

Date Approved

Session Briefing Note**2024-25 Supplementary Overview
(Corporate Note)****Embargoed until tabled**

Recommended response:

- The changes outlined in the Supplementary Estimates No. 2 highlight the government's commitment to supporting the health and wellbeing of Yukoners and communities. The government is making important investments in health and social services, education, environmental protection, and in needed infrastructure across the territory.
- The Government of Yukon continues to maintain a budgetary surplus of \$57.6 million. Increased spending of \$130.1 million is partially offset by additional revenue and recoveries of \$19.5 million.
- Despite increases in O&M and capital expenditure, we continue to work to ensure that government spending is allocated in a way that meets key priorities and long-term goals.
- Many of the O&M pressures in Supplementary Estimates No. 2 related to health and education are ongoing pressures for services and will continue to be reflected in the Main Estimates.
- The ability to remain in a surplus position despite an increase in spending is largely owed to:
 - Infrastructure investments, which are mostly tangible capital assets. As they are anticipated to provide benefits over many years, their impact on the surplus/deficit position is recognized over their expected life.
 - Also, the additional \$55 million funding to the Receiver for the Victoria Gold Corp. is provided as a loan, which offsets the impact of these expenditures on the budgetary surplus.

Session Briefing Note**2024-25 Supplementary Overview
(Corporate Note)****Embargoed until tabled**

- Even with significant financial pressures in recent years, and in particular the response to the heap leach failure at the Eagle Gold mine, the Yukon remains on a strong financial footing. The government continues to make strategic investments that support economic growth, protect the environment, and enhance the quality of life for all Yukoners.

Additional response:

- The 2024-25 Supplementary Estimates No. 2 forecasts an overall gross increase of \$114.3 million in O&M spending, with an offsetting increase of \$7.9 million in recoveries-mainly for the following pressures:
 - \$55 million in advances to the Receiver for environmental protection work at the Eagle Gold Mine.
 - \$20.7 million in additional health-related funding to support Insured Health pressures, Yukon Hospital Corporation operations, emergency medical services, and legislated grant programs.
 - \$13.8 million for education related pressures, including Collective Agreement increase for the Yukon Association of Education Professionals and funding the First Nation School Board.

Session Briefing Note

2024-25 Supplementary Overview (Corporate Note)

Embargoed until tabled

- Capital adjustments in the Supplementary Estimates No. 2 reflect an overall gross increase of \$15.8 million in spending and a \$3.8 million increase in capital recoveries. These adjustments are primarily driven by:
 - Increases of \$21.7 million for accelerated work on the Nisutlin Bay bridge replacement and to address capital pressures related to ongoing land development projects;
 - \$7.8 million in decreases due to updated cash flow forecasts and revised timelines for major school replacement projects and the Watson Lake solar project.
- Revenues are projected to increase by \$7.8 million, driven by higher personal income tax and fuel tax revenue forecasts, as well as accrued loan interest from the Victoria Gold Corp. receivership

Context—this may be an issue because:

- The 2024-25 Supplementary Estimates No. 2 is tabled in the spring session and will be the subject of debate.

Approved by:

Jessica Schultz

February 24, 2025

Deputy Minister, Finance

Date approved

Session Briefing Note**Spring 2025****Carbon Pricing
(Corporate Note)**Environment & Finance

Recommended response:

- The Government of Yukon has supported carbon pricing to help reduce emissions and reach our climate targets. We remain committed to taking action on reducing emissions across the territory and to meeting our commitments outlined in *Our Clean Future*.
- However, we anticipate that the consumer carbon price in Canada will likely end in the near future.
- As Minister of Finance, I have asked Canada to provide certainty with respect to how and when carbon pricing will end and also what actions will be taken to contribute to emission reductions in lieu of carbon pricing.
- [We will continue to monitor federal actions on carbon pricing diligently and are committed to keeping Yukoners informed about any changes that may affect them. This includes recent comments by Prime Minister-designate Carney to end the consumer carbon tax “immediately”.](#)

Additional response (federal government changes in policy):

- The Government of Yukon will continue to work with our federal counterparts to ensure we remain compliant to any evolving regulations or changes to carbon pricing programs at the federal level.
- All federal Liberal party candidates, along with the federal leaders of the other parties, have signaled that they will end or significantly change the consumer carbon pricing program. The end of the federal carbon price means that the Yukon would no longer receive revenues to sustain the carbon rebate program.

Session Briefing Note**Spring 2025****Carbon Pricing
(Corporate Note)**Environment & Finance

- The Yukon's carbon rebate is revenue neutral, and on average, Yukoners receive more than they pay in carbon pricing levies.
- We have written to the federal government, requesting collaboration on a systematic wind down of the Yukon carbon rebate program. We have also urged the cancellation of the carbon levy increase planned for April 1, 2025.
- Carbon pricing is just one tool to address climate change. Our plans outlined in Our Clean Future extend beyond any federal programming. Our government will continue to aspire to meet our greenhouse gas emissions target by 2030.

Third response:

- The departments of Environment and Finance continue to work with federal counterparts to assess the implications of carbon pricing on large industrial emitters that are subject to the Output Based Pricing System in the territory and ensure the needs of the Yukon are recognized in national policy.
- The Output Based Pricing System is separate from the consumer carbon price. Canada is currently conducting a review of that system.

Context—this may be an issue because:

- On February 25, Yukon's Minister of Finance issued a statement confirming that he had written to the federal government, requesting collaboration on a systematic wind-down of the Yukon carbon rebate program and urging the cancellation of the planned carbon levy increase set for April 1, 2025.
- Carbon pricing remains a sensitive topic across the country with many provinces and territories voicing their own perspective on how they would like to see this pricing mechanism handled moving forward.

Session Briefing Note**Spring 2025****Carbon Pricing
(Corporate Note)**Environment & Finance

- The federal carbon pricing system is expected to be a central talking point as part of any forthcoming federal election.

Background:

- Most provinces and territories, including British Columbia and the Northwest Territories, have publicly opposed the federal carbon pricing system.
- Recently, federal liberal leaders have committed to ending the federal carbon tax in Canada.
- On April 1, 2025, the carbon levy will increase from \$80 to \$95 per tonne.
- [The new Liberal leader and other federal party leaders have expressed their commitment to end or change the consumer carbon levy.](#)
- [The new federal Liberal leader has indicated the consumer carbon levy would be eliminated “immediately”. No specific dates or timelines have been provided yet.](#)
- Given that the end of the federal carbon price means that the Yukon will no longer receive revenues to sustain the carbon rebate program, on February 24, 2024, Minister of Finance Sandy Silver wrote to federal Ministers Guilbeault and LeBlanc asking for collaboration in winding down the Yukon’s carbon rebate program, including a request to cancel the scheduled April 1, 2025, increase to the carbon levy.
- On February 25, 2024, Minister Silver issued a statement outlining the Yukon’s request to federal Ministers.

Approved by:**Dennis Berry**

Deputy Minister of Environment

March 10, 2025

Date approved

Jessica Schultz

Deputy Minister of Finance

March 10, 2025

Date approved

Session Briefing Note
Inflation and Affordability
(Corporate Note)

Recommended response:

- The Government of Yukon remains committed to supporting Yukoners with day-to-day affordability.
- While inflation has improved, high shelter and food costs remain the largest drivers of overall inflation. These elevated prices continue to stretch the budgets of Yukon households, with lower-income households often feeling the greatest impact.
- We are pleased to report that price pressures eased throughout 2024, with local inflation averaging 2 per cent for the year – well below 2023’s rate of 4.9 per cent.
- [Inflation stabilized in March after rising to 3.5 per cent in February. Further moderation is expected for April following the elimination of the consumer carbon price.](#)
- The Government of Yukon continues to monitor inflation and its impact on Yukoners to ensure we can take effective steps to ease financial burdens.

