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HANSARD

Monday, December 15, 2014 — 1:00 p.m.

Speaker: The Honourable David Laxton

YUKON LEGISLATIVE ASSEMBLY

SPEAKER — Hon. David Laxton, MLA, Porter Creek Centre

DEPUTY SPEAKER — Patti McLeod, MLA, Watson Lake

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Hon. Elaine Taylor	Whitehorse West	Deputy Premier Minister responsible for Education; Women's Directorate; French Language Services Directorate
Hon. Brad Cathers	Lake Laberge	Minister responsible for Community Services; Yukon Housing Corporation; Yukon Liquor Corporation; Yukon Lottery Commission Government House Leader
Hon. Doug Graham	Porter Creek North	Minister responsible for Health and Social Services; Yukon Workers' Compensation Health and Safety Board
Hon. Scott Kent	Riverdale North	Minister responsible for Energy, Mines and Resources; Yukon Energy Corporation; Yukon Development Corporation
Hon. Currie Dixon	Copperbelt North	Minister responsible for Economic Development; Environment; Public Service Commission
Hon. Wade Istchenko	Kluane	Minister responsible for Highways and Public Works
Hon. Mike Nixon	Porter Creek South	Minister responsible for Justice; Tourism and Culture

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Jan Stick	Official Opposition House Leader Riverdale South
Kevin Barr	Mount Lorne-Southern Lakes
Lois Moorcroft	Copperbelt South
Jim Tredger	Mayo-Tatchun
Kate White	Takhini-Kopper King

Liberal Party

Sandy Silver	Leader of the Third Party Klondike
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**Yukon Legislative Assembly
Whitehorse, Yukon
Monday, December 15, 2014 — 1:00 p.m.**

Speaker: I will now call the House to order. We will proceed at this time with prayers.

Prayers

Withdrawal of motions

Speaker: The Chair wishes to inform the House of a change which has been made to the Order Paper. Motion No. 834, standing in the name of the Leader of the Third Party, has been removed from the Order Paper as the action requested in the motion has been taken.

DAILY ROUTINE

Speaker: We will now proceed with the Order Paper. Tributes.
Introduction of visitors.

INTRODUCTION OF VISITORS

Hon. Mr. Nixon: Mr. Speaker, I would ask all members to join me in welcoming a few individuals who are here for motion debate this afternoon on Motion No. 835 and Motion No. 836. In the gallery are Al Hubley, Michael Dougherty and Jean-Sébastien Blais. Welcome, gentlemen.

Applause

Mr. Barr: I ask the House to join me in welcoming a former constituent, Mr. Mike Anthony, a great Yukoner.

Applause

Speaker: Are there any returns or documents for tabling?

TABLING RETURNS AND DOCUMENTS

Hon. Mr. Kent: I have two documents for tabling.

The first is the 2014-15 protocol agreement between the minister responsible for the Yukon Development Corporation, as representative of the government, and the chair of the Yukon Development Corporation, as representative of the Yukon Development Corporation.

The second document is the shareholder letter of expectations for 2014-15 from the chair of the Yukon Development Corporation to the chair of the Yukon Energy Corporation.

Speaker: Are there any further returns or documents for tabling?

Are there any reports of committees?
Petitions.

PETITIONS

Petition No. 19 — response

Hon. Mr. Cathers: I rise today to respond to Petition No. 19, and to briefly discuss the landlord and tenant legislation that will soon regulate residential tenancies.

The new *Residential Landlord and Tenant Act* supports Yukon government's priority to implement recommendations of the all-party committee on the *Landlord and Tenant Act* and this legislation is also important in fostering a healthy private rental market that protects the interests and rights of both landlords and tenants.

The legislation modernizes legislation that was over 50 years old, and it clarifies the types of residential tenancies that the legislation applies to. It helps to explain the legal framework around the landlord and tenant relationship while providing for an accessible and robust dispute resolution process that is outside of the formal court process.

Both landlords and tenants have asked for improvements in clarity around their rights and obligations, and we have listened to their concerns. I won't list all of the improvements to residential tenancy law contained in this new legislation at this time, but I want to highlight a few key provisions related to the petition tabled by the Member for Takhini-Kopper King.

The relationship between mobile home owners and the mobile home park, as set out under this legislation, is that of tenant and landlord with a few key differences. The Yukon's new *Residential Landlord and Tenant Act* makes provisions for mobile homes and mobile home parks. It defines the terms "mobile home", "mobile home park" and "mobile home site".

The new *Residential Landlord and Tenant Act* limits rent increases to no more than once per year, requires landlords to provide at least three months' notice of a rent increase of a rent increase and prohibits increases in the first year of tenancy. This is intended to provide stability and notice for tenants to decide on their options and time to plan for any financial impact. Landlords, on the other hand, will be able to plan to deal with rising costs, inflation, interest rates, renovations and improvements to their property.

In the case of mobile home parks, if a tenant renting a mobile home site or pad receives notice of a rent increase from the landlord, the tenant may choose not to accept it and, if so, they have 12 months to vacate the mobile home site. This is a special provision for mobile home park rentals and recognizes that mobile home owners may require additional time to relocate. We recognize that, currently, mobile home owners have limited options for relocating inside Whitehorse. That is something they may wish to raise with the city, as that falls under their jurisdiction.

The new act prevents a landlord from applying any additional rent increase until the tenant has vacated the site. A tenant renting a mobile home site also cannot be required to move a mobile home during the months of December, January or February, and the new residential tenancy office will be responsible for adjudicating disputes between mobile home owners and mobile home park owners.

It is important that Yukon's residential tenancy law balances the rights and interests of both tenants and landlords. The act was developed after considerable public input, including the Yukon-wide public meetings held by the all-party select committee of this Legislative Assembly.

We are now in the final stages of preparing this important legislation for proclamation through the development of the regulations, and we anticipate that it will come into effect soon.

I recognize that mobile home owners, who did not, in most cases, participate in the public consultation that developed the act, have expressed an interest in seeing changes made to the legislation. Following completion of the regulation, government is open to reviewing the provisions of the act specific to mobile homes. That would require consultation with both mobile home owners and park owners because of course it is important that we balance the interests and rights of both parties, which is the central premise of a new *Residential Landlord and Tenant Act*.

In conclusion, I would like to thank all of the Yukoners who brought forward their concerns to the government's attention and again, would state our willingness to take another look at that specific section of the act through consultation, considering the interest of all affected parties — both mobile home owners and mobile home park owners.

Speaker: Are there any petitions to be presented?
Are there any bills to be introduced?
Are there any notices of motions?

NOTICES OF MOTIONS

Mr. Hassard: I rise to give notice of the following motion:

THAT this House urges the Government of Yukon to increase opportunities for Yukoners to harvest bison this winter by lifting the mid-winter closure of the bison hunting season for nine wildlife management subzones that border the Alaska and north Klondike highways in the bison core range.

Ms. Hanson: I rise to give notice of the following motion:

THAT this House urges the Government of Yukon to request the Office of the Auditor General of Canada to undertake an audit of the lease/purchase agreement made between Yukon government and the Mountain View Golf Course.

Ms. Moorcroft: I rise to give notice of the following motion:

THAT this House urges the government to make Yukon Legislative Assembly business more accessible by implementing closed-caption services during all visual broadcasts of Assembly business.

Ms. Stick: I rise to give notice of the following motion:

THAT this House urges the Government of Yukon to ensure all Yukoners have access to consistent mental health services by:

(1) developing a protocol for follow-up when an individual from a rural community has been released from hospital following a suicide attempt; and

(2) implementing a policy requiring rural Yukon service providers who provide support to clients with serious, chronic mental health issues to collaborate with Mental Health Services clinicians on management and support to individuals.

I also give notice of the following motion:

THAT this House urges the Government of Yukon to consult with Yukoners with disabilities to develop and introduce legislation in the spring 2015 sitting that will support the rights of Yukoners with disabilities to equality, with dignity, respect for difference, autonomy and inclusion, in accordance with article 33 of the United Nations *Convention on the Rights of Persons with Disabilities* to:

(1) designate a single focal point within Government of Yukon for matters related to the implementation of the UN *Convention on the Rights of Persons with Disabilities*;

(2) establish a framework, including an independent mechanism, to promote, protect and monitor implementation of the UN *Convention on the Rights of Persons with Disabilities*; and

(3) ensure that persons with disabilities and their representative organizations shall be involved and participate fully in the monitoring process.

Mr. Tredger: I rise to give notice of the following motion:

THAT this House urges the Government of Yukon to work closely with the Village of Carmacks and Little Salmon Carmacks First Nation to provide a budgetary allocation in the 2015-16 fiscal year and a development timeline to upgrade Carmacks' recreational facilities.

Mr. Silver: I rise to give notice of the following motion:

THAT this House urges the Government of Yukon to table the terms of reference for the Yukon Hospital Corporation's quality management council.

Speaker: Is there a statement by a minister?
This then brings us to Question Period.

QUESTION PERIOD

Question re: Lobbying legislation

Ms. Hanson: The Yukon New Democratic Party has asked questions, introduced motions and tabled draft legislation on lobbying to ensure that the Government of Yukon is open and accountable with Yukoners. This government has opposed all calls for lobbying legislation, telling Yukoners that lobbying just doesn't happen here.

But last week, the Minister of Highways and Public Works told this House that not only was he lobbied regarding the creation of new lots at the airport, but also that this government has hired lobbyists to try to extend the Shakwak funding.

The Yukon NDP knows and Yukoners know that lobbying is a legitimate activity, but nobody has the right to influence government in secret. In light of the new revelations that Yukon government has in fact lobbied and does in fact employ lobbyists, will this government commit to supporting the lobbying legislation tabled by the Yukon NDP to ensure that all Yukoners have access to an open and transparent government?

Hon. Ms. Taylor: I would like to thank the member opposite for her question. Mr. Speaker, this government has been abundantly clear on this matter, as has our Premier on several occasions on the floor of the Legislative Assembly.

Again, I'll reiterate for the members opposite that this government does in fact take great pride in being very accessible to any and all Yukoners who wish to speak and discuss issues of great importance to the public domain when it comes to governance.

I can certainly say that recently, I had a meeting with the Learning Disabilities Association of Yukon. Likewise, tomorrow, I'm meeting with the Yukon Teachers Association. I have had the opportunity to meet with several school councils. This is a relatively small jurisdiction. We do not see the need in resolving issues such as this through legislation, regulation. Instead, this government will continue to remain focused on being open, accessible and transparent with all of its government matters.

Ms. Hanson: You know, the government has acknowledged that it has lobbied. Yukoners know that lobbying goes on behind closed doors and they have seen evidence of lobbying and the subsequent results. The fact that the minister can't articulate any credible argument against lobbying legislation raises the question about why this government really opposes it.

Over the past several weeks, we have seen a clear example of this government's inability to be open and accountable with Yukoners. The Minister of Education was herself part of a Cabinet that orchestrated a backroom deal to give away \$750,000 in government funds without consulting Yukoners and now they have the nerve to stand in the House and tell Yukoners that lobbying legislation is not needed because Yukon Party ministers don't want legislation that will make their actions open and accountable.

What credible message does this government have to tell Yukoners why they believe certain interests have a right to influence the government in secret?

Hon. Ms. Taylor: Well, Mr. Speaker, for the member opposite to accuse the Government of Yukon and any member on this side of the Legislature — that we are certainly doing something untoward — is interesting, to say the least, without being unparliamentary, at best.

This government, on this side of the Legislative Assembly, will continue to be very open and very accountable

and will continue to meet with many stakeholders. As I mentioned, I have a meeting with the Yukon Teachers Association tomorrow. I have met with many organizations over the last 12 years.

Look down the benches and you will see that every minister continues to meet with stakeholders, whether it is in the grocery store, whether it is in our offices, whether it is during meetings, whether it is during vigils. This government will continue to remain very open and certainly will continue to work on Yukoners' behalf on issues that matter the most, whether it is health care, education, tourism, culture, or highways and public works.

Again, this government does not view legislation as being the panacea for any and all problems. Instead, we will continue to do the hard work. We will continue to roll up our sleeves and continue to do the hard work on behalf of Yukoners.

Ms. Hanson: The minister may try to talk around it. The fact is that we live in a jurisdiction that is lucky to be blessed with abundant natural resources. The resource extraction industry is an important part of Yukon's economy.

Most companies in the resource extraction industry have government relations officers or advisors, otherwise known as lobbyists. It is a legitimate business and legitimate businesses have no fear about revealing their lobbying activities because they rely on certainty and the social licence for their projects to be successful in the Yukon.

Lobbying legislation would help a more open and accountable government that would be better able to help the resource extraction industry acquire the social licence they need to operate. It is time for this government to realize that its unaccountable approach to governing does the Yukon and Yukoners a disservice. When will this government join the 21st century and introduce lobbying legislation?