Additional response:

- Budget 2025-26 builds on existing supports for Yukoners by ensuring access to essential services at affordable prices.
- This year’s budget includes investments to advance housing projects across the territory. This includes affordable housing initiatives such as the replacement of the Ryder Apartments in Whitehorse and the recently completed supportive housing project in Watson Lake. It also supports ongoing residential land development projects, including Whistle Bend Phases 12 and 13 in Whitehorse, the Mountain Ridge

Session Briefing Note
Inflation and Affordability
(Corporate Note)

Development in Haines Junction, and the Frances Avenue
Development in Watson Lake.

- The budget provides more than \$47.3 million for early learning and child care programs, including the Yukon Early Learning and Child Care Infrastructure Fund to expand and improve child care spaces. The universal child care program continues to lower costs, reducing fees to an average of less than \$10 per day.
- Budget 2025-26 allocates \$4.8 million to the National School Food Program, helping support families and ensuring every child has access to nutritious meals at school.
- We are also making life more affordable through the Yukon-wide dental program, which remains a national leader with \$5.4 million in continued funding for 2025-26.
- To support workers, the Temporary Paid Sick Leave Rebate has been extended again, ensuring more Yukoners can stay home when they are ill.
- The Interim Electrical Rebate is being replaced by the new Winter Electrical Affordability Program to help Yukoners manage higher electricity costs during peak winter months.
- The government continues to support the free transit program, launched last year by the Department of Community Services, which provides free bus passes to Yukoners.
- Also, the Government of Yukon is working with partners such as Connective and the Safe at Home Society to expand supportive housing options in Whitehorse.

Session Briefing Note
Inflation and Affordability
(Corporate Note)

Third response

- The Government of Yukon has also remained responsive to higher inflation in recent years through its various grants and subsidies, which are indexed to inflation. These include:
 - o Subsidies for medical travel
 - o The Yukon Child Benefit
 - o Social Assistance Payments
 - o Student Financial Assistance
 - o Seniors' benefits
 - o The Pioneer Utility grant
 - o The Comprehensive Municipal Grant Regulation
 - o Residential rent caps
- The Yukon's minimum wage is also responsive to price changes, as its annual change is tied to inflation in the previous year.
- After growing 6.8 per cent in 2023, the minimum wage increased a further 4.9 per cent in 2024 and will again increase on April 1, 2025, to \$17.94 per hour.
- The Yukon's minimum wage is the second highest in Canada, behind only Nunavut's minimum wage of \$19.00 per hour.
- These increases also contribute towards the strong earnings growth we continue to see in the territory. Average weekly earnings grew 5.3 per cent over the first eleven months of 2024, the third strongest growth in the country.

Session Briefing Note

Inflation and Affordability (Corporate Note)

Context—this may be an issue because:

- Inflation has fallen from historic highs, but Yukoners are still dealing with higher prices for goods and services following a lengthy period of elevated inflation.
- The moderation of inflationary pressures that began to take hold late in 2023 continued throughout 2024. Growth in the Whitehorse Consumer Price Index (CPI) was much lower in every month in 2024, and annual inflation of 2 per cent was much improved from 2023.
- Both nationally and in Whitehorse, Inflation has picked up in the first three months of 2025. While inflation declined nationally in March compared to February, Inflation of 3.5 per cent for Whitehorse was unchanged from February, and remains the highest in the country for a second-straight month.

Background:

Inflation – Recent performance and outlook

- Following ten increases in the overnight rate since March 2022, the Bank of Canada made five rate cuts in 2024, with the overnight rate dropping from 5.0 per cent to 3.25 per cent. As of March 12, 2025, there have been two additional cuts of 0.25 percentage points and further rate cuts are expected this year, given economic uncertainty around tariffs. These cuts will further reduce pressure on shelter prices as mortgage rates decline.
- Both locally and nationally, price pressures lessened in 2024, with inflation near historic norms.
- After much improved inflation figures throughout 2024, inflation has moved higher over the first three months of 2025. March's inflation of 3.5 per cent for Whitehorse was unchanged from February and remains the highest in the country for a second-straight month.

Session Briefing Note
Inflation and Affordability
(Corporate Note)

- Nationally, inflation fell from 2.6 per cent in February to 2.3 per cent in March, with inflation down in most jurisdictions.
- Shelter costs continue to be a major driver along with restaurant prices and traveller accommodation.
- With the consumer carbon price ending at the end of March, lower gasoline and fuel oil prices in April should weigh on overall Whitehorse inflation. April data will be released on May 20, 2025.
- The current outlook for the Whitehorse CPI reflects expectations of a return to 'normal' levels of inflation, with the inflation forecast of 2 per cent in 2024, much improved from 4.9 per cent in 2023 and 6.8 per cent in 2022. Annual inflation is expected to average 2 per cent over the period 2025 to 2029.

*** Programs that support affordability listed below ***

HOUSING

Capital projects supporting housing affordability

- Programs such as the Housing Initiatives Fund and investments through the Permanent Affordable Housing program support Yukon Housing Corporation's five-year strategic plan, *Creating Home*, which prioritizes innovative projects and partnerships to expand affordable housing, close gaps in the housing continuum, and increase homeownership opportunities for Yukoners. These partnerships address housing needs and support economic development.
- Eighteen new units in Whistle Bend have been purchased to support a range of housing needs along the continuum.
- Work has begun on the old Korbo lot in Dawson City, which will provide an additional 34 Rent Geared to Income units, scheduled for completion in 2026.
- Groundwork began at the old Ryder Apartments in Whitehorse in September 2024 and we are aiming for completion in spring 2026. When completed, the new complex will deliver 45 new affordable housing units.

Session Briefing Note

Inflation and Affordability

(Corporate Note)

Supportive Housing (Health and Social Services & Yukon Housing Corporation)

- \$1.5 million for Safe at Home will go towards establishing temporary supportive housing at 408 Alexander Street.
- As well, we are contributing \$900,000 in 2025-26 of a total \$12.9 million dollar commitment towards Safe at Home Society's 67-unit project (*The Hearth*), which will provide safe, supportive and permanent housing in Whitehorse.
- Construction of a 10-unit housing complex in Watson Lake was completed in January 2025 which will open its doors in spring 2025.

Canada-Yukon Housing Benefit Rental Subsidy (Yukon Housing Corporation)

- The Canada-Yukon Housing Benefit offers a rental subsidy for low-to-moderate income renters.
- Funded through the National Housing Strategy, the Canada-Yukon Housing Benefit rent subsidy has helped over 300 low- to moderate-income Yukoners with affordability challenges since 2020.
- In addition, the Canada-Yukon Housing Benefit gender-based violence rent subsidy helps survivors access safe housing, so they are not forced to return to unsafe situations due to housing costs.

Winter Electrical Affordability Rebate (Yukon Development Corporation)

- As a replacement for the Interim Electrical Rebate, Yukon Development Corporation will launch the Winter Electrical Affordability Rebate to assist Yukoners with electricity costs in the winter months.

Energy retrofits and funding to improve efficiency (Energy, Mines and Resources)

- Funding that supports reducing energy costs is available for the transportation sector, renewable heating sector, home and building owners, and the construction industry.