Hon. Ms. Taylor: We know that it is on the agenda of the Leader of the Official Opposition — on her legislative agenda. Should, in fact, the member opposite take over office and form the next government — or down the road — that is the member opposite's purview. We on this side of the Legislative Assembly — lobbyists legislation was not part of our overarching platform.

What we continue to do is to focus on the issues of utmost importance, whether that is working to improve the delivery of education, whether that is working to deliver the improvement of our highways and road networks throughout the territory, whether that is working to improve the delivery of victim services, addressing violence against women. There are so many issues that this government is hard at work on. We will continue to make ourselves available and open to meet with any and all Yukoners to discuss issues of ongoing importance. That is what this government continues to focus on.

Question re: Capital project management

Ms. Moorcroft: Last Friday, the Premier and the Minister of Highways and Public Works announced a new process for managing capital projects at the construction site

of the new F.H. Collins school. The ministers apparently missed the irony of making this announcement at the very site of one of their most mismanaged capital projects.

The fact is that this government has a terrible track record when it comes to completing capital projects on time and on budget — Whitehorse Correctional Centre, Dawson City waste-water treatment plant and new hospitals in Watson Lake and Dawson City, and the list goes on.

This new capital funding process allows this government to hold off on providing budget estimates up until the project is nearly underway. Is this new capital planning process an attempt by this government to alter the planning process merely to avoid embarrassing cost overruns that have plagued this government for years now?

Hon. Mr. Istchenko: I do thank the member opposite for the question. This is a good news story here. The Yukon government is responding to the needs of the territory's contracting sector by introducing a new practice for providing information about capital planning, with early information and more reliable estimates. Investment in infrastructure is essential in providing a wide range of services to Yukoners and creating opportunities for local business.

The president of the Contractors Association — I'll quote him. He says, "This is good news for the building community. This change means that the Yukon government is enabling project design and planning to be completed sooner, which means contractors will be able to get an earlier start in Yukon's short building season."

By responding to the needs of our contractors, the Yukon government is supporting a diverse and thriving private sector economy, and I'm proud of that.

Ms. Moorcroft: I guess we'll see whether that does result in having earlier tendering.

In their Friday press release, this government announced that this new capital planning practice would help local businesses compete for contracts. Again they missed the irony that they made this announcement at the site of one of Yukon's largest capital projects that was designed in a way that prevented local companies from bidding on the job.

For many years now, we've known that one of the biggest impediments to Yukon businesses bidding successfully on Yukon government contracts is the government itself. We understand that there will be some benefits to contractors with the new capital planning process in terms of clearer timelines for contractors, but that will benefit for local and Outside contractors.

What provisions in this new capital planning process were created to specifically benefit Yukon businesses and ensure that they have a fair shot at all government contracts?

Hon. Mr. Istchenko: Regular updates allow everyone to have access to available information in providing planning collaboration and delivery of capital projects. This is a new proactive approach that will also provide contractors with more reliable information and better cost estimates for some of our major capital projects. This will allow them to plan during the winter for the work for the upcoming year, to understand what opportunities exist and how they might better

utilize their employees and their equipment. This is good news. It provides greater certainty for contractors on what capital project opportunities are coming up and when and what the scope of each project will be.

I've said this in the House before, Mr. Speaker — we have 12 capital projects underway, at various stages, and we've successfully promoted our good economic activity here, keeping our local suppliers and contractors busy and creating local jobs, and we're proud of that on this side. It's unfortunate the members opposite choose to vote against everything we do.

Ms. Moorcroft: We know that Yukon government's contracting has yielded poor results for Yukon businesses. The best example of that, again, is the new F.H. Collins — millions of dollars in Yukon government funds being given to an Outside company because this government could not adequately plan the construction of a high school. Not only that, but we have learned that the promised local benefits of the new F.H. Collins construction have been overstated. Instead of purchasing supplies from a Yukon supplier, the contractor has been bringing in supplies from Outside.

In addition to this, we have been made aware of complaints arising from the preferential treatment of Outside employees over local Yukon employees.

Will this new capital plan help Yukon businesses and contractors in the cases I just mentioned, or will this government continue to allow Outside companies to reap all of the benefits of Yukon government spending?

Hon. Mr. Istchenko: Maybe I'll quote from the chair of the Whitehorse Chamber of Commerce. He said, "We're happy to see the government is listening and responding to the business community." We met with the business community; the contractors. "The chamber had requested adjustments to the tendering process, on behalf of business, that would provide more certainty and opportunity for industry. The chamber believes these changes will help accomplish that."

This demonstrates the government's clear commitment to significant investments in infrastructure, whether it is a new school, a road or bridges — whatever kind of government facility. The contractors will be better prepared to make the most of Yukon's short construction season and we will provide notice of all the projects that are moving forward with us, allowing them to make better business decisions for their businesses throughout the winter.

Individual capital projects will advance through the planning and design stages so that projects are ready to go when the funding becomes available. This method provides flexibility for our capital fund dollars and will only be allocated to projects when the total cost is clearly understood. We are happy to see people, local Yukoners, working. We have promoted an economic economy; I said this. We keep our local suppliers and contractors busy and carried out and created local jobs, and we are proud of that on this side.

Question re: F.H. Collins Secondary School reconstruction

Mr. Silver: I have a question for the Minister of Highways and Public Works. The government has been claiming, with a straight face, that the F.H. Collins project is on time and on budget. The Yukon Party government of the day promised the school would be open in August of 2013, and the original budget was supposed to be \$25 million. That budget is now well over \$50 million and the minister admitted last week that it is going to be even higher with changes coming to the tech and trades wing.

In 2013, I asked the government to consider putting the trades and tech wing in the new school. The minister said he was open to that idea at the time and that it was worth considering. A government that does good planning would have looked at it and would have looked at what the cost would have been to upgrade the trades wing and compared it to the cost of building it right into the new school. On Thursday, the minister admitted that the government doesn't have any cost figures at all, and in fact we are only now assessing what work needs to be done to upgrade the trades wing.

Why was this work not done before the decision was made not to include the trades wing in the new construction?

Hon. Mr. Istchenko: I did tell the member opposite last week that the trades and tech wing is not part of the F.H. Collins construction project. It is going to require some upgrades. I said that and the member opposite heard me. As well, it is going to need a new stand-alone heating plant. We are working with Energy Solutions Centre on moving forward with that.

We are committed to providing jobs and opportunities for Yukoners and their families. We work to ensure Yukoners have every opportunity to benefit from our infrastructure projects. Regarding F.H. Collins, coming from the members opposite — I can't remember which one said that it wasn't going to be built to code. We are building — this is an affordable design with modern facilities that meet the LEED silver standard and our efficiency standards. I know the member opposite is not happy to see that there are Yukoners working and that there is construction going on, but on this side, we are. We look forward to the completion of it and we look forward to seeing the fact that Yukoners are working and the students who are coming up the ranks are going to be going to brand new, fancy, nice-looking school.

Mr. Silver: The minister should be careful trying to put words into my mouth that I did not say. I will quote him, though. He said: "We do not have any cost figures. We are assessing it right now." That is a direct quote from the minister.

In March 2013, I asked the government to consider putting the trades wing in the new school. The Minister of Education said at the time, "We'll look at it and we're certainly committing to the principles of fiscal responsibility." It is clear the idea was never really considered and the government just went ahead and built the school as is. Only

after the fact is the government now looking at what it will cost to upgrade the tech and trade wing.

If the government was committed to being fiscally responsible, it would have compared the costs of the two options before it went into construction. Why was this not done?

Hon. Mr. Istchenko: I did tell the member opposite last week that this project is not part of the F.H. Collins construction project and that we are working on costs. I told the members opposite that. Mr. Speaker, the member opposite did bring to me in debate before, I believe, that he would like to see us combine that project with F.H. Collins, but they are stand-alone separate projects and we're working on costing that out and bringing it forward.

Mr. Silver: We know that the government spent \$6 million on a design that was scrapped. We know that an Alberta company was given almost a \$1-million contract with no competition to redesign the so-called "free" plan the government received. We know the government designed the tender for construction so local companies could not win it. We also know that they promised to consider putting the trade wing into the new school, but never really considered it. We know that the government made the decision without even considering the cost of upgrading the tech wing, because the minister told us so on Thursday. The government knew that the trade wing would have to be upgraded because the heat from the building comes from the existing F.H. Collins building and that will be torn down.

What is the government looking at spending — how much — to upgrade the tech and trade wing at F.H. Collins school?

Hon. Mr. Istchenko: I think the Liberal Leader continues to be wrong. There are so many opportunities for Yukon and Yukon companies — just on the F.H. Collins site alone — and I am not going to list all the companies, but these companies themselves each represent multiple local Yukon employees providing for their families. This project is providing direct benefits to the Yukon companies and workers.

I said to the member opposite earlier: the tech wing is not part of this project. The tech wing will be stand-alone. Yes, the tech wing will require some upgrades and yes, we're working with Energy Solutions to develop the tools and various heating sources to ensure appropriate primary and secondary heat sources so that we can re-do that when the time comes.

Question re: School fuel tank inspections

Ms. White: Last Friday, students at the Selkirk Elementary School were evacuated due to diesel fumes from a heating oil spill. Heating oil can be serious harm to buildings and the environment. For humans, short-term exposure can cause headaches, nausea, increased blood pressure, dizziness, difficulty concentrating and irritation to the eyes, nose and throat.

Will the minister tell us what caused the oil leak at Selkirk Elementary School and what repairs have been done to fix the cause of the spill?

Hon. Mr. Istchenko: I thank the member opposite for the question. The Government of Yukon does work hard to ensure that our buildings are clean, safe and warm for Yukoners and for our students and that they are safe. There was a fuel spill in the boiler room at Selkirk Elementary School and it was due to a failure of a float switch in a new tank that we were installing, which was located in the boiler room at the school, so approximately two to three gallons of fuel were spilled on to the floor of the boiler room. Environment Yukon was notified of the spill and cleanup took place right away.

The safety of the students and staff is our priority. As a precaution, the school was closed and the students were sent home for the day.

Right now, as we speak — the school was aired out over the weekend, but due to an anticipated power shortage on Sunday, a lingering odor was noted when the facility reopened Monday morning. Our staff are installing a HEPA fan with a charcoal filter to direct the air to the exterior door to vent any residual fumes left over, and also will be operating an air-handling unit over the night today and through into the morning.

Ms. White: The Minister of Highways and Public Works has told us before that oil appliances, fuel tanks and the fuel lines in government facilities are constantly inspected and have annual servicing. One would imagine school buildings would be given extra attention to help ensure students are learning in the safest environment possible.

Following on that, it isn't unreasonable to expect school upgrades and repairs to be of the highest priority. Despite the minister's assurances, oil leaks are continuing to happen in schools. This was an avoidable emergency, and it should not have happened.

Can the minister confirm that every oil tank and furnace oil system at every school in Yukon has been checked in the last year and tell parents when the Selkirk school was last inspected?

Hon. Mr. Istchenko: I did say this earlier — this oil spill was due to a failure of a float switch on a brand-new tank. Occasionally, you do get new equipment that fails. It was caught right away by the contractor. Yukon government works hard to make sure that all our buildings outside Whitehorse — I say again — are clean, safe and warm for all Yukoners.

Highways and Public Works is committed to ensuring the environmental and public safety of all our facilities, working with our budgets to administer across a variety of competing interests, prioritizing the most important ones and making the best decisions possible to benefit Yukoners.

So rest assured that we do the necessary servicing and maintenance for our oil-fired appliances in all our Yukon government buildings, which is performed on an annual basis by qualified staff, and regular inspections, including replacing worn parts, testing efficiency and completing safety checks on

appliances and oil tanks and supply lines. This process helps us prioritize our planning. The Yukon government ensures that our oil-fired appliances meet all the codes and the requirements and they're inspected on a regular basis.

Ms. White: One has to ask why students were allowed to enter the building, if it was caught right away. On Friday, parents dropped their children off at the school and carried on with their daily routines because nothing seemed to be out of the ordinary. After waiting for a response from the department, school officials ordered an evacuation and began contacting parents. Some families only learned of the developing situation after a parent posted on Facebook that other parents should head over to the school to get their children. We understand there was confusion at the department level and that led to delays in evacuating the school.

Will the minister explain the sequence of events that led to the evacuation of Selkirk Elementary School, and will school evacuation procedures be reviewed following this incident?

Hon. Mr. Istchenko: Like I said, there was a faulty switch in the day tank and two to three gallons of fuel had spilled on to the floor in the boiler room. Environment Yukon was notified of the spill and a cleanup is taking place under their direction. We notified them right away. The safety of the students and staff is our priority. As a precaution, the school was closed and students were sent home for the day.

We're working on airing the school out, as we speak. Of course, the safety of our youth, especially in our schools, is of the utmost importance.

Question re: Yukon nominee program

Ms. White: I have a new question. All workers deserve to have their rights respected, no matter their country of origin. Unfortunately, it's all but impossible to find out anything about participation in the Yukon nominee program due to a lack of government oversight of the program. It isn't just the public that is left in the dark — other government agencies are similarly unable to answer questions about the program.

When we asked the Workers' Compensation Board how many nominee participants there in the Yukon, they couldn't say. Unlike federal temporary foreign workers, the WCB doesn't have a memorandum of understanding with the Department of Education that would allow them to protect nominee program workers.

I would like to ask the minister now: Of the 200 successful applicants who joined the nominee program over the last two years, how many workers are currently enrolled in the program and how many Yukon businesses currently employ those workers?

Hon. Ms. Taylor: We certainly are up for a debate — I believe later on today — in the Department of Education, and I would be happy to continue on with the debate that we have had for the last number of days, over the past week, on the Yukon nominee program, which, when it comes to immigration, is one of many planks that comprise our Yukon

labour market framework in support of employers and employees.

As I tried to articulate for the member opposite, we do have a partnership with Workers' Compensation Health and Safety Board. It has been a partnership that has and continues to identify and protect vulnerable workers in all workplaces, including those particular nominees under the Yukon nominee program.

I was speaking to this very issue and, of course, as I mentioned, the nominee program is an older program. It dates back several years. It was not part of the MOU that was struck through the Yukon temporary foreign worker program that came to a halt at the end of July as a result of the federal changes.

Again, that is not to de-emphasize the very importance of our partnership with WCB and the Department of Education, in which we continue to identify and protect those vulnerable citizens.

Ms. White: These workers' ability to stay in Canada depends on their jobs. If the minister is waiting for more employees to speak up about abuse, she will find she is in for a long wait as nominee employees have so much to lose. The Yukon nominee program is in dire need of an overhaul that ensures that participants are protected, that employers are following their signed tripartite agreements, that nominees have adequate workplace protection, and that complaints filed against employers won't jeopardize a nominee's ability to gain permanent residency.

Will the Government of Yukon commit to doing an audit of the Yukon nominee program and will they determine whether all nominees are in fact receiving the pay and benefits of the agreements they signed?

Hon. Ms. Taylor: As I mentioned on a number of occasions, the Yukon government, through the Department of Education, takes great pride in ensuring that we have quality assurance within this program and all programs that we deliver on behalf of Yukon citizens.

The nominee program is but one program that we have been administering on behalf of the Government of Canada for the last several years. It is a strong working partnership that we have between the Department of Education and the Yukon Workers' Compensation Health and Safety Board. We have a number of steps through which we continue to identify and protect vulnerable workers in all workplaces.

When the Department of Education learns of any issues and any untoward matters come to our attention by way of the employer or the employee, those are investigated as soon as possible.

As I mentioned before, at the Department of Education, we have been in discussions with Workers' Compensation as to how we can strengthen this particular program, as some are using those very tenets that were used with the MOU that was struck with the Yukon temporary foreign worker program. Those talks are ongoing and we have met as recently as the end of November on this very issue.

Question re: Special needs education programming

Mr. Tredger: The Yukon Party government continues to raise concerns with its unilateral manipulation of process when it comes to students with special needs.

These young Yukoners are often at their most vulnerable when they're making the transition from primary to high school, but they aren't getting the support they need to do so as easily as possible. Remember, Mr. Speaker, that these are the same students whose right to individualized education plans have been superseded by the government's desire to centralize the resource allocation process. Special assistance students entering high school need our help.

What is this government doing to help students requiring special assistance — and their parents — transition from elementary to high school?

Hon. Ms. Taylor: Mr. Speaker, we continue to work on a whole host of different factors and programs and services on behalf of Yukoners, whether they are in elementary school or whether they are in secondary school or whether they have evolved into the labour market.

The Government of Yukon continues to provide assistance under the *Education Act*, contrary to what the member opposite may allude to. We continue as we always have to work with schools, students and parents to ensure that all Yukon students have the resources they need so that they can be successful learners at school, within and outside of that particular place. That includes identification of its students' needs, based on assessments and screening mechanisms and certainly coming up with an individual education plan or a learning plan — all of which requires, again, the parents and families' involvement through the exchange of information and consultation.

That also includes matching up resources in accordance with what that particular plan subscribes to, again through educational assistance and remedial tutors. There are a whole host of other various resources that are available, whether on a generic basis or targeted intensive one-on-one support.

Mr. Tredger: The transition to high school is a big step for any student and special needs students need the educational system to support them through this process. Meanwhile, parents are not being consulted or involved as part of the special assistance assessment and implementation process. This is in contravention of the *Education Act*. Not only is a spreadsheet an insufficient substitute for individual education plans that are created with parental and specialist input, it's an illegal substitute.

When will the government respect parents' legal right to be included in discussions over the most effective way to transition students requiring special assistance from primary to secondary schools?

Hon. Ms. Taylor: You know, Mr. Speaker, I wish the member opposite would actually stop reading from his script and actually start to listen to some of the answers provided on this side of the House, because what I just alluded to was talking about assessments and, of course, coming up with specific screening mechanisms — coming up with

individual education plans, learning plans, in consultation and in dialogue every step of the way with parents and families and other stakeholders — senior administrators of the schools. That in fact is underway now, contrary to the members opposite.

I know that the member opposite has also alluded that F.H. Collins School, for example, was not big enough, when in fact it is more than supplementary. The members opposite said that it wasn't meeting the building code. They said the gym wasn't large enough and there weren't enough learning spaces, when in fact the members opposite have all been proven wrong.

This government will continue to deliver resources where they are required and will continue to work with schools, with the students, with families and parents to ensure that all students receive the resources they require to be successful learners.

Mr. Tredger: I wish the minister opposite would read the *Education Act*. Parents are entitled to be consulted prior to and during the implementation of special assistance to their children and students. The government is not listening to teachers, it is not listening to school councils, and it is not listening to parents. This government needs to put the brakes on its centralization of the special assistance assessment process. At the end of the day, the real losers here are Yukon's most vulnerable students who are no longer receiving the individualized education plans and ongoing support they deserve. The *Education Act* spells out the individualized education plan process and the role of parents in developing these plans.

When will this government return to its legally mandated use of individualized education plans that include parents and that ensures students requiring special assistance —

Speaker: Order please.

Hon. Ms. Taylor: Again, it is unfortunate that the member opposite has now accused our own staff of breaking the law. We on this side of this side of the Legislative Assembly will continue to adhere to the *Education Act* — all of our obligations — under the legislation, under regulations. Under the act, there are certain procedures that must be followed before it is determined whether a student has special education needs and, if so, what IEP is appropriate. We are following the letter of the law. It also says that students and parents must be provided with written information about these procedures — done. It says that students and parents must also be consulted before the determination and during the implementation of a specific plan — also done. Students and parents must also be provided with information regarding their right of appeal to the Education Appeal Tribunal — done. There are a variety of procedures and materials to ensure that parents are informed and are given a full opportunity to participate in all decision-making processes, including their right to appeal decisions. On top of that, we will continue to make resources available — a record-level number of EAs as well as remedial tutors as well as a whole host of other supplementary resources.

Speaker: The time for Question Period has now elapsed.

We will now proceed to Orders of the Day.

ORDERS OF THE DAY

GOVERNMENT MOTIONS

Motion No. 835

Clerk: Motion No. 835, standing in the name of the Hon. Mr. Nixon.

Speaker: It is moved by the Minister of Justice:

THAT the Yukon Legislative Assembly, pursuant to subsection 17(1) of the *Human Rights Act*, does appoint Al Hubley as a member of the Yukon Human Rights Commission for a term of three years, effective December 15, 2014.

Hon. Mr. Nixon: Potential members of the Human Rights Commission are considered by the Standing Committee on Appointments to Major Government Boards and Committees, which is an all-party committee.

Upon consideration of the nominations, the committee makes a recommendation. Individuals are then appointed by way of motion here in the Legislature. The committee has recommended that Al Hubley be appointed to the Human Rights Commission. I would like to share with this Assembly some of Mr. Hubley's background.

In terms of his employment, Mr. Hubley served 40 years with the Royal Canadian Mounted Police. The first 20 years of his policing career were spent in Newfoundland and Labrador in the areas of general duty policing, highway patrol, general investigations and security systems, including VIP security and explosives disposal.

In 1993, Mr. Hubley transferred to Whitehorse, where he would also spend 20 years. He served in areas such as security systems, technical support, detachment supervision and administration. He was responsible for complaints and internal investigations, including both complaints against police personnel by the public and allegations of misconduct against police officers from within the RCMP itself.

His duties also included dealing with grievances from both regular members of the RCMP and from public service employees. He was also responsible for supervising part of the administrative staff attached to M Division headquarters. He ran the RCMP auxiliary constable program, which he found extremely rewarding.

In 2007 he was promoted to the rank of staff sergeant major. He was responsible for all ceremonies and protocols within M Division, including aide-de-camp duties for the Commissioner of Yukon. He volunteered to be the aide-de-camp to former Commissioner Van Bibber from 2008 to 2010, and to Commissioner Phillips from 2010 until his retirement.

In addition to his service with the RCMP, Mr. Hubley is also active in his community. He is a Freemason and he's active with the fraternal organization, the Order of the Eastern Star.

I believe that Mr. Hubley's commitment to values like honour, integrity and fairness, coupled with his investigative background, make him an excellent choice for the Human Rights Commission. I would encourage all members of this Assembly to support this motion.

Ms. Stick: The Official Opposition will be supporting this motion. I just want to extend thanks to the Standing Committee on Appointments to Major Government Boards and Committees and to thank Mr. Hubley for putting forward his name, and all citizens for putting forward their names for these appointments.

Speaker: Does any other member wish to be heard?
Are you prepared for the question?

Some Hon. Members: Division.

Division

Speaker: Division has been called.

Bells

Speaker: Mr. Clerk, please poll the House.

Hon. Mr. Cathers: Agree.

Hon. Ms. Taylor: Agree.

Hon. Mr. Graham: Agree.

Hon. Mr. Kent: Agree.

Hon. Mr. Nixon: Agree.

Ms. McLeod: Agree.

Hon. Mr. Istchenko: Agree.

Hon. Mr. Dixon: Agree.

Mr. Hassard: Agree.

Mr. Elias: Agree.

Ms. Hanson: Agree.

Ms. Stick: Agree.

Ms. Moorcroft: Agree.

Ms. White: Agree.

Mr. Tredger: Agree.

Mr. Barr: Agree.

Mr. Silver: Agree.

Clerk: Mr. Speaker, the results are 17 yea, nil nay.

Speaker: The yeas have it. I declare the motion carried.

Motion 835 agreed to

Motion No. 836

Clerk: Motion No. 836, standing in the name of the Hon. Mr. Nixon.

Speaker: It is moved by the Minister of Justice that Yukon Legislative Assembly, pursuant to subsection 22(2) of the *Human Rights Act*, does appoint Michael Dougherty, Michael Riseborough, and Jean-Sébastien Blais as members of the Panel of Adjudicators for terms of three years, effective December 15, 2014.

Hon. Mr. Nixon: As noted in the previous motion, I had indicated the process on how individuals' names come

before this Legislative Assembly for debate. In this particular case, I would like to share with members of this House a brief background of each of the individuals recommended for appointment by the all-party committee.

To begin, Michael Dougherty has been a member of the Yukon Human Rights Panel of Adjudicators from 1998 to 2007 and from 2008 to present. Given his long association with this organization, I think many members are familiar with his background. He has a bachelor of arts and Master of Arts in political science. He has also worked in communications and is active in his community and is active in his community. Since his last appointment in 2011, he has been honoured with the Governor General's Caring Canadian Award of 2013.

Moving on to Mr. Michael Riseborough, who brings 25 years of management experience in the public, private and volunteer sectors — his resumé is seven pages long. Clearly, this is an individual who believes in making a contribution to his community. He has experience and strong knowledge of our legislative framework here in Yukon. Mr. Riseborough has previously served on the Panel of Adjudicators since then. Mr. Riseborough has contributed much to our territory through his work on the Yukon Police Council and I do thank him for his work.

Members of this Assembly will be familiar with Mr. Jean-Sébastien Blais, as he has previously served on the Human Rights Commission. He is currently employed as a labour market development officer. Previous work experience includes working as the public service coordinator for the Council of Yukon First Nations and as a researcher with Hanson and Associates. Mr. Blais has a bachelor of theology and a certificate in political science.

I ask that all members of this Assembly do support this motion.