Session Briefing Note

Inflation and Affordability (Corporate Note)

- Innovative programs like the Better Buildings Program that offer up-front funding, combined with our Good Energy rebates, make energy retrofits more accessible and affordable for Yukoners.
- For existing homes, the Energy Branch offers the Good Energy Rebate Program for high performance heating systems and upgrades to thermal enclosures including insulation and windows, and high-performance new homes. Taking these measures will save homeowners money by reducing their energy costs.

Affordable Heat Pump Program (Energy, Mines and Resources)

- The Affordable Heat Pump Program aims to help low-to-middle-income households cover the cost of purchasing and installing a heat pump, a device that has the potential to significantly reduce a homeowner's energy costs.
- Since the launch of the Affordable Heat Pump Program late last year, the response has been overwhelming, with over 90 applications.
- The program quickly reached its funding capacity and we are working with our federal partners to seek consideration for additional funds.
- People can still apply to a waitlist and applications will be approved in the order they are received. The program website remains the best way to stay informed about the program.

HEALTH AND WELLBEING

Dental Care program (Health and Social Services)

- The Yukon's Dental Program was launched in 2023 and provides \$1,300, per year, in dental benefits to Yukoners without dental coverage. The program will cover dental treatments necessary to relieve pain and infection, prevent disease, treat cavities, and restore chewing and social function. It will also offer full coverage for preventive care, such as routine dental cleaning.

Yukon Seniors' Income Supplement (Health and Social Services)

- The Yukon Seniors' Income Supplement provides a monthly income supplement for eligible Yukoner senior's receiving Old Age Security (OAS) and the Guaranteed

Session Briefing Note

Inflation and Affordability (Corporate Note)

Income Supplement (GIS) from the federal government. This amount is adjusted for inflation in October, each year.

Social Assistance Review (Health and Social Services)

- Health and Social Services is undertaking a review of the Yukon's Social Assistance rates to inform options to improve the delivery of the program and ensure it is meeting the needs of program clients.
- While the review is underway, the department is providing a \$100 monthly increase to eligible Social Assistance recipients.

FAMILIES AND EDUCATION

Universal Child Care Program (Education)

- Universal child care is available to all Yukon families using licensed child care spaces. The universal child care program has reduced fees to less than \$10 per day, on average, for families across the Yukon.

Yukon Early Learning and Child Care Infrastructure Fund (Education)

- The Department of Education has a three-year agreement covering the years 2023-24 to 2025-26 with the Government of Canada that will see \$7.7 million in new funding flowing to the Yukon that can be used to create spaces and increase accessibility for not-for-profits and First Nations governments.
- This partnership with the Government of Canada will support a mutual vision of high-quality early learning and child care that is affordable, accessible, and inclusive.

Food in Schools program (Education)

- Good nutrition is vital for students' mental and physical health and increases all students' learning potential.
- On April 1, 2024, Canada announced a \$1 billion investment over five years to create a National School Food Program.

Session Briefing Note

Inflation and Affordability (Corporate Note)

- The new National School Food Policy outlines principles and objectives to support the vision of every child having access to nutritious food in school
- Budget 2025-26 includes \$4.8 million for the National School Food Program.

Fertility Tax Credit (Finance)

- We are committed to improving access to fertility and surrogacy treatments for Yukoners.
- The value of the refundable credit will be 40% of eligible expenses to a maximum of \$10,000 per year per taxpayer with unlimited lifetime availability.
- This generous support is in addition to the new medical travel coverage for fertility treatment and enhances existing support in the tax system, such as the Medical Expense Tax Credit and Northern Residents Deduction.
- Alongside the recently announced medical travel coverage for fertility treatments, the tax credit in this bill will help relieve financial pressures for Yukon families who are accessing these treatments.

Yukon Child Benefit (Health and Social Services and Finance)

- The Yukon Child Benefit provides monthly payments to modest and low-income households who have children under 18. The maximum benefit, per child, is now tied to inflation, effective for the 2023–24 benefit year.

Out of Home Childcare Increases (Health and Social Services)

- To offset inflationary cost of living increases and provide sufficient financial resources to meet the needs of children placed in their care, Health and Social Services provided an ongoing 10 per cent increase to monthly payments to caregivers of children in out of home care in 2023-24, on top of the annual indexed increase. Combined, this amounted to a 16.46 per cent rate increase for community and extended family caregivers.
- Rates are indexed annually to the Whitehorse Consumer Price Index, most recently increased by 2.4 % in October 2024.

Session Briefing Note
Inflation and Affordability
(Corporate Note)

BUSINESSES and COMMUNITIES

Paid sick leave program (Economic Development)

- The Paid Sick Leave Rebate program is now extended until March 31, 2026.
- On April 1, 2023, the Department of Economic Development launched the Paid Sick Leave Rebate as a temporary program offering up to 40 hours of paid sick leave to employees and self-employed Yukoners that earn less than the average private-sector wage of \$33.94/hour.
- The program includes all illnesses (and injuries not covered by any other Act, benefit, or program). The program is available to employees regardless of whether their employer offers paid sick leave, though employees must use all paid sick leave available to them through their employer before they are eligible for the Paid Sick Leave Rebate.

Yukon Trade Resilience Program (Economic Development)

- In preparation for the potential of tariffs on Canadian goods being considered by the United States or other negative impacts on trade, the Department of Economic Development is creating a program to support Yukon businesses.
- The US remains the territory's most important international partner. We are working closely with our federal, provincial, and territorial partners to ensure that we have programming available to mitigate the impact on the Yukon by ensuring support is available if needed.
- The program is still in early stages and will evolve in response to outside factors.

Curbside Recycling (Community Services)

- The Yukon government is supporting the City of Whitehorse with up to \$2.4 million over two years, through 2024 and 2025, for a curbside collection program. The City's program is now in place and the Yukon government's support reduces the cost for Whitehorse households by roughly 50 per cent.

Session Briefing Note
Inflation and Affordability
(Corporate Note)

Approved by:

Jessica Schultz

April 15, 2025

Deputy Minister, Finance

Date Approved

Session Briefing Note
Our Clean Future
Implementation

Environment and Energy,
Mines and Resources

Recommended response:

- Yukoners recognize that our territory, alongside jurisdictions around the world, is facing a climate emergency that is increasingly impacting our communities and way of life.
- In 2020, the Government of Yukon released Our Clean Future, the territory's first climate strategy that is guiding our response to climate change and climate adaptation.
- We continue to make significant progress on implementing Our Clean Future. In November 2024, we shared the 2023 Our Clean Future progress report that highlights our progress in adapting to climate change impacts and reducing greenhouse gas emissions.
- As of the end of 2024 we:
 - Registered 597 zero emission vehicles in the territory and all road-connected communities are equipped with fast chargers;
 - Provided over 1500 rebates for electric bikes;
 - Completed over 300 high performance residential retrofits including over 50 high performance commercial and industrial building energy retrofits;
 - Installed 219 smart heating devices in homes and buildings;
 - Installed 10 megawatts of renewable electricity through the Micro-Generation Program.
- In addition, we recently launched a new income tested heat pump rebate, which was fully subscribed within a month, providing 84 households with funding for heat pumps this year and next.

Session Briefing Note
Our Clean Future
Implementation

Environment and Energy,
Mines and Resources

- By the end of 2023, the Government of Yukon has completed 68 Our Clean Future actions, 105 are in progress or ongoing and 5 have not yet been started.

Additional response:

- As we continue to address climate change, it is important for us to look back on our progress and continue to assess how we can better respond to climate change and reduce our emissions.
- In 2023, we announced the addition of 42 new actions to help us reach our climate goals, which brings the total number of climate actions to 178.
- These new actions are a product of the important work of the Yukon Climate Leadership Council, the Yukon Youth Panel on Climate Change, Navius Research and the findings in the Climate Risk Assessment report.
- The new actions focus on reducing the Yukon's emissions, supporting accessible, reliable and affordable renewable energy, climate adaptation and transitioning to a green economy.
- By the end of 2024, we have made significant progress, including:
 - Completed flood maps for the Southern Lakes region, Teslin and Carmacks. Flood hazard maps are underway for Old Crow, the City of Dawson and the Klondike Valley, and Mayo.
 - Worked with municipalities and First Nations governments to finalize the Community Wildfire Protection Plans in Faro, Haines Junction, Teslin, the City of Dawson and Whitehorse. Plans for Beaver Creek, Mayo, Old Crow, Watson Lake, Destruction Bay and Burwash Landing are underway.

Session Briefing Note
Our Clean Future
Implementation

Environment and Energy,
Mines and Resources

- Advanced climate change preparedness by initiating development of a permafrost monitoring system for key public buildings, and guidelines to address climate hazards in major infrastructure projects.
- Established a geohazard mapping program to understand risks from climate change to the Yukon's transportation corridors.
- Completed flood risk mapping for all transportation corridors in the Yukon.
- We are committed to efforts to reduce greenhouse gas emissions and we support Yukoners in the transition to cleaner transportation options and energy efficient homes and buildings.
- In 2024, we:
 - We passed legislation to set a target of a 45 per cent reduction in mining sector emissions per unit of production by 2035.
 - Began providing rebates for medium-duty electric vehicles.
 - Installed electric vehicle chargers in every road-accessible community in the Yukon, enabling zero-emissions travel throughout the territory. 20 fast charging stations are now operational throughout the territory, and one new Level 2 charger in Swift River. (See EMR BN #30)
- Since 2020, we have provided rebates for 543 energy efficient new homes, exceeding our 2030 target of 500.

Session Briefing Note

Our Clean Future Implementation

Spring 2025
Environment and Energy,
Mines and Resources

Third response:

- Existing actions put us on track to reduce the Yukon's emissions by 30 per cent by 2030. However, there is still significant work required to meet our target reduction of 45 per cent by 2030.
- One of the major drivers of emissions is population – more people means more cars on the road and more homes to heat.
- However, as the population of the Yukon continues to grow, we aren't seeing the rate of emissions increase that we would expect.
- We are seeing lower emissions per Yukoner than we saw in 2010; this is a promising sign that the emissions intensity of everyday life for Yukoners may be starting to decrease.
- We will continue to build on Our Clean Future as we learn more and implement new actions. This will be reflected in the annual reports.
- We will continue to find opportunities to reach our targets as we work with experts, stakeholders and partner governments across the territory and beyond.

Context — this may be an issue because:

- Climate change and the government's progress in delivering on Our Clean Future commitments is of interest to Yukoners.

Background:

- Our Clean Future was released on September 14, 2020, and now has 178 actions, of which 136 are original actions and 42 are new actions. These actions seek to reduce greenhouse gas emissions and support the Yukon to be highly resilient to the impacts of climate change by 2030.

ENV #20 / EMR #54
Spring 2025

Session Briefing Note
Our Clean Future
Implementation

Environment and Energy,
Mines and Resources

- The Government of Yukon reports annually on progress for the implementation of Our Clean Future. Four Annual Reports have been published to date, with the latest report released on November 12, 2024 (capturing 2023 data).
- The Our Clean Future website was launched in December 2023, which shows the government’s commitments and successes towards fighting climate change.

Approved by:

Dennis Berry

February 5, 2025

Deputy Minister, Environment

Date approved

Paul Moore

February 5, 2025

Deputy Minister, Energy, Mines and Resources

Date approved

Housing Landscape

Yukon Housing Corporation

Recommended response:

- Access to housing remains a priority, and work continues to address key challenges, including:
 - Expanding housing with support services for those in need.
 - Increasing the supply of affordable rental units.
 - Helping Yukoners navigate housing costs.
- Yukon Housing Corporation and its partners are adapting to high construction and borrowing costs by finding innovative ways to develop and maintain housing.
- The corporation's five-year strategic plan, *Creating Home*, is driving a more client-focused and collaborative approach to affordable housing and integrating support services to improve outcomes for Yukoners.

Additional response:

- Governments and stakeholders are working together to develop new land, expand housing options, and respond to the findings of the 2022 Office of the Auditor General Report on housing.
- Housing projects continue to move forward to meet the needs of Yukoners.

Context:

- The combination of high rental costs, limited affordable housing options and difficulties in securing mortgages continues to be a challenge for many Yukoners.
-

Background:

Section 1: Yukon population

- In June 2024, the estimated Yukon population was 46,640; an increase of 1,354, or 3.0%, compared to the revised figure for June 30, 2023 (45,286).
- The Yukon's population is forecast to increase to 51,520 by 2030.
- While the population of most age groups is expected to increase over this period, the number of seniors and people between the ages of 55 and 64 is expected to grow the fastest.

Housing Landscape

Yukon Housing Corporation

Section 2: Housing statistics

Average Whitehorse house prices (YBS)

	2023 Q4	2024 Q4	% Change
Single-detached house	\$627,400	\$657,900	3.0%
Condominium	\$416,000	\$611,900	7.2%

Yukon rents and vacancies (YBS)

	October 2022	April 2023	October 2023	April 2024
Median rent (all types)	\$1,300	\$1,325	\$1,350	\$1,420
Vacancy rate (all types)	1.9%	2.2%	1.8%	1.8%

New residential permits issued, Yukon (YBS)

Year	# of new residential permits
2020	657
2021	635
2022	416
2023	429

Residential building construction, Yukon (YBS)

	January-December 2023	January-December 2024
# residential permits issued*	988	839
\$ value of new permits*	\$81.1 million	\$156.2 million (92% increase)

*In addition to new dwelling units, residential permits include renovations, garages, and additions.
The totals do not include permits issued for plumbing or stoves.

City of Whitehorse, new housing completions ([CMHC](#))

Year	Homeowner	Rental	Condo	All
2018	66	100	61	227
2019	55	78	110	243
2020	80	116	152	348
2021	86	57	53	196
2022	111	194	181	486
2023	129	189	126	444
2024	73	19	151	243

Section 3: Capital projects recently completed by YHC or partners

Since 2022:

- 10 YHC-led projects have been completed, creating a total of 77 new residential units; and
- 8 major Housing Initiatives Fund partnership projects have been completed, creating over 276 new units.