Ms. Stick: The NDP Official Opposition will be supporting this and again, thanks to the standing committee and to all citizens that put forward their names, and to the members that have been appointed.

Speaker: Does any other member wish to be heard?

Some Hon. Members: Division.

Division

Speaker: Division has been called.

Bells

Speaker: Mr. Clerk, please poll the House.

Hon. Mr. Cathers: Agree.

Hon. Ms. Taylor: Agree.

Hon. Mr. Graham: Agree.

Hon. Mr. Kent: Agree.

Hon. Mr. Nixon: Agree.

Ms. McLeod: Agree.

Hon. Mr. Istchenko: Agree.

Hon. Mr. Dixon: Agree.

Mr. Hassard: Agree.

Mr. Elias: Agree.
Ms. Hanson: Agree.
Ms. Stick: Agree.
Ms. Moorcroft: Agree.
Ms. White: Agree.
Mr. Tredger: Agree.
Mr. Barr: Agree.
Mr. Silver: Agree.

Clerk: Mr. Speaker, the results are 17 yeas, nil nays.

Speaker: The yeas have it. I declare the motion carried.

Motion No. 836 agreed to.

Hon. Mr. Cathers: Mr. Speaker, I move that the Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

Speaker: It has been moved by the Government House Leader that the Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

Motion agreed to

Speaker leaves the Chair

COMMITTEE OF THE WHOLE

Chair (Ms. McLeod): Committee of the Whole will now come to order.

Motion re appearance of witnesses

Committee of the Whole Motion No. 9

Hon. Mr. Kent: I move:

THAT Joanne Fairlie, chair of the Yukon Development Corporation Board of Directors; Greg Komaromi, president and chief executive officer of the Yukon Development Corporation; Piers McDonald, chair of the Yukon Energy Corporation Board of Directors; and Andrew Hall, president and chief executive officer of the Yukon Energy Corporation appear as witnesses before Committee of the Whole from 3:30 p.m. to 5:30 p.m. on Monday, December 15, 2014, to discuss matters relating to the Yukon Development Corporation and the Yukon Energy Corporation.

Chair: It is moved by Mr. Kent:

THAT Joanne Fairlie, chair of the Yukon Development Corporation Board of Directors; Greg Komaromi, president and chief executive officer of the Yukon Development Corporation; Piers McDonald, chair of the Yukon Energy Corporation Board of Directors; and Andrew Hall, president and chief executive officer of the Yukon Energy Corporation appear as witnesses before Committee of the Whole from 3:30 p.m. to 5:30 p.m. on Monday, December 15, 2014, to discuss matters relating to the Yukon Development Corporation and the Yukon Energy Corporation.

Ms. Hanson: I just have a question for the minister opposite. Will the documents that he tabled this afternoon, which are material to the debate this afternoon with respect to Yukon Energy Corporation and Yukon Development Corporation, be made available to all members in advance of

their presence? It would seem like it would be simply, as Miss Manners would say, good manners to actually have those available to members. If there is information in them that is pertinent, it would be very helpful not to receive them as they walk in the door.

Hon. Mr. Kent: The page is currently handing out those documents that were tabled earlier today.

Chair: Is there any other member who wishes to speak in general debate? Are you prepared for the question?

Motion agreed to

Chair: The matter before the Committee is resuming general debate in Vote 3, Department of Education, in Bill No. 15, *Second Appropriation Act, 2014-15*. Do members wish to take a brief recess?

Some Hon. Members: Agreed.

Chair: Committee of the Whole will recess for 15 minutes.

Recess

Chair: Committee of the Whole will now come to order.

Bill No. 15: *Second Appropriation Act, 2014-15* — continued

Chair: The matter before the Committee is resuming general debate in Vote 3, Department of Education, in Bill No. 15, entitled *Second Appropriation Act, 2014-15*.

Department of Education — continued

Hon. Ms. Taylor: Madam Chair, it is indeed my honour to again stand before the Assembly to speak to this fiscal year's supplementary budget for the Department of Education.

I want to thank our officials for joining us here again this afternoon in the Assembly and again, to our officials who work diligently day after day on behalf of the Yukon citizens to deliver lifelong learning opportunities.

Where we left off, we were discussing the Yukon nominee program. I just want to go over a few points here in the debate when we talk about this particular program, which we have and continue to administer on Canada's behalf — and that is the Yukon nominee program. Of course, the Yukon nominee program has been successful — relatively successful — since it was first introduced to the Yukon several years ago. It has assisted many businesses over the years in providing much needed employees when, in fact, individual businesses were not able to recruit or retain individual employees from Canada.

Of course, that has always been and continues to be the case when delivering these particular programs — to ensure that Canadians come first.

That is why this government continues to invest record-level amounts in terms of investment training opportunities, whether they are opportunities through Yukon College, which we all know has evolved significantly over the past 51 years,

and of course, our recent investments in the Centre for Northern Innovation in Mining — \$11 million over five years — in support of not only the resource sector, but in support of industrial trades. It is why we continue to renew our funding in terms of the Northern Institute of Social Justice — new renewed funding in terms of long-term funding to ensure professional development opportunities for particularly those who work in the Government of Yukon, in First Nation governments and governments across the territory and across the other two territories as well — working in social justice-related fields — and ensuring that they continue to be afforded those opportunities.

It is also why we continue to invest. We just recently announced a new funding agreement, a five-year funding agreement in the Yukon Research Centre, again capitalizing on all the successes that the Research Centre has garnered over the past number of years, and their ability to take that funding and to be able to leverage that, whether through the Government of Canada or through individual businesses in capitalizing on cold climate technological solutions that are very much pertinent to the north and for northern businesses, and also so that we can be able to export and share those common technologies with other jurisdictions around the circumpolar north.

It has been an amazing success and as we proceed along that natural evolution toward becoming a university — a Yukon university — all of these steps really build upon the momentum that has been built over the past 51 years. It capitalizes on the renewed strategic plan that the Yukon College embarked upon. Looking forward, we were also very pleased to be able to announce, in collaboration with Yukon College, the first-ever degree program to be issued by Yukon College in 2017 in indigenous governance. Also, there is a post-degree certificate program in climate change, again, capitalizing on some of the strategic priorities identified by the board of governors in consultation with our community campuses and Yukoners at large.

All of these, coupled with investments in community training funds, investments in education all around, from early learning through our learning together program, which we were also pleased to recently expand to the Dusk's early learning centres through our partnership with Kwanlin Dun First Nation right, through to kindergarten to grade 12 and beyond. It is why in fact we continue to invest in hands-on experiential learning opportunities available through our various schools throughout the territory. It is why we continue to invest in opportunities all around that are based upon competency based solutions, based on recent changes that we are seeing in the B.C. curriculum, which Yukon does subscribe to, to a large degree. I would very much like to thank all of our schools and the educators and each and every community that we have.

In fact, again, it never ceases to amaze me all of the successes that Yukon does garner. On Friday, I was at Hidden Valley elementary school and had the opportunity to meet with the grade 5 and 6 classes and was able to congratulate a couple of young Yukoners in grades 5 and 6 for their success

on the national stage in being able to promote their made-in-the-Yukon videos, one of which talked about Jacques Cartier, and the history and evolution of our country, but also speaking to other matters of great importance to our territory and to our country, and being able to hear and see the pride of what they have learned and the skills they have acquired through their respective class and their inspiring teachers. It's really quite an amazing opportunity for me as Minister of Education.

I have been to pretty much every school over the past year and a half, and the delivery and the content that is being delivered is quality. It is very responsive to the individual school community's needs. It's something that continues to make us very distinct.

I wanted to make reference to all these respective areas. Advanced Education also continues to provide assistance, in terms of specific agreements in support of providing employment supports and services. Skookum Jim Friendship Centre was recently able to meet with them, as well as Learning Disabilities Association of Yukon, as I made reference to earlier, and their good work in support of not only providing after-school tutoring, but also throughout the whole gamut in terms of providing those job skills and those entry-level skills in order to support those individuals coming to the labour force.

I would like to thank these and many other organizations in the territory as we work to advance literacy levels in our territory, and really congratulate the continued collaboration among those respective organizations. Likewise, the Canada job fund — we've spoken a bit on the floor of the Legislative Assembly in terms of supporting employer-sponsored training opportunities, and having the ability of the employer to be able to dictate where the training is most needed on behalf of their specific workplace. It's of great importance and we are very much committed to working with our communities, ensuring that information is out the door in terms of how individual employers can subscribe to these training dollars.

We have come a long way in terms of negotiating an agreement with Canada on a new Canada-Yukon job fund that is in keeping with the overarching principles that were negotiated among all provinces and territories in the country, but again recognizing the specific differences within the northern territories.

As I mentioned the other day, immigration is but one of a number of different components that are comprised within the overarching Yukon labour market framework.

I do just want to make reference again, just to reiterate, that when it comes to maintaining or monitoring and safeguarding foreign workers, again, that all workers are equal under the law. Irrespective of a worker's nationality or a region of origin, it certainly is irrelevant to the Workers' Compensation Health and Safety Board's enforcement efforts — in fact, it is their mandate under the actual act itself — *Occupational Health and Safety Act* or the *Yukon Workers' Compensation Act*.

The board, again, understands the very importance of developing strong partnerships with organizations, such as the partnership that we have been able to garner with Workers'

Compensation and that of the Department of Education. It has been a partnership that has been very well-served, I believe, by this partnership and of course it is something that we look to continue to improve upon — the delivery of that very partnership.

As I mentioned, there was an MOU that was struck that was pertinent to the creation of the Yukon temporary foreign worker program. Of course that particular program came to an end at the end of July as a result of federal changes. However, we continue to work throughout the duration of those individuals who are with the program still to this day to ensure that there is enforcement and monitoring continuing on the Yukon temporary foreign worker program.

We, of course, as I mentioned, continue to work very seamlessly with the Workers' Compensation Health and Safety Board. As I mentioned to the members opposite the other day, we have and we continue to work closely, again, identifying workplaces that may not be complying with the laws and identifying areas of joint concern with regard to foreign workers in the territory. We have been in discussions to see how we can continue to use those formal collaborative tools and processes we first developed to oversee the Yukon temporary foreign worker program.

As I mentioned in Question Period, and certainly in the last week, those talks continue on and I know that the last meeting of the various representatives was on November 28.

Again, just to be very clear — and I would like to thank the members — or the officials. Thank you.

Mr. Tredger: I thank the officials from the department for coming back to the Legislature. I look forward to your participation.

I just have a quick question about shared resource rooms. The shared resource room committee has been responsible for reviewing students prior to their entry, reviewing their program and decisions being made around their programming. There was some talk of including someone from Health and Social Services as well as someone from Justice on that committee.

My question for the minister: Is the committee still operating and how many shared resource rooms are there currently in Whitehorse? How many teachers do we have? How many students are being served by the shared resource room? If the committee is no longer meeting, what is the process for determining who is eligible and enters the shared resource room programs, and reviewing the progress being made?

Hon. Ms. Taylor: I want to thank the member opposite for acknowledging that we actually have shared resource rooms; that we haven't actually eliminated them as, I believe, the member opposite did refer to earlier in Question Period.

I do want to make it clear that, of course, we have four schools that administer shared resource programs — Vanier Catholic Secondary, Porter Creek Secondary, F.H. Collins Secondary, and Jack Hulland Elementary — with various different programs supporting the needs of students with

various challenges, whether it be behavioural or academic or a combination of both.

I don't have much more to report, other than the review — I mentioned this in Question Period as well — to see how we can better serve more vulnerable students in the territory. We have been undertaking that review. The member opposite referred to some of that good work undertaken and we will be looking to complete that work here, probably early in the new year, and being able to report progress on that. Other than that, it is really to look at how we can develop and implement more effective practices to support our students in schools, again, just to ensure that we have success for every learner.

That is all I have to report for the member opposite. To be clear, probably early in the new year we will have something more to take a look at and, of course, be able to report more progress.

Mr. Tredger: Is the shared resource room committee part of that? I know it certainly includes some of the teachers involved, it includes the administrators from both the receiving and sending schools, and it was an important part of an ongoing process to determine the effectiveness of not only the program itself, but how effective it has been for individual students.

I am wondering if the minister can also tell me the number of teachers involved, the number of educational assistants and the number of students in the four programs.

Hon. Ms. Taylor: Again, Madam Chair, I don't have the specific numbers of individual teachers attached to the shared resource program, neither do I have the specific number of EAs attached to this particular program. As I mentioned, however, overall we have worked to increase the level of resources available to our schools over the past decade. In addition to the complement of educational assistants as well as remedial tutors, of which we have — I believe, when it comes to EAs, they have more than doubled over the course of the last 10 years.