Housing Landscape

Yukon Housing Corporation

YHC projects completed 2022-2024

YHC Project	Construction Start Date	Construction Completion Date	Number of Units
401 Jeckell Street, Whitehorse	May 2020	December 2022	47
RHI affordable triplex, Whitehorse	June 2021	June 2022	3
RHI affordable triplex, Watson Lake	June 2021	March 2022	3
RHI affordable triplex, Mayo	June 2021	March 2022	3
Accessible duplex, Mayo	July 2022	June 2023	2
Accessible duplex, Carmacks	August 2022	July 2023	2
RRDC staff trailer, Ross River	June 2023	December 2023	3
10-plex*, Old Crow (*Asset owned by HPW/ managed by YHC)	Summer 2021	Jan 2024	10
Accessible duplex, Faro	Summer 2023	Spring 2024	2
Affordable duplex, Dawson City	August 2022	June 2024	2
Total units completed (YHC projects):			77

Major partnership projects completed 2022-2024

Project (Lead)	Construction Completion Date	Number of Units
Bringing Citizens Home, Whitehorse (Champagne and Aishihik FN)	Summer 2022	20
Cornerstone multi-use building, Whitehorse (Opportunities Yukon)	July 2022	53
Normandy Living seniors' supportive residence, Whitehorse (KBC)	December 2022	84
Boreal Commons apartments, Whitehorse (536754 Yukon Inc)	January 2023	87
Affordable modular housing, Mayo (Na-Cho Nyäk Dun FN)	March 2023	8
Jëje Zho 12-bed men's shelter, Dawson City (Tr'ondëk Hwëch'in FN)	July 2023	8
VGFN elders complex, Old Crow (Vuntut Gwitchin FN)	January 2024	9
VGFN mobile homes, Old Crow (Vuntut Gwitchin FN)	March 2024	7
Total units completed (major partnerships):		276

Section 4: Underway or upcoming housing capital projects for YHC and partners

YHC projects underway

Project	Start Date	Anticipated Completion Date	Number of Units
Watson Lake - 10-unit supportive living residence (TAB #20)	Summer 2023	Winter 2025	10
Dawson - 34-unit housing project - Korbo lot (TAB #19)	Fall 2024	2026-27	34
Whitehorse - 45-unit Ryder replacement	Fall 2024	Spring 2026	45
Burwash Landing - 1 staff duplex (TAB #25)	Fall 2024	Summer 2026	2
Whitehorse - Purchase of 190 Olive May Way (TAB #5)	July 2024	February 2025	18
Total units underway:			109

Major partnership projects underway or completed

Project	Start Date	Anticipated Completion Date	Number of Units
Safe at Home Society's supportive housing "The Hearth"	March 2024	Spring 2026	67

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Spring 2025

Housing Landscape

Yukon Housing Corporation

Safe at Home Society's supportive housing at 408 Alexander	May 2024	Completed	17
DDDC's affordable rental project "Winter Crossing"	Spring 2024	Spring 2026	105
Northern Community Land Trust Society's affordable homeownership "Project 1096"	June 2024	December 2025	32
HIF-7 funding recipients	Spring 2024	Fall 2026	78
Total units:			299

YHC projects planned

Project	Anticipated Start Date	Anticipated Completion Date	Number of Units
Teslin – 6-plex with Village and Teslin Tlingit Council	Design – 2025/26	2027/28	6
Carcross – 6-plex	Lot selected, YESAB approval in progress	2027/28	6
Mayo – 10-Unit Community Housing Project	Lot selected, Design – 2027/28	2029/30	10
Ross River – duplex	2026/27	2028/29	2
Haines Junction – 6-plex	2027/28	2029/30	6
Whitehorse – Accessible Triplex at 44-13 th Ave.	Deferred due to lack of city sewer/water infrastructure, plan to upgrade in 3-5 years.		3
Total units planned:			33

Section 5: Support for new residential land development

September 2024	As part of the Government of Yukon's ongoing commitment to increase land and housing availability and support business growth, new residential and industrial lots are being released in communities across the Yukon in partnership with municipalities and Yukon First Nations. <ul style="list-style-type: none"> seven residential lots in Haines Junction, Mayo and Watson Lake; and three industrial lots in Teslin and Haines Junction This is the sixth lot release this year and is a direct result of the Government of Yukon's historic investment in land development. Since 2021, 685 lots have been released through lotteries and tenders, with over 1,000 expected by 2026. (TABS # 37 & 38).
August 2024	As part of its efforts to work in collaboration with municipalities and Yukon First Nations governments to address housing and business space needs across the territory, the Government of Yukon has released 33 new residential lots across the Yukon. <ul style="list-style-type: none"> Twelve lots are available in Carmacks and Faro 21 country residential lots are available in the Lone Tree subdivision north of Teslin.
June 2023	Government of Yukon partnered with the Government of Canada and the City of Dawson to develop four new residential lots in Dawson.
February 2023	120 lots, including single family, multi-family and townhouse lots in Whistle Bend made available through public lottery.

Section 6: Tenants in Yukon Housing RGI units

YHC Unit Status as of April 24, 2025

Breakdown	Employee	RGI	Total
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Session Briefing Note

TAB #1
Spring 2025

Housing Landscape

Yukon Housing Corporation

Occupied	166	664	830
Under Allocation	2	13	15
Under Capital	2	9	11
Under Repair	3	25	28
Total	173	711	884

Length of RGI tenancy as of April 24, 2025

Length of RGI tenancy in years	Non-Senior	Senior	Total
<1 Year	79	41	120
01-02 Years	96	39	135
02-03 Years	38	33	71
03-04 Years	29	15	44
04-05 Years	18	17	35
05-10 Years	78	97	175
10-15 Years	21	25	46
15-20 Years	8	13	21
20+ Years	7	9	16
Total	374	289	663
Average Years	3.7	5.6	4.5

*The longest running tenancy is 29 years.

Section 7: Waitlist

YHC waitlists for seniors and non-seniors as of April 24, 2025 (TAB #13)

Community	Non-Senior	Senior	Total
Carcross	1	0	1
Carmacks	4	0	4
Dawson City	13	9	22
Haines Junction	2	2	4
Ross River	1	0	1
Watson Lake	16	3	19
Whitehorse	180	93	273
Total	217	107	324

As of April 24, 2025, 13 employees are on the waitlist (TAB #10)

Community	Employee
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Session Briefing Note

TAB #1
Spring 2025

Housing Landscape

Yukon Housing Corporation

Dawson City	6
Faro	1
Haines Junction	3
Pelly Crossing	1
Ross River	1
Teslin	1
Total	13

*Note Beaver Creek, Destruction Bay, Old Crow and Pelly Crossing do not have Rent-Geared-to-Income units and Whitehorse does not have employee housing units.

RGI Waitlist based on Priority Status as of April 24, 2025

Priorities	Non-Senior	Senior	Total
Affordability	136	59	195
By-Name List/Homeless (Community)*	5	2	7
Priority – Medical	11	17	28
Priority – Mobility	10	31	41
Priority – Gender-based violence	56	1	57
TOTAL	218	110	328

*Note this category is used to identify homeless priority in the rural communities outside of Whitehorse. This does not represent the total number of individuals and/or households on the Community By-Name List. Individuals who are homeless may be included in the affordable category until information is shared from the Coordinated Housing Access Team.

Time on Waitlist based on Secondary Status

Breakdown	Affordable	By-Name List	Medical	Mobility	Gender-based violence	Total
<1 Year	129	6	16	21	25	197
1-3 Years	51	0	9	13	28	101
3-5 Years	8	0	3	2	1	14
5-7 Years	7	1	1	2	0	11
7+ Years	1	0	0	0	0	1
Total	196	7	29	38	54	324
Average Years	1.2	1.2	1.4	1.4	1.0	1.2

* The By-Name List category identifies homeless priority in the rural communities outside of Whitehorse.

Section 8: Canada-Yukon Housing Benefit (TAB #9)

- The program helps low-to-moderate-income Yukoners in private market rental housing who cannot afford rent. Applicants can receive \$200, \$400, \$600 or \$800 per month, which will be paid directly to the individual.

Housing Landscape

Yukon Housing Corporation

- Applicants must provide proof of income to be eligible.
- Since the program's launch in November 2020, over 300 households have been supported.
- As of April 24, 2025:
 - 206 households were approved for the original benefit.
 - 18 households were approved for the gender-based violence stream.