Of which we have, I believe, when it comes to EAs, we have more than doubled over the course of the last 10 years. We continue to also provide a number of support staff allocations. In fact, we have a number of educational psychologists, speech and language pathologists, occupational therapists and physiotherapists. We have a deaf and hard-of-hearing itinerant teacher, a vision teacher, special education assistive technology consultant, Student Support Services consultants, communication assistants, school community consultant. We also have on hand a social and emotional learning educational psychologist.

Again, depending on specific caseloads within specific schools, those specific resources that I referred to continue to be deployed accordingly based on the level of service needs outlined by specific school referrals. You know, this is an issue of great importance. It's something that we continue to review and continue to work through Student Support Services. I would like to commend our department for their good work. I know the member opposite takes issue with that work and, in fact, I think earlier today almost accused them of breaking the law. I just want to make it very clear that this is

an issue of great importance to me as the Minister of Education and it's why we continue to invest.

When you look at the operation and maintenance supplementary budget, which we are currently debating, we are providing substantive amounts of dollars in support of these various positions. It's something that we continue to work on with each and every individual school, parents and families included. We continue to work in revising our approaches as well, but also complying with the *Education Act*. We continue to, as I mentioned, under this specific act — I just want to go over this again. We continue to work with each individual student's needs and there is a requirement for ourselves to undertake specific screening mechanisms or to undertake assessments to be able to better determine what individualized education plan is required or learning plan is required, depending on the circumstances — all of which requires parents' involvement through the exchange of information and consultation and ongoing dialogue. Under the act, it states just that: students who are need of special education programs are entitled to receive a program outlined in an individualized education plan.

As the member opposite knows full well, that describes a student's strengths and needs, identifies specific learning goals and tracks a student's progress toward achieving those goals. They help explain teaching strategies a school can use to support a student's learning. They assist teachers observing a student's progress and provide a format to report to the student and their parents about the student's progress.

Again, the goal of administration, in consultation with staff and the student's parents, is to work to determine whether a student has specific needs and, if so, what is appropriate to meet those students' needs. As I mentioned earlier, we have identified criteria that has been developed to assist all of our school partners to determine those specific needs. That's something that we take very seriously and is very important in terms of being able to better craft and design a specific plan.

Under the act, as I mentioned earlier in Question Period, there are specific procedures that must be followed before it's determined that a student has specific needs and, if so, what specific plan is appropriate for the student to determine whether — for example, if there's a psychological assessment, whether there's a specialized test that should be performed, and so forth. Again, the student's parents must be provided with written information about these specific procedures. They have to be provided a written informed consent before any of those assessments are carried out and provided a copy of the results of those assessments — it has to be provided to them and also explained to them.

Students' parents also have to be consulted before determination of, and during the implementation of, an IEP, and they must be invited to be members of the school-based team established for their individual child. As I mentioned, parents must also be provided with information when it comes to the right of appeal to the Education Appeal Tribunal.

We have a variety of various materials to ensure that parents are informed and given a full opportunity to

participate in all those decision-making processes. That includes, I believe, the Student Support Services parent handbook, which I believe one can find on the Department of Education website. There's a parent's guide to individualized educational programs; there's a parent's guide for a school-based team and their involvement in that; there's a parent's guide pertinent to behaviour support plan; there is a parent's guide for student learning plan.

I can go on about this very matter, but all of which is to say that there are processes in place and we certainly work with each and every individual school community to ensure their role — and working with individual parents — is adhered to in a meaningful way and very much in accordance with the act itself.

To be very clear, Madam Chair, I recognize that there is always room for improvement — there is always room for improvement when it comes to delivering better supports and improved ways that we can respond to individual students' needs. I understand that and we continue to work with department officials and their expertise in being able to help lead the way.

I know the member opposite makes reference to a centralized, top-down approach. I would say that it's a partnership; it is to and fro and it is working collaboratively with each other.

We will continue to work to ensure that we have resources in our schools. As I mentioned, back in 2002 when we went back to this number, we had about 81 education assistants. Now in 2014, we have just over 177 EAs. In that same period, the population has decreased by about eight percent. I am not saying that is the be-all and end-all number, but it does show that there is progress being made in being able to allocate financial resources in support of each individual student's learning opportunities.

As I mentioned, we have also a total of just over 80 positions in our schools that assist students who need support, including learning assistants, counsellors and teachers assigned to shared resource rooms. Of course, as I mentioned also, that is also in addition to our psychologists, speech language therapists and so on, as I just articulated in my earlier response. Supporting success for every learner is a priority for us. It is a priority for me, and we will continue our efforts toward that specific goal.

Mr. Tredger: I thank the minister for that answer. I know there are a number of parents and school councils who look forward to getting involved in their children's IEPs, and I am glad that the minister has familiarized herself with that role and the importance of that role in the schools. I certainly appreciate that, and I am certain that the parents will as well.

I just have a quick question about virtual schools. Can the minister tell me the number of students being served by the virtual school and the number of classes? I believe there are two administrators. How many teachers are involved in that? It has been in a pilot stage for awhile, but what is the number of students and the number of classes and, also, the amount of money that has been allocated to the virtual schools and spent?

Hon. Ms. Taylor: I think we have talked about this subject area at great length over the past couple of years. I know that this has come up during our debate on the rural equity action plan and, in particular, this is one component that has proved to be a very successful approach in terms of enhanced distance learning opportunities and sharing resources. It is about bridging those gaps between rural Yukon students and other students in the territory and also bridging the gaps between First Nation students and non-First Nation students as well.

I can say that, for example, I was in the Watson Lake Secondary School — actually, Madam Chair, you and I were both there a few months ago, and we spent a couple of days over at the schools. I can say how they have been able to utilize blended learning, for example.

It is absolutely amazing. I have to say that when I first read and heard about this approach being promoted by the department and by the community, I had a lot of questions and was suspect, at best — but seeing is believing, and seeing the results of the uptake of students who are subscribing to blended learning. I know the member opposite looks a bit confused, but blended learning is a very important component of the Aurora Virtual School. I just wanted to make that link for the members opposite so that they are reminded that it is very much a component of this.

To be able to see the number of students subscribed to blended learning and see the results of even just their attendance levels — it's great to see. Likewise, even when we look to the community of Old Crow or the community of Teslin and how they are also working with the Aurora Virtual School in identifying those specific students paths and coming forward with individualized plans for graduating from school, we were able to see the first graduate in Old Crow on June 13 this past year. It was as a result of, obviously, taking advantage of opportunities made available through Aurora Virtual School and working collaboratively with Yukon College and working collaboratively with Vuntut Gwitchin government, the school itself, and, of course, the community — the family and support network in that particular community. Likewise in Teslin — continue to develop and continue to deliver that alternate high school. It's very important, to say the least.

The Aurora Virtual School, of course, continues to work with all high schools and provides a number of various courses. I just want to go back to another experience that I saw first-hand in the community of Ross River when I was there earlier this year. Another way that we are able to provide assistance through this particular school is by being able to really connect a number of schools at the same time. To be able to come up with a remedial course, in particular, they were determined — I recall speaking with a math teacher. Not everyone has specific math supports in their particular school, or at least a math curriculum expert. But being able to connect one another in the various schools and being able to connect through videoconferencing and through the Aurora Virtual School is another way of being able to identify where there are problems or challenges in a school or schools around the

territory and being able to plug into a specific course that is being delivered at F.H. Collins, for example.

That's why coming up with a more standardized school calendar has served very well, providing that there are always differences, of course, among specific schools in communities. That is why we have provided that added flexibility in our school calendars, but it has made it easier now for courses to be tied in and being able to take advantage of some of the specific expertise being delivered by specific schools.

It is one way that we have been able to work in communities. Of course, ever since Watson Lake, the blended learning was introduced. That has been expanded to the community of Dawson, Robert Service School, and to St. Elias school in Haines Junction as well.

Of course, we continue to work with all communities. Every community may have different priorities, but I can say that pretty much we offer all required high school courses through some form of distance education. It has been able to give us the latitude and flexibility to really enhance the core complement of courses being delivered in all of our schools, providing more relevance and more interest among the student population.

In Watson Lake, it went up from about 38 courses to over 50. As a result, we have students who are able to choose more relevant and more interesting topics to them but, by being able to keep within the prescribed programs — to be able to graduate and of course meet their core curriculum for that particular year. There has been a significant amount of progress when it comes to the AVS, and I understand that we have three teachers who are assigned to the Aurora Virtual School at this particular time. They are very busy indeed, working with specific schools, but also working with other students who are outside of the schools as well.

Mr. Tredger: I didn't catch the number of teachers who were involved in the virtual school. As I said, there were two administrators, and there were a number of things that came from previous questions that I had asked about the percentage of Yukon First Nations employed in our school system. I know that the department was working with CYFN to ensure that it was representative of the population. I am also interested in the number of YNTEP grads in the last five years, and how many of those are First Nation and employed in our schools, and how many overall YNTEP grads — what percentage of them — have been able to find employment in the schools. If the minister does not have those — if she could commit to tabling them at some point this session.

Hon. Ms. Taylor: Madam Chair, just going back to the Aurora Virtual School, of course, as I mentioned in my last response, there are three FTEs, inclusive of a curriculum developer, team leader and a teacher. There is also IT supporting that particular school — that goes without saying — and a very busy shop at that, as I was just briefed up on that not long ago.

With respect to the percentage of First Nations holding specific positions within the Department of Education, we actually did do a run-up and I can say that, as of 2014 — this

is the most recent, as I understand, workforce census, being this year. When you look at the overall average, I believe it's just shy of 20 percent. It is good. I think that it has been coming up over the years, and there is more of a concerted effort, of course.

With respect to the number of First Nation student graduates from YNTEP, for example, I don't have that particular statistic at my fingertips, but I can certainly see what we can do.

Mr. Tredger: I thank the minister for that. It's encouraging to see the number continuing to rise. I know it is a priority for First Nations that they have local people and, in particular, local First Nations working in their schools.

A quick question on credentials for supervisory — for management positions, directors and superintendents in the school. What is the requirement, education-wise, for superintendents and directors?

Hon. Ms. Taylor: Madam Chair, I don't have specific job descriptions. We have how many positions in the Yukon government? We have quite a few — I can say that. We're one of the most populated departments in the territory. I was just asking our Deputy Minister of Education — when it comes to superintendents. I understand that a master's degree in education or equivalent is, in fact, required. It's an obligation. We don't have the specific job descriptions in front of me so hopefully that will suffice.

Mr. Tredger: Then I would assume that all superintendents have a master's degree. Are there any particular requirements for administrative positions — principals in our schools?

Hon. Ms. Taylor: I'm just going to go back to the previous statement I just made. For superintendents, I think as I said — I'll state it again for the member opposite — master's in education or equivalent. It could be experience in that regard. With respect to other positions, if they're administrators, whether they are cleaning staff or whether — again, I don't have those specific job descriptions. I'm sure that we could probably take up a good month to talk about all the job descriptions, but I could certainly do that. Next time I will have job descriptions for every position and I would be happy to go over every job description for the member opposite.

Mr. Tredger: I'm not sure whether that's a threat or a promise, but I can assure the minister that I don't need to go over the job descriptions for everyone in the employ of the Department of Education.

When you say the equivalent of a master's degree in experience, who determines that? Is it the Teacher Certification Board? Is it HR or is it the deputy minister who determines the equivalent — or the Teacher Qualification Board?

Hon. Ms. Taylor: As I understand, of course — I am just reminded that superintendents are management positions, so when it comes to hiring decisions, it would be a hiring panel, which could comprise of HR. HR of course would always sit on that particular panel and others within the department, depending on what the specific position is, to

determine the equivalency of that particular position. Again, it would be a hiring panel.

Mr. Tredger: I thank the minister for that clarification. There was another issue that came, actually, in Question Period this morning. The Minister of Highways and Public Works was responding to questions about F.H. Collins school. I had asked that in previous debate of the minister.

The minister replied that the intent is to have the tech education wing ready and upgraded to coordinate at the same time as the opening of the school, so that when you do have bums in the seats at F.H. Collins, the tech education wing would be open at the same time. You went on to say that it's been made known all along that the tech education wing is a very important part of the new school going forward. I may have misunderstood, but I thought the Minister of Highways and Public Works implied that the tech ed wing was not considered part of the school. It may have been just a bit of misinformation there, but is the minister's latest understanding that the tech education wing will be refurbished and ready when the new school is ready? Has there been any change in the date? I assume that the school is still scheduled to be ready for the fall of 2015.

Hon. Ms. Taylor: It is my understanding that the tech education wing was to be ready for use when the school is opening up. In fact, just to be very clear, while the opening of the school will be in the fall of 2015, as I understand, it really won't be ready for use until probably January 2016, because it takes time to get that school prepped with equipment and technology and so forth. To be very clear, I think we are looking at January 2016 as when we are looking at the move in of students and teachers, ready to go.