Canada-Yukon Housing Benefit - Rental stream breakdown by benefit level as of April 24, 2025.

Benefit Level	# of Clients	Monthly Budget
200	77	\$15,400.00
400	38	\$15,200.00
600	47	\$28,200.00
800	44	\$35,200.00
Total	206	\$94,000.00

Canada-Yukon Housing Benefit - Rental stream recipients as of April 24, 2025.

Community	Non-Senior	Senior	Total
Dawson City	5	4	9
Haines Junction	3	0	3
Watson Lake	1	1	2
Whitehorse	149	43	192
Total	158	48	206

Section 9: Loans and Grants programs

1. **Yukoner First Home Program (TAB #6)** – Launched on April 23, 2024, the Yukoner First Home Program is a new program that provides a deferrable, low-interest loan to first-time buyers who have a pre-approved mortgage and need down payment support.
2. **Developer Build Loan (DBL) Program** – Provides loans for short-term construction financing to Yukon developers who may be unable to secure funding from traditional lenders. The program is for land and infrastructure development for residential purposes or building homes and multi-unit residential buildings. The loan is fully repayable to Yukon Housing Corporation.

Developer Build Loan Program

Applications	2020-21	2021-22	2022-23	2023-24	2024-Jan25	Total	%
Approved	1	1	1	0	2	5	46
Declined	0	0	2	1	0	3	27
Cancelled	0	2	0	1	0	3	27
TOTAL	1	3	3	2	2	11	100

Housing Landscape

Yukon Housing Corporation

3. **Home Ownership Loan Program** – A spring 2024 review found it was not adequately supporting the needs of Yukoners, prompting the transition to the new program. The program has been replaced by the Yukoner First Home Program.

4. **Municipal Matching Rental Construction Program (MMRCP)** – This is a one-time capital grant for projects that receive a municipal development incentive. It is meant to help increase the supply of rental housing in communities.

MMRCP

Applications	2020-21	2021-22	2022-23	2023-24	2024-Jan 25	Total	%
Approved	13	12	17	12	10	64	64.6
Declined	2	1	3	4	0	10	10.1
Cancelled	1	0	12	10	2	25	25.3
TOTAL	16	13	32	26	12	99	100

5. **Home Repair Program** – Funding to repair or upgrade primary residence. This program includes emergencies, accessibility and wildfire grants and a home repair loan. *Note: Three intakes have been completed for the fiscal year 2023-2024.*

Grants stream:

Applications	2020-21	2021-22	2022-23	2023-24	2024-Jan 25	Total
Approved/Pre-Approved	40	46	34	17	3	140
Declined	0	2	3	3	2	10
Cancelled	6	14	9	8	8	45
Total	46	62	46	28	13	195

Loans stream:

Applications	2020-21	2021-22	2022-23	2023-24	2024-Jan 25	Total
Approved/Pre-Approved	0	6	8	10	2	26
Declined	0	5	10	12	5	32
Cancelled	0	25	32	24	20	101
Total	0	36	50	46	27	159

Accessibility stream:

Applications	2020-21	2021-22	2022-23	2023-24	2024-Jan 25	Total
Approved/Pre-Approved	10	8	14	7	5	44
Declined	0	1	2	1	2	6
Cancelled	1	3	8	14	1	27
Total	11	12	24	22	8	77

Session Briefing Note

TAB #1
Spring 2025

Housing Landscape

Yukon Housing Corporation

Emergency stream:

Applications	2020-21	2021-22	2022-23	2023-24	2024-Jan 25	Total
Approved/Pre-Approved	10	6	6	5	3	30
Declined	0	2	6	11	6	25
Cancelled	1	1	4	36	11	53
Total	11	9	16	52	20	108

Session Briefing Note

TAB #1
Spring 2025

Housing Landscape

Yukon Housing Corporation

Wildfire Grants stream:

Applications	2020-21	2021-22	2022-23	2023-24	2024-Jan 25	Total
Approved/Pre-Approved	n/a	n/a	n/a	11	10	21
Declined	n/a	n/a	n/a	0	1	1
Cancelled	n/a	n/a	n/a	16	4	20
Total	n/a	n/a	n/a	27	15	42

6. **Housing Initiatives Fund (HIF)** – Provides capital construction grants for planning and development of new affordable home ownership or rental housing. Affordable is defined as at or below the median market rent or house price. All projects funded under HIF must remain affordable for 20 years. (TAB #26)

Approved by:

Samantha Paterson
President, Yukon Housing Corporation

April 25, 2025
Date Approved

**Truth and Reconciliation Commission
– Update on Calls to Action**

Executive Council
Office

Recommended response:

- Reconciliation is an ongoing process and a shared responsibility of all governments and individuals in the Yukon.
- Our government is deeply committed to advancing reconciliation through collaboration and partnership with Indigenous governments and groups.
- We continue to share our progress toward addressing the Truth and Reconciliation Commission's Calls to Action, most recently through a progress report and Pathways magazine both released in fall 2023.
- The magazine and report provided an update on the actions being taken across the Yukon government and in collaboration with Yukon First Nations governments in areas including child welfare, health, education and justice.

Additional response:

- The Government of Yukon and Yukon First Nations governments are leaders in demonstrating a collaborative approach to reconciliation.
- While there is still work to do, targeted investments are resulting in meaningful change and creating better programs and services for all Yukoners.
- We will continue our collaborative work to implement and report on the Calls to Action, including through work on the Yukon Forum joint priorities and by implementing the *Putting People First* recommendations.

Context—this may be an issue because:

- The 2023 mandate letters include a commitment to fulfill the Truth and Reconciliation Commission's (TRC's) Calls to Action. The 2023 Confidence and Supply Agreement includes a commitment to working with Yukon First Nations to continue to implement the recommendations of the Truth and Reconciliation Commission through targeted investments.
-

Background:

Spring 2025**Truth and Reconciliation Commission
– Update on Calls to Action****Executive Council
Office**

- The TRC report *Honouring the Truth, Reconciling for the Future* was released in 2015 and contains 94 Calls to Action on redressing the harms resulting from residential schools and creating better relations between the federal, provincial and territorial governments and Indigenous Peoples. There are 32 Calls to Action that relate directly to YG.
- The Government of Yukon and Yukon First Nations (YFNs) collaborated on addressing the Calls to Action under the 2017 Yukon Forum Joint Priority Action Plan and through other reconciliation initiatives, such as supporting the important work of the YFN-led Yukon Residential Schools and Missing Children Project.
- The Government of Yukon has taken additional steps to address the Calls to Action, including:
 - establishing the position of Assistant Deputy Minister of First Nations Initiatives at the Department of Education, signing an agreement to establish a YFN School Board and entering into education agreements with all YFNs (speaks to Calls 7 and 10 directed to the federal government);
 - supporting Indigenous athletes and the North American Indigenous Games (Call 88);
 - implementing the YFN Procurement Policy (relates to Call 92) and the Representative Public Service Plan: *Breaking Trail Together* (relates to Call 7);
 - working with YFNs and Yukon Indigenous women's groups to implement the Yukon's *Missing and Murdered Indigenous Women, Girls and 2-Spirit+ People Strategy* (MMIWG2S+ Strategy) (relates to Call 41);
 - participating at the Trilateral Table on the Wellbeing of YFN Children and Families to address gaps for culturally appropriate parenting programs (Call 5); and
 - receiving input from YFNs on Health and Social Services programming through the Mental Health Advisory Committee (relates to Call 19).

Approved by:Justin Ferbey**Deputy Minister, Executive Council Office**2025 01 30**Date**

Canada and United States Relations – Corporate Response

Executive Council Office

Recommended response:

- Canada and the United States (U.S.) have one of the strongest and mutually beneficial relationships of any two countries in the world.
- The U.S. is Canada's largest trading partner, and I hope to see more Yukon companies benefiting from that relationship.
- The Premier has been meeting regularly with Premiers and the Prime Minister to inform a united Team Canada approach to U.S. relations.
- Our government is doing its part to ensure the relationship between our countries remains secure and prosperous.
- The Yukon has had a lot of success over the last four years with the U.S. government, including a trade mission, solving border issues, and funding the Alaska Highway.
- Our interests in Arctic security, a healthy environment, critical minerals, robust transportation infrastructure and access to tidewater serve both our jurisdictions as investment and geopolitical focus remain on the North.
- We are working together to advance shared priorities that will improve the prosperity, stability and wellbeing of both jurisdictions.
- We continue to engage regularly with Governor Dunleavy, Alaskan congressional officials, and the U.S. Consul General in Vancouver.

Response to Tariffs

- On April 2, 2025, the U.S. Administration decided to push forward with unjustified and short-sighted global tariffs.

Canada and United States Relations – Corporate Response

Executive Council Office

- While we are relieved that the “Reciprocal Tariffs” Executive Order does not result in new tariffs for Canada, we remain concerned about the considerable tariffs which remain.
- The tariffs imposed by the U.S. administration challenge the U.S.’s reliability as a trading partner.
- As the U.S. Administration continues to be impulsive in their decisions relating to tariffs on Canadian goods, we will hold steady on our response until all threat of tariffs have been removed.
- U.S. tariffs on Canadian imports are deeply concerning and will harm workers and businesses on both sides of the border.
- These tariffs are unjustified, harmful to economic stability, and run counter to the spirit of free and fair trade that has defined our relationship for decades.
- While we value our relationship with the United States, we will not accept unfair trade practices that threaten Canadian jobs and prosperity.
- The Government of Yukon has developed a path forward to support a strong Team Canada response to see these tariffs lifted and to limit the impact on Yukoners.
- As part of our initial response, our government will:
 - Reduce purchasing products of American origin, such as liquor;
 - Limit U.S. business access to government procurement;
 - Mitigate impacts on Yukon businesses through the development of an assistance program;

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- Support the development of buy local campaigns; and
- Work to break down interprovincial and trade barriers.
- Additionally, in response to U.S. tariffs on automobiles and auto parts, we are reducing our reliance on U.S. companies by:
 - Suspending our EV rebate program for Tesla vehicles.
 - Suspending all Yukon government X accounts; and
 - Cancelling YG Starlink contracts except for those essential for emergency services and business continuity
- We are also working closely with the federal, provincial, and territorial governments to push back against U.S. tariffs.
- The only acceptable solution is the removal of all tariffs for Canada and Canadian products and businesses.

Economic and Trade Impact of Tariffs

- The imposition of U.S. tariffs on key Canadian exports creates uncertainty for Canadian businesses, discouraging investment, slowing growth, and straining cross-border economic relationships.
- We saw the damaging impact of past tariffs in 2018, and we will not hesitate to take strong action to protect Yukon jobs and industries.
- Retaliatory measures are never our first choice, but we will defend our economic interests, as necessary.
- CUSMA was signed to ensure fair and open trade between our countries. The United States should uphold its commitments under this agreement.

First Ministers' Meetings

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- The Premiers, the Prime Minister and key federal ministers have held regular discussions, both virtually and in person, since U.S. tariffs were first threatened in November 2024.

Context—this may be an issue because:

- Canada-US relations and threats from the Trump administration have seized all leaders in Canada.
- First Ministers have met regularly to discuss Canada-U.S. relations, which has been well covered by local and national media.

Background:

Canada-US relations

- Summary of U.S. tariffs imposed on Canada to date:

Type	Rate	Date of entry into effect
Fentanyl/Migration tariffs – non-CUSMA compliant goods	10% for potash & energy 25% for all other goods	March 4
Fentanyl/Migration tariffs – CUSMA compliant goods	0%	March 7
Steel and aluminum	25%	March 12
Autos	25% on all autos that do not meet the CUSMA rules of origin 25% on the value of non-U.S. content, for autos that qualify for CUSMA preferential treatment, but only once the Commerce Secretary certifies the determination of U.S. content on a model-by-model basis	April 3

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Auto Parts	0% for auto parts that qualify for CUSMA preferential treatment	To be announced in Federal Register, but May 3 at the latest
Reciprocal Tariffs	10% baseline does not apply to Canada (and Mexico) due to the current Fentanyl/Migration Tariffs	April 5

- On April 3, the U.S. Administration announced they will impose expansive country-specific tariffs ranging from 10 to 49 per cent on global trading partners, but did not levy any additional tariffs against Canada and Mexico. The U.S. stipulated that exemptions will continue for goods from Canada and Mexico that are compliant under the Canada-United States-Mexico (CUSMA) free trade agreement.
- The Prime Minister of Canada announced new countermeasures on April 3 to protect Canadian workers and businesses and defend Canada's economy. These countermeasures include:
 - Twenty-five per cent tariffs on non-[CUSMA](#) compliant fully assembled vehicles imported into Canada from the United States.
 - Twenty-five per cent tariffs on non-Canadian and non-Mexican content of CUSMA compliant fully assembled vehicles imported into Canada from the United States.
 - Canada's intention to develop a framework for auto producers that incentivizes production and investment in Canada.
 - Every dollar raised from these tariffs will go directly to support our auto workers.
- The evolving tariff situation has prompted diplomatic efforts and political discourse. Canadian officials are engaging in negotiations to seek clarity and potential exemptions, while U.S. policymakers deliberate on the broader implications of the proposed tariffs.

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- The Yukon-U.S. two-way merchandise trade in 2023 stood at \$150.1 million, down from \$240.5 million in 2022. Roughly 85 to 95 per cent of this annual trade is with Alaska.

Yukon government's April 3, 2025 response

- In response to U.S. auto tariffs, YG will: Immediately suspend our EV rebate program for Tesla vehicles, suspend all Yukon government X accounts (formerly known as Twitter) and cancel YG Starlink contracts except for those essential for emergency services and business continuity.

Yukon government's March 4, 2025 response

- Reduce purchasing of products of American origin: Direct the Yukon Liquor Corporation to stop placing orders of U.S.-made alcohol and to remove U.S.-made products from all Government of Yukon liquor stores. Because we do not want to hurt local businesses, licensees may continue to sell American-made products they already have in stock, but no new orders for U.S.-made alcohol will be placed.
- Limit U.S. business' access to government procurement: Direct the Department of Highways and Public Works to update territorial government procurement policies to encourage the purchase of more goods and services from local businesses and non-U.S. companies and minimize the purchase of U.S. goods and services.
- Mitigate impacts on Yukon businesses: Our government is allocating \$1 million to develop an assistance program, complementary to federal support programs, to help Yukon businesses adapt to the uncertain economic environment created by these tariffs. The goal of this funding is to keep support as flexible as possible, to be tailored to the specific needs of affected businesses. This program is funded through Budget 2025-26 and subject to legislative approval. Contingency funds in Budget 2025-26, also subject to legislative approval, will also be available to support Yukon businesses.