Going back to F.H. Collins, it is interesting, because I tried saying that there has been a lot of — I am trying not to be unparliamentary here — discussion here on the floor of the Assembly about what the school is or what it isn't or what we hope it will be or what it isn't to be. I do know — and I appreciate that the member opposite is probably going off of information from many different sources. The new school going forward — I am excited about it. I think every member on this side of the House is excited about the opening of it. We feel that it is going to provide a learning environment that meets current as well as long-term needs of the school population.

It is based on a design that has been successfully built, but it has been modified to reflect Yukon's specific situations and specific needs. We are going to benefit from an industrial kitchen and science labs. We are going to have First Nation language labs. First Nation language labs were something that the school in Alberta did not have. Likewise, the cafeteria — the school in Alberta did not have that either. That has been predicated on the fact that they had access to a food court. We will have learning spaces — actually more learning spaces than were originally envisioned in the first F.H. Collins going forward, just to correct the record on that.

It is going to have a dedicated distance learning room that will enable students to access out-of-territory programs. It is going to have 42 learning studios in addition to the technical

education wing that the member opposite was referring to. We hope to be able to move forward with best practices. I was one of the individuals — I know that the previous Minister of Education also has accompanied members of our staff and also school council representatives. I was able to see the school in Alberta first-hand, and the amount of light and the very positive welcoming environment for learning. I have to say it was very interesting — you know, just the use of technology, whether it was being wired into individual classrooms or having computers on wheels versus stationary computer labs, even to the individual furniture that was used to be able to plug in — these are all components that we are looking at going forward. We are hoping to be able to really make this a great school. We are hoping that we will be able to showcase some of the best practices on a go-forward basis. We hope to be able to move forward on best practices in terms of team teaching — expanding on that — hands-on, project-based learning, access to technology, the ability to make spaces either smaller or larger when needed. It is that added flexibility and really being able to capitalize on what we have to greatly enhance the student learning experience with an ultimate outcome, which is all about improving student outcomes.

We are very excited about this. There are specific differences between the current F.H. Collins and the F.H. Collins going forward. As I mentioned before, the current F.H. Collins was built for a much larger student population. It was built at a time when we only had one high school. That is not the case today, but it does provide us with the opportunity to expand, if need be, if that school is no longer able to accommodate the student population down the road.

I want to be very clear that I have also spent time in our other high schools in the territory, and it is very important to continue to work with our specific schools across all the communities — to work with them, to be able to build their schools and be able to share resources among those respective schools. That is a very important component.

I took a look at Porter Creek Secondary School. I was at their school council meeting not long ago, and it was fantastic to hear about the student attendance rates and how they have really been working on improving those attendance rates.

They have specifically made that a goal within their overarching school growth plan, and it has been working. They are using unique, innovative solutions and they are working very closely with their administration and working with their school council, individual students and classes. I commend all of our schools, but it is just one example of how we need to continue to expand upon current and existing successes in our classrooms, in specific schools, and be able to share those best experiences with other schools as well.

Again, moving forward, we are very excited about the opening the F.H. Collins school. Also, I want to commend the work of my colleague from Riverdale North and his ability. He is chairing a committee that was really overseeing a lot of great work in terms of setting the stage on the education reserve, which covers a huge area of land, including Selkirk

elementary school, Gadzoosdaa residence, Teen Parent Centre, the skateboard park, and so forth.

His committee, which is comprised of a whole host of various stakeholders, is really also going to help set the stage in terms of maximizing the site for student achievement and success and maximizing future flexibility of the site, for not only education purposes, but the broader community uses as well — also looking to be as environmentally responsible and fiscally responsible as possible with the land, and working with Yukon First Nations and providing more opportunities for really enhancing connections with the land, providing those broader experiences.

We have seen some great successes of that being done, albeit maybe not on the school campus itself. Whether working through Vuntut Gwitchin government in the spring culture camp or through the Southern Tutchone bicultural program through Champagne and Aishihik First Nations — those are just a couple of examples of the good work. I know we're working with Kluane First Nation too on expanding upon our intergovernmental accords with the First Nation on how we can better utilize and expand the delivery of education as well.

This is a real opportunity — through the good work of this Education Reserve Planning Committee — headed up by my colleague from Riverdale North, and utilizing his experience as the previous Minister of Education to complement existing and planned facilities in the Riverdale area and within the broader context of the City of Whitehorse. They have already had a couple of great meetings — very engaged. I know that there is a lot of work to be done — looking not just at the short term, but also the medium and the longer term in terms of growth down the road, whether that be in the next five years or it could be 25 years out.

I want to thank all those stakeholders, including members of the Riverdale Community Association, the respective school councils that are engaged, CSFY, which is also part of this great committee. Sport Yukon is also a part of that, and the City of Whitehorse. We have Kwanlin Dun First Nation and the Ta'an Kwäch'än Council representation there as well. We have a whole host of various stakeholders that are very engaged, and I just want to thank them for that because it really will help set the stage.

Seeing the time, Madam Chair, I move that you report progress.

Chair: It has been moved by Ms. Taylor that the Chair report progress.

Motion agreed to

Chair: Pursuant to Committee of the Whole Motion No. 9 adopted earlier today, Committee of the Whole will receive witnesses from the Yukon Development Corporation and the Yukon Energy Corporation.

In order to allow the witnesses to take their places in the Chamber, the Committee will now recess and reconvene at 3:30 p.m.

Recess

Chair: Committee of the Whole will now come to order.

Appearance of witnesses

Chair: Pursuant to Committee of the Whole Motion No. 9 adopted earlier today, Committee of the Whole will now receive witnesses from the Yukon Development Corporation and the Yukon Energy Corporation.

I would ask all members to remember to refer their remarks through the Chair when addressing the witnesses and I would also ask the witnesses to refer their answers through the Chair when they're responding to members of the Committee.

Mr. Kent, I believe you will introduce the witnesses.

Witnesses introduced

Hon. Mr. Kent: It gives me great pleasure to welcome the witnesses from the Yukon Development Corporation and the Yukon Energy Corporation here this afternoon. The witnesses appearing before Committee of the Whole today are Joanne Fairlie, chair of the Yukon Development Corporation Board of Directors; Mr. Greg Komaromi, president and chief executive officer of the Yukon Development Corporation; Piers McDonald, chair of the Yukon Energy Corporation Board of Directors; and I would also like to welcome Andrew Hall, president and CEO of the Yukon Energy Corporation, who is new to this post since witnesses from these two organizations last appeared.

Madam Chair, I would also like to ask members to welcome two officials from their respective corporations to the gallery here today. We have Krista Roske, who is the senior policy analyst for the Yukon Development Corporation, and Janet Patterson, who is the communications director for the Yukon Energy Corporation — as well as a couple of other individuals who have joined us: Hector Campbell with the Yukon Energy Corporation — and I apologize, but I will get the name of the other individual who has joined us today and introduce her at the end of this.

I am just going to take a brief moment to thank some individuals, including former president and CEO of the Energy Corporation, David Morrison, as well as Pat Irvin, who is a former board member, and Piers McDonald, who will be making his final appearance with us here today as chair of the Energy Corporation, as well as former member of the YDC Board of Directors, Mr. Warren Holland, for their commitment and the things that they have been able to accomplish on the energy front here in the Yukon. Under their collective watch, there has been much accomplished, including grid connection between Carmacks and Stewart as well as the line into the Minto mine and increased hydro capacity by adding Mayo B and the work at Aishihik.

Backup diesel power is now being replaced with cheaper and cleaner natural gas. Wind studies were recently announced by the Yukon Energy Corporation and the work on next generation hydro. These are but a few of the initiatives that have been undertaken by these two organizations over the

past number of years under the leadership and watch of Mr. McDonald and Ms. Fairlie and all of the officials and board members who are with both of these organizations. On behalf of the Government of Yukon, I would like to thank them for their commitment to the Yukon and now turn the floor over to members who may have questions of the witnesses.

Chair: Just before we get started, the witnesses as a whole will have 20 minutes for any opening remarks they wish to make. I just would like to remind you to signify to the Chair who will be speaking or responding to a particular question so that we can make sure the appropriate microphone is turned on.

With that, would anyone like to make an opening statement?

Ms. Fairlie: It is our pleasure to appear this afternoon. Collectively, we represent the Yukon Development Corporation and the Yukon Energy Corporation. As the minister indicated, we would like to welcome Andrew Hall as the newest addition to the group presenting here today. The rest of us have been here before.

Yukon Development Corporation's mandate is to undertake energy-related initiatives designed to promote Yukon's economic development through the provision of safe, reliable, cost-effective energy and energy-related infrastructure, both now and for the future.

Since our last appearance before this committee, Yukon Development Corporation Board of Directors has been working diligently to ensure that the governance structure and necessary resources are available to implement the hydroelectric power planning directive. In response to the directive issued in 2013, the corporation developed and initiated the workplan for next generation hydro. This has included the contracting of two teams: a public engagement team and a technical team, which are developing a series of technical papers and discussing the findings in those papers with First Nations, stakeholders and the Yukon public.

The first paper was released in late November of this year and discussed at a stakeholder workshop and public speaker event. It is expected that the remaining papers will be released by June 2015, with a business case and the identification of one or more hydro sites by the end of 2015.

The corporation has also secured financing from the Yukon government to work with Yukon Energy to begin the process related to the reconstruction and upgrading of the transmission line between Stewart and Keno.

This project will improve the reliability of the grid for all customers; will reduce the impact of new loads, while avoiding a negative impact on rates. These are two examples of the cooperative work Yukon Development Corporation and Yukon Energy Corporation are undertaking to ensure the necessary energy infrastructure is in place for the longer term benefit of all Yukoners.

I thank you for the opportunity to make these opening remarks. I would also like to take this opportunity to thank Mr. McDonald. It has been a privilege and a pleasure to work with Mr. McDonald over the last 18 months or so. He has

been patient while helping to guide me through the complexities of energy-related initiatives. Mr. McDonald will provide a brief update on Yukon Energy Corporation's most recent activities.

Mr. McDonald: I'll be brief. The Yukon Energy Corporation has been busy in the past year planning new supply projects, replacing end-of-life backup generators and facing changing load requirements. It has been a challenging year in many respects — all the while facing some changes in personnel as the minister has noted. We've seen the exodus of Dave Morrison, the long-time very effective CEO for the company and we have selected Andrew Hall as his replacement. That change of personnel took place in September of this year, so we are going to challenge Mr. Hall this afternoon in terms of his ability to pick up complex issues and relate Yukon Energy Corporation's activities to members. He is a quick study and I'm sure people will be satisfied with his ability to manage the detail that is to come.

With that, I look forward to questions along with the rest of my colleagues here.

Mr. Tredger: I too would like to welcome the officials to the Legislature. Thank you very much for coming.

I would like to thank Mr. McDonald for his contributions over the last number of years. His wisdom, his knowledge, his insights and his understanding of the needs of the Yukon have been a driving force and much appreciated by Yukoners. For that and the time and energy it took, thank you.

I would also like to welcome Mr. Hall to the Chamber and I do look forward to working with him. I read a bit of his resumé and I see that he has some areas of expertise in renewable energy, in water treatment and in dealing with methane. I realize that these are, as Piers mentioned, very complex issues and something that we as a society are grappling with. With that note, I would like to thank the four of them for the leadership that they're showing.

This is indeed a very complex time as we look to meet our energy needs and the answers aren't easy, but there's an increasing sense of urgency that our choices in energy use don't affect future generations and that our energy use and our grappling with how we go about arriving at energy ensures that our society will go forward.

I commend you all for taking that kind of challenge on. I look forward to a relationship — and a good relationship — with you. I would also like to thank the staff who came from Yukon Energy. In particular, I was glad to see Janet Patterson there, because I know that if you are not able to answer any of the questions, we can just ask Janet.

I'll remember to address the Chair.

As I said, this is an urgent time with energy. We realize that we can no longer depend on fossil fuels as a fallback position. In the Yukon, we were very fortunate that we had energy — and large hydro — that supplied most of our needs. We also had that insurance that if we use all our hydro, we had a fallback position of fossil fuels. It is becoming increasingly apparent that we no longer have that position as a society and that we need to start looking at renewable energies — energies like wind, solar and geothermal. In the Yukon, a

large portion of our electrical generation is hydro, but our greenhouse gases — our biggest emitters — are transportation and heating.

So it is important that Yukon Development Corporation and its subsidiary, Yukon Energy Corporation, help us as a society to move from that dependence of fossil fuels, so we can gain our energy needs through renewable and certain resources, because we know that the non-renewable, the fossil fuel industry, is controlled globally and we have very little to say as the prices skyrocket one month and drop out the next month. We know that most renewable sources are controlled and managed locally. They can be smaller, but there is a certainty. Once we have paid the capital costs, we can project over 10, 20, 50 years the ongoing costs of that.