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- Support "Buy Yukon" campaigns: Support the development of buy local campaigns organized by local chambers of commerce.
- Break down interprovincial and international trade barriers: Through the Department of Economic Development, work with Yukon chambers of commerce and provincial and territorial partners to reduce barriers to internal trade and promote access to non-U.S. markets.

Approved by:

Justin Ferbey

2024 04 07

Deputy Minister, Executive Council Office

Date Approved

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Recommended response:

- We recognize the seriousness of the heap leach failure and continue to treat our response to the situation with the appropriate urgency.
- Our priorities are to ensure the health and wellbeing of Yukoners and to protect the environment.
- We are committed to working with the First Nation of Nacho Nyak Dun to develop remediation strategies for the failure. A joint team of technical experts hired by the Government of Yukon and the First Nation meet on a regular basis to inform our actions.
- We have full confidence in the court process governing all aspects of the Receivership proceedings, including the appointment of PricewaterhouseCoopers as the Receiver.
- As the Eagle Gold situation continues to unfold, we will continue to assess and improve our understanding of the impacts on Yukoners and the local economy.
- For the most up-to-date information on the situation at Eagle Gold Mine and actions that we are taking, you can visit Yukon.ca.

Additional responses:

- An Independent Review Board has been established to investigate the heap leach failure that occurred at the Eagle Gold mine.
- The Board has developed its own work plan and timeline to

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conduct its review, and we respect the Board's autonomy in this regard. (See EMR BN #1)

- Impacts on human health and on the environment are being monitored by technical experts from the Government of Yukon, the First Nation of Nacho Nyak Dun and the Government of Canada.
- Our government continues to monitor labour market data, such as the number of unemployed and the number of Employment Insurance claimants, for potential impacts of the mine closure.

Context — this may be an issue because:

- The June 24, 2024, heap leach failure at the Eagle Gold Mine affects the environmental and socio-economic wellbeing of Yukoners – from an environmental and business perspective.

Background:

- The Yukon.ca website is updated with information bulletins to inform the public on the Victoria Gold heap leach failures current situation.
- See 'historic overview' section for an overview of key dates.

Economic and labour market

- The Eagle Gold Mine heap leach failure has changed the outlook for mineral production in the Yukon and resulted in a notable downward revision in the medium-term outlook for the Yukon's real Gross Domestic Product (GDP).
- The effect of closure on the labour market has been minimal, as displaced workers were reabsorbed into the Yukon's tight labour market. At 4.3 per cent in 2024, Yukon's unemployment rate was the lowest in the country. The economy continued to add jobs with employment up by 5 per cent annually.

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- At the close of 2023, Victoria Gold had 471 direct hires and another 134 on contract.
 - Of the more than 600 employed, the company reported that about 34 per cent were local, amounting to approximately 200 local workers. This represents about 0.8 per cent of territorial employment in 2024.
 - As of January 16, 2025, there are 30 liens against Victoria Gold worth over \$60.2 million.

Finances

- PwC manages project finances and procurement for the site in its capacity as the court-appointed Receiver and as an officer of the court must ensure funds are being spent responsibly.
- As approved by the Court, the Government of Yukon has advanced \$105 million to the Receiver for urgent works on site in 2024-25.
- Financial security for the Eagle Gold Mine totaled \$104 million. In 2024–25 the Government of Yukon accessed \$55 million of these bonds. The remaining \$48.7 million balance of the Surety Bonds has been accessed and will offset the costs for the loans to the Receiver in 2025–26.
- Additionally, the Receiver had access to \$29.2 million in cash assets of Victoria Gold Corporation to fund receivership activities in 2024-25. The Receiver utilized all of these assets in the 2024-25 fiscal year.
- \$118 million is included, as part of Energy, Mines and Resources' budget 2025-26, to continue to respond to the heap leach failure.
- Funding advanced to the receiver has a net zero impact on the government's surplus and net financial debt, as the Government of Yukon has priority to recover these advances from the assets of the company.
- Interest applies to all loans advanced to the Receiver at a rate of nine per cent. An estimated \$3 million of interest will be accrued in 2024-25 and \$9.5 million is forecast to be accrued in 2025-26.

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Local procurement

- As part of the agreements established under the receivership order, the Government of Yukon requires that the receiver take steps to maximize local benefits and report to the Government of Yukon on those metrics.
- To date, \$20.8 million has been provided to local contractors under the receivership.
- The Receiver has contracted nine local contractors and in the past month, 72 per cent of the contracted work force were local Yukon contractors.

Independent Review Board

- An Independent Review Board was launched under the Government of Yukon's Guidelines for Mine Waste Management Facilities.
- The Independent Review Board will provide a thorough and expert review of the heap leach failure. It will operate with full autonomy, with contracts managed by the court-appointed receiver, ensuring impartiality in the process.
- The Terms of Reference can be found in the Second Report of the Receiver on the Receiver's website at pwc.com.
- In accordance with the terms of reference, the IRB will provide its report to the Receiver, the First Nation of Nacho Nyak Dun and the Minister of Energy, Mines and Resources by June 15, 2025. The Receiver will make public the report on its website by July 15, 2025.
- Highly qualified experts are on the Independent Review Board. The Independent Review Board Members are:
 - Dr. Jean-Marie Konrad, M.Sc., Ph.D., FCAE, FEIC
 - Mark E. Smith, P.E., P.Eng.
- More information about the Board Members can be found on Yukon.ca.
- There has been no decision as to whether an inquiry will also be established under the *Public Inquiries Act*.

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- If the Office of the Auditor General decides to conduct an audit, we will support its requests for participation and information.

Historic overview

- On June 24, 2024, a failure occurred at the heap leach facility of the Eagle Gold Mine operated by Victoria Gold Corporation.
- On July 30, 2024, the Premier provided remarks to the Council of Yukon First Nations' General Assembly on a variety of topics including mining and the incident at Eagle Gold Mine
- On August 5, 2024, the Premier provided a statement on mining activity in the Traditional Territory of First Nation of Nacho Nyak Dun.
- On August 12, 2024, the Government of Yukon submitted an application for receivership of Eagle Gold Mine, which was supported by the First Nation of Nacho Nyak Dun.
- On August 14, 2024, PricewaterhouseCoopers Inc. was appointed by the court as Receiver of the assets and property of Victoria Gold Corp. The Receiver is responsible for overseeing remediation of the heap leach failure and its environmental impacts, including compliance with territorial and federal orders.
- On October 1, 2024, PricewaterhouseCoopers released a report that shared receiver's communications with former Victoria Gold Corp's employees, advising they may be eligible to make a claim for outstanding wages up to \$8,500.00, vacation and/or severance pay under the *Wage Earner Protection Program Act*.
- On December 20, 2024, the Yukon Water Board approved the Receiver's application for an emergency amendment to the site's water licence to allow for the discharge of partially treated water. The amended discharge criteria expired on March 31, 2025 and is no longer in effect.

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- On December 28, 2024, PricewaterhouseCoopers issued a notification to the Government of Yukon and the First Nation of Nacho Nyak Dun regarding a potential leak in a newly constructed containment pond.
- As of February 18, 2025, the Government of Yukon has done 11 technical briefings to continue to keep Yukoners informed with up-to-date information.

Approved By:

Sierra van der Meer	April 29, 2025
Deputy Minister Energy, Mines and Resources	Date Approved
Justin Ferbey	2025 04 22
Deputy Minister Executive Council Office	Date Approved
Jessica Schultz	April 25, 2025
Deputy Minister Department of Finance	Date Approved