Just a couple of broad questions for Mr. Hall, and do feel free to jump in if other people would want to expand on that.

What are Yukon Energy and the Yukon Development Corporation doing to help Yukoners transition to a future where we can all move toward zero emission of greenhouse gases in meeting our energy, our transportation and our heating needs? What steps are being taken to ensure the energy we use today doesn't imperil the future? Is there an understanding from the Yukon Energy Corporation that the world is moving away and making an extreme effort to get off our dependence on fossil fuels? What steps are being taken to reduce Yukon's dependency on fossil fuels?

We have talked about wind — we have had many studies — we have talked about geothermal and we've talked about solar, but I think there is a renewed sense of urgency on the planet. How is that being reflected in Yukon Development Corporation's goals and mandates?

Mr. McDonald: I would like to begin — I know that my colleagues here have some things to say, so I'll probably keep my remarks short.

The Energy Corporation Board of Directors appreciates and supports the vision as outlined by the member. As a general proposition, it is true that we are coming to the end of our so-called legacy hydro, although in recent months and in the last year, the loads have actually dropped a bit and we've felt some revenue pressures that we weren't expecting, thanks to the falling-off of a couple of customers from the system and, for the first time, facing a bit of a reduction in our wholesale sales to ATCO Electric Yukon.

As a general proposition, the member is quite right that the loads are such that we've had to start looking at a new supply. As everyone knows, the vast majority of the electricity we produce right now — 99 percent — is renewable. We use only for peak purposes and for emergencies, such as the emergency we faced recently with the Whitehorse fourth wheel — that we will generate electricity through fossil fuels. It's something obviously we like to avoid because, no matter what choice is made, whether it's diesel or liquefied natural gas, it is more expensive than the base system, which is hydro.

Consequently, knowing that we're coming to the end of the so-called legacy hydro, we have to plan for the generation of new electrical supply. I'm sure my colleagues from the Development Corporation will address the issue in the long

term — certainly the large hydro project is meant to address precisely long-term needs of Yukoners. The Energy Corporation is focused on the immediate term and the short term and medium term to generate new electricity and, for that reason, we have, over the last several years, been focusing our attentions on identifying preferable renewable supply options that we could employ to do just that.

As members will know, we have conducted a number of workshops, charrettes, et cetera, to essentially plan in public our intentions to generate new power through renewable means. We have only recently discussed our backup power as being required as well. That has caused us to look at our backup systems and what might be required there — but generally speaking, for a new load, we are focused on renewable supply options and looking to investigate them very methodically to determine what best can be employed in the short and medium term.

Mr. Hall: I'll give a bit more colour on short-term plans and then my colleagues from YDC can talk about the long term. With regard to the short term — I refer specifically to our activities in 2015 — they are focused on three broad areas. The first is to, in the vein of pursuing additional sources of renewable energy supply, really pick up and continue the theme of maximizing the utility of our existing assets. It has been a strategy of the Energy Corporation over many years to add additional turbines to hydro facilities, for example, and really sweat our assets. That makes sense for Yukoners and it is a cost-effective source of energy. The two examples there are two storage projects — one at Mayo Lake and one at Marsh Lake — and we plan to continue work on those two projects. They are cost-effective sources of energy and make sense for Yukoners.

Secondly, the members would have seen that we put out an announcement about our activities in wind as a renewable energy source going forward. We plan to do work to complete wind monitoring at the Mount Sumanik site and bring that analysis up to the same level that we have completed at the Tehcho site so that we can cost out wind farms at both facilities and then select a location of choice to move forward to more detailed planning. At the same time, we would like to present Yukoners and our shareholders with a choice — namely what would a mid-scale hydro option look like comparable to wind — and so we are also planning to progress some work on a hydro facility. It could be pump storage in the five- to 10-megawatt range.

To pick up on the final points that the member brought up — a very interesting point regarding greenhouse gas emissions in the transportation and home heating sectors. Obviously these are very interesting sectors. The member is correct that they are the leading source of greenhouse gas emissions. Personally, as someone coming from the private sector, I would love to sell more electrons into those sectors to offset greenhouse gas emissions, and so we are planning to do some early stage work to look at issues such as electric vehicles, how they may fit within the Yukon context, and also what the business case may be for replacement of fossil fuels with electricity in home heating.

Ms. Fairlie: The directive that was issued to Yukon Development Corporation focuses on the identification of one or more hydroelectric projects to meet electrical needs 20 to 50 years from now, so it is a long-term project. The directive also identifies a role for supporting renewable energy technologies, which would include wind, geothermal, biomass or solar generation in the shorter term. We will be working with our subsidiary, Yukon Energy, to help them develop the shorter term needs of the Yukon, and that will include some renewable resources.

Mr. Tredger: What is the status of the Yukon Development Corporation's debt load? Are the profits actually paying down this burden? When does the Yukon Development Corporation expect to have this debt paid? How much has been borrowed by Yukon Energy Corporation, and who guarantees the debts?

Mr. Komaromi: Members will recall that the YDC annual report was tabled in the Assembly in the fall. The balance sheet that accompanied that shows about \$154 million in debt and there are detailed notes attached to the financial statements that explain each one of what those are, and they're notes 18 through 22.

Mr. Tredger: I thank the official for that. Yukon Energy's website provides information about energy consumption that details the monthly load consumption in gigawatt hours. The data suggests, as Mr. McDonald referred to, that by the end of the 2014, the total load consumption will be less than the 410 gigawatt hours, compared to more than 425 gigawatt hours in 2012. It seems to demonstrate a downward trend in energy consumption by consumers. What does Yukon Energy's analysis of the load growth demonstrate? Why do you think there is this downward trend? Is it possible that the decrease in energy consumption is due to consumer rate shock because of both utilities increasing their rates by over 20 percent? Or maybe the decrease in energy consumption is due to demand side management initiatives? I'll leave it at that for now.

Mr. Hall: Thank you — a very good question. The member is correct that we have seen a decrease in our energy sales. We're short about, I believe, 14 or 16 gigawatt hours. If you look at the breakdown of our energy, the gap has arisen in the wholesale sales. This would be sales into the residential sector — consumption of electricity in homes. There are a number of factors that contribute to the consumption in the residential sector and explain possibly this decrease. As we all know, we have a time of economic uncertainty at present. Mining activity and exploration activity is in a bit of a lull in the territory at the moment and we have seen it reflected in, for example, GDP numbers being down. This all speaks to less electricity consumption. In addition, we have seen our population growth subside and again, customer count numbers, if anything, have declined slightly so less customers buying energy, less energy consumption. As the member might also be aware, we had quite a warm fall period here in terms of temperature and a number of what we call "heating degree days". It's the way we quantify the effect of

temperature — it's down — which again speaks to a reason why our power consumption has been reduced.

Mr. Tredger: I thank the official for that.

One of Yukon Energy's strategic priorities for 2013 was to work toward bringing into service new supply projects that would provide at least 100 gigawatt hours per year of sustainable energy by the end of 2014. Is there an update regarding whether or not that target will be achieved and how will that be achieved?

Mr. Hall: Clearly, our plans from 2013 predate my history with the company. I think it's pretty obvious that we have not seen load growth to commensurate for the 100 gigawatt hours of demand so no, we have not brought supply projects into effect to that order.

Mr. Tredger: The Mayo Road substation upgrade costs about \$12 million spread over two years. It is one of Yukon Energy's largest capital projects. Has the Mayo Road substation upgrade been completed? At the same time, Yukon Energy indicated it was also making improvements to its system to limit outages to smaller geographic areas and enable power to be restored more quickly during an outage. Which areas can expect these improvements? Is this work completed and, if not, when will it be completed?

Mr. Hall: I will deal with questions in turn. With regard to the Mayo Road substation, or what we call Takhini-Whistle Bend, I am pleased to say that work on this project is complete. It was completed underbudget and on time, so it was a success for the corporation in terms of executing on its plans.

With regard to the broader topic of reliability, obviously, we take the reliability and availability of our system very seriously. We spend a fairly significant amount of money on what is called maintenance capital items. This is spending every year to improve and maintain our system. We have seen an improvement in terms of our reliability statistics and, going forward into 2015, we have set a fairly aggressive target for reducing and focusing on our reliability going forward.

Mr. Tredger: Just a quick question on the Mayo transmission line. This fall it was announced — a \$5.3-million investment. What is this investment intended to accomplish? Victoria Gold and the surrounding area would greatly benefit if the transmission line between Stewart, Mayo and Keno was upgraded to a 138 line. It would also be a great opportunity for the Keno area to develop wind or other renewable energy projects. Is this being considered and enabled with this \$5.3-million investment?

Mr. Komaromi: The \$5.3 million is for the design, engineering and permitting of the replacement of the Stewart to Keno line so that it is ready to be constructed. The actual project itself is budgeted at \$40.3 million to complete, so that \$5.3 million is the preliminary requirement to get the project ready to be built. It is a very good investment in central Yukon economically. There are seven or eight significant mineral occurrences in proximity to that line and, as the member noted, that would add new generation opportunities as well.

Mr. Tredger: Does the Energy Corporation then contemplate expanding it to a 138 line?

Mr. Komaromi: Yes, the plan is to upgrade the line from Stewart to Keno to 138 kV. There will be a significant benefit as a part of that upgrade by replacing the section of the line between Mayo and Keno, which is the original line built in 1951, and which was sort of declared end-of-life in 1992.

Mr. Tredger: Has Mayo B been formally commissioned? If it has, can you please describe what its commissioned rate is and how much it is expected to produce?

Mr. Hall: It is certainly commissioned. Unfortunately, I don't have the figures with me right now in terms of what its production is, but it is — you know, we certainly utilize the asset as and when required.

Mr. Tredger: In each year since its construction — and you may not have this either — but, how many gigawatt hours has Mayo B produced and is it producing enough power to start paying off the debt it incurred to YDC?

Mr. Hall: Again, I apologize, Madam Chair — I don't have the data. Perhaps my colleagues can talk on the debts topic.

Ms. Fairlie: We just want to clarify you talking about the bond — the \$150-million bond.

Some Hon. Member: (inaudible)

Chair: Order please.

Mr. Tredger: I am speaking of the debt that was incurred to build Mayo B. I believe it was in a bond form, yes.

Ms. Fairlie: Sorry, Madam Chair. There is no plan at this point in time to repay that bond. The bond will likely be refinanced at the time that it comes due.

Mr. Tredger: I believe that — my numbers might not be exact — it was a 10-megawatt project and wonder whether it has ever met that threshold and for what length of time. Before you answer that, I do want to thank Yukon Energy Corporation for the work they are putting in with the Village of Mayo and the Na Cho Nyäk Dun. As people are aware, there has been flooding and there was some ice buildup earlier — I believe it was last week — and I would like to commend the Yukon Energy officials. They reacted very quickly and dropped the amount of flow-through from 19 cubic metres per second down to — I believe it was 15.2 this morning. It seems to have resolved the issue, but it does highlight a concern of residents that Mayo B has not been able to operate as was intended because of the flooding and the problems around that.

I guess my question is: How much flow-through does it take to achieve that and do we have any resolution on a permanent basis in mind so that Mayo B can operate as intended?

Mr. Hall: Madam Chair, as the member points out, there are issues around flooding in the Village of Mayo, and I think it is important for all members to realize that those flooding issues predated the Mayo B project. In fact, some of the years of the worst flooding were prior to the project construction.

It's fair to say that the issue of flooding in the village is complex and related to a number of different processes that

take place on the river, and many related, as the member points out, to the formation of ice and how that ice forms, the manner in which it forms and then the manner in which it may or may not hold up water flow within the channels of the river.

To that point, we are working, as the member points out, with the Village of Mayo and the Yukon government on both a short-term ice and flow management plan, which we will implement over the current winter season, and the Yukon government is working on a long-term mitigation plan with an external consultant.

The short-term plan, which will be executed over the current winter season, speaks to various measurements that are made of water levels, both in groundwater and surface water, and certain triggers for how we manage flow, based on where the water is at any particular time. The overall intent is to develop an ice and water management process that allows us to flow and operate as per our current water licence.

The long-term plan — we expect that will be published shortly by the Yukon government, and that speaks to more permanent measures that may take place or be executed on the lower reaches of the Mayo River to ensure long-term operation and flow management under our current water licence.

Mr. Tredger: Just a couple of notes — people were aware of the potential flooding problems and there was some flooding in the past. The current round of flooding occurred the year before Mayo B was activated, but it was the year that the Mayo-Dawson transmission line was built and the amount of flow was increased to provide power for that. Since then, as the Mayo A was noted to have caused flooding problems, I know it was noted both by the Village of Mayo as well as by Na Cho Nyäk Dun, but it was decided anyway to go ahead with Mayo B. Basically every winter since, there have been problems and, as I said, I thank Yukon Energy for reducing the flow rate; however, that remains a problem.

Yukon Energy Corporation is in the process of applying to increase the allowable drawdown of Mayo Lake. The application to YESAA has been put on hold, as I understand, but my concern is: What are the plans for the future and, given that the flow rate already has to be reduced, will Yukon Energy Corporation and YDC wait until the flooding issues are resolved before continuing on to work with the application to increase the drawdown and the flow rate?

Mr. Hall: With regard to the future project to look at increasing the drawdown, there are a couple of points. We are proceeding with our YESAA application, but partly driven by the desire to put a placeholder in with YESAA.

Clearly we do wish to resolve the issue of flooding, and before management would make a recommendation to our board to proceed with the project, it's clear that, for all stakeholders concerned, we do need a resolution to the flooding issue.

To the broader question of: How does flow relate to drawdown? I think it's important to realize that increased drawdown gives you a quantity of energy. It doesn't immediately mean that you run at higher flow; it can mean

that you run at higher flow for a longer period. All I am saying is that there is not a direct link between your drawdown and your absolute flow levels in the river. Time is another variable in that equation.

Mr. Tredger: I thank you for that clarification. I guess the concern is that this is an ongoing issue. I think it would not be prudent to proceed with investing in a system that would increase the drawdown prior to the engineering reports and some of the studies that were a part of the original application, and many of these studies have yet to be completed. I understand there is currently an engineering report. Can you update that we will be done on the flooding issues and on possible resolutions? Can you update us as to its status and when locals will be involved and when people in Mayo can expect to have such a report?

Mr. Hall: Madam Chair, the report that the member refers to is the report pertaining to the long-term mitigation plan, which is in the purview of the Yukon government, so I can't really speak to the availability of that report.

Mr. McDonald: Madam Chair, I would just like to make the point — if it has not been made clearly enough already — that the Energy Corporation has no desire whatsoever to contribute to the flooding of the Mayo townsite. But what we are looking to do is to look to an engineer's solution that will conclusively determine what the best mitigation measures will be and what will effectively allow for the maximum use of the facility at the same time as ensuring that the Village of Mayo remains safe from flooding. What we don't know conclusively is the original causes of the flooding, what contributes to it, what happens when ice forms at a certain time, what kind of ice that forms creates the flooding conditions in Mayo, so we need an engineered solution for this problem.

As Mr. Hall has stated, there is some suspicion that there is a long-standing issue here that predates the construction of the Mayo B project and is not, in our view, caused by Mayo A. It's not that we're trying to apportion responsibility; we're trying to find a solution. The Energy Corporation will be present, constructively looking for such a solution and helping to invest in the engineering work that will provide appropriate guidance to us. But we will do that until we find one. We will not knowingly create conditions which make the situation in Mayo worse.

Mr. Tredger: I thank you for that answer. I guess my concern is that we, as you have stated, have known that there have been flooding problems and we have known that there have been flow-rate problems. We went ahead and invested \$120 million prior to all of the studies being done, and now we are contemplating investing more money into a potential drawdown system and damming of the lake.

Yukon Energy controls the water from the headwaters through Mayo Lake, through Wareham dam, all the way down to the mouth of where it flows into the Stewart. It is a series of dams and holding patterns. The solution has to be found somewhere in there.

I would just urge caution in terms of putting in future projects and spending more money prior to having all of the

engineering reports, having all of the studies done on the changing aquatic system in that area. As many things are, it is becoming increasingly complex as our permafrost is melting, as water flows and our precipitation patterns are changing. I appreciate that Yukon Energy would not knowingly contribute to that. I am just asking, for the people in Mayo and for the taxpayers who are financing it, that caution be taken and that we proceed carefully on this project.

Part of the reasoning behind the Mayo B construction was to meet the energy needs of Alexco mine. Was a bond collected from Alexco in case they close down prior to the anticipated end date?

Mr. McDonald: The Mayo B project was financed on its own as a supply project to contribute to northern Yukon with the anticipation that the two grids would be connected and there would be one grid in the Yukon. The Alexco mine was considered to be an opportunity to sell surplus power, and that power has been sold and the system has benefitted from that. Incidentally, referring to the opening remarks, one of the reasons why we are facing revenue problems is because Alexco has closed. But, in terms of the financing of the project itself, the Mayo B project was financed separately from any relationship with Alexco. There were connection issues, and Alexco did provide contributions with respect to connections to the system.

Mr. Tredger: In the Yukon Development Corporation, one of the organizational overviews was, in an order-in-council in 1993, to promote the establishment, development and operation within Yukon of industries or undertakings that are, by their nature, energy dependent through the provision of cost-effective energy and energy-related infrastructure.

Many of those refer to mines or extractive resources. What requirement does the chair see that we have to supply mines or new industrial projects with power? What guarantees do we get when we sign on to supply these proponents with power?

Mr. McDonald: In general terms, the way the Energy Corporation has faced requests for power from mining companies is that it is determined in the first instance whether or not there is going to be any substantial impact on other ratepayers and the system itself. Certainly, capital contributions, as in the case of the Minto mine, were contributed by the mining proponent to cover the costs of the linkages and impacts on the transmission requirements to supply the mining property.

It becomes more complicated when we start looking at the need to generate more electricity in order to accommodate a large single user. Certainly we have been very, very wary and very careful to look at major new proponents who increase load requirements significantly over a short term. In those instances, we have either steered the mining company to solutions that will allow them to care for themselves, as in the case of the larger operators, or we have encouraged a discussion with government and the Development Corporation, as well as ourselves, to determine whether or not there is any solution that may be suitable to all parties.

Certainly, our interest is the risk profile of the project as it relates to ratepayers over the long term. We look to mitigation of those risks to ensure that we are not faced with the loss of load and rate shock as a result.

Mr. Tredger: Part of the mandate for Yukon Development Corporation and Yukon Energy is to build sustainable energy sources. Have any discussions been held with potential mines to have a portion of their energy needs met through renewable resources? I know that in the Northwest Territories, a couple of the mines are using wind to provide up to 20 to 30 percent of their — potentially provide that much of their energy needs. Have any discussions like that been held with our potential industrial customers?

Mr. McDonald: A full range of options has been presented to mining customers, essentially visitors to the territory who are getting to know and understand our system and what our capacity is, what our limitations are. We have spoken to them about options, including potentially hydro and other renewable options. The challenge that many of the mining companies face is that they, like our own system, need to be able to amortize in order to keep the unit cost of electricity to a reasonable level — need to amortize these projects over a very long period of time.

Typically, their planning horizons are short and the mine lives are projected to be, generally speaking, fairly short. Consequently, for example, Selwyn Chihong had looked to potentially a hydro project in the eastern Yukon as potentially meeting its needs, but the cost to amortize that project over a term — which, to give it a competitive cost profile, meant that it would easily eclipse the mine life by four or five times, in order to make it work.

So while we try to encourage renewable, as we encourage renewable generation ourselves, our first goal has been to look at the integrity of our own system and whether or not we can support a single industrial customer of a certain size and, if we can't, we steer them to alternatives, and they make their own assessment based on the information they receive.

Mr. Komaromi: If I could just — these things are never simple and clear-cut, but I think it's important to note that the mining industry has been an important customer in helping to pay for the legacy hydro that we enjoy today from facilities like Whitehorse, Aishihik and Mayo. They're important customers and helping to contribute to paying for those kinds of assets over time. There's a risk for them coming on and coming off, but it doesn't take away from the fact that they have been important customers in the development of those legacy assets.

The last observation I would make, Madam Chair, is that, if you look at the electricity equation in terms of generation, transmission and distribution, the mining industry pays for all three, but only consumes two. So they pay rates that are based on generation, transmission and distribution, but they don't require distributed energy. They require the energy and transmission only.

Mr. Tredger: I realize it is a complex issue and there are many issues at stake here, but we as a territory have made commitments to greenhouse gas emissions and I would

encourage the Yukon Development Corporation to look at all possible ways so that we don't get tied into continued dependence upon fossil fuels.

I know that renewable energy and renewable energy storage is becoming increasingly more viable, and I think that it is urgent that we start to seriously look at that over the long period of time and start to work very seriously with these companies so that everyone can benefit from it.

I did have a quick question on a particular area. In 2014, I asked about the silt buildup where the Mayo River crosses the Silver Trail. A farmer there has had his land repeatedly flooded. His house has been flooded. He was told that engineers are looking and reviewing the issue. He does not yet have any information available.

What is being done to resolve the silt buildup and what assurances can be given to the landowner that this matter will be resolved?

Mr. Hall: The member is correct. The outlet of the Mayo Lake has experienced silting over the period of 60 years, so it is a very long-term process that is taking place in that channel. We have looked at it from an engineering perspective in terms of what will be required to essentially dredge the channel. In our view, this is linked in some ways to the broader water storage project, namely that — you know, to get the maximum benefit out of inland storage, we would need to silt the channel. We do have active work underway in 2015 to quantify the costs and the related workplan for that.

Mr. Tredger: I will refer again to the organizational overview. There was an Order-in-Council 1993/07 that restricted the corporation's role to energy-related activities designed to promote the economic development of Yukon. Have there been any discussions around this order-in-council and changing that mandate for Yukon Development Corporation?

Ms. Fairlie: Not so far.

Ms. White: I think that goes really beautifully into the tabled protocol agreement for 2014-15 that was tabled just prior to Question Period today. There are some interesting changes to it and I have some questions about that.

We know that government mandates are often set in election platforms and a political party will lay out what their vision for the future is in their election platform, and we have those every four to five years. Under the new protocol agreements for 2014-15, on page seven, underneath the title of "Board", it says that the board's role is to govern development in a manner consistent with the applicable legislation and Cabinet's mandate and policy direction, and to ensure development complies with government's general direction, policies and fiscal plans. Of course there is no issue with following applicable legislation. What it brings into question is the idea of following Cabinet's mandate and policy direction.

How can an energy corporation plan for a long-term energy future — so let's say 50 years into the future — when the board is being directed by a Cabinet mandate, understanding that a Cabinet is four to five years, unless re-

lected. How does that affect the Energy Corporation's ability to plan into the future?

Ms. Fairlie: All government departments and corporations have to plan into the future, regardless of which government is in power at the time. We have to lay out our long-term vision — any department, corporation — to meet the needs that are foreseen in the future. At the same time, we have to be aware of the fact that there can be adjustments to that plan going forward, depending on the government in power at the time.

Ms. White: In the same mandate letter, understanding that this is, of course, the one that's just been tabled, under the title of "Minister" on page four, it says that "The minister will..." Under the second bullet point, it states that it will be accountable to the Legislative Assembly for government's direction to the development.

A question with that: Was that in the previous mandate letter as well — that government was giving direction to development for future projects?

Mr. Komaromi: Madam Chair, the legislation and the regulations that accompany the oversight and governance of the Yukon Development Corporation have remained, for the most part, largely unchanged for many, many years. The legislation and the regulations provide for the ability of the government to provide directions through directives to the Development Corporation. The Development Corporation, can, in turn, provide those same directives or directives of its own to the Yukon Energy Corporation, and that has been the established governance framework for the corporation essentially since it was established in 1986.

Ms. White: Understanding that it has largely been unchanged, did the Development Corporation receive direction from the government to pursue the liquefied natural gas power plant?

Mr. Komaromi: Madam Chair, no. No, the Development Corporation was not directed to proceed with LNG. The decision to pursue alternative fossil fuel backup in the face of retiring diesel engines was an analysis and the business case that was developed and recommended by firstly, the Yukon Energy Corporation and subsequently, by the Yukon Development Corporation, to government.

Ms. White: I thank the witness for the answer. Just to keep going on the line of the LNG plant, what is the updated capital cost to completion and how is the LNG plant being financed?

Mr. Hall: The estimated cost to completion is \$42.9 million and this is being financed at the moment through construction financing from the Development Corporation.

Ms. White: In the past four months, we have seen an unprecedented collapse in the price of oil. There is no certainty at this moment of just how long this is going to play out. But also, when looking on the chart of natural gas, it appears that the cost of natural gas is staying relatively at the same price. During the Yukon Utilities Board part 3 hearing on April 2014, YEC provided forecasts that illustrated that oil would stay high relative to natural gas for over 30 years. I believe the price of oil at the time of the hearing was \$120 a

barrel and now it sits at just about half of that. How has this changed the economics of the liquefied natural gas project?

Mr. Hall: I'm glad you brought up our part 3 energy certificate application, because that provides a good reference point to look at what has changed.

If we go back to the estimates at that time, the member is correct that oil was priced at \$100 a barrel, but it's not really the oil price that's relevant; the relevant price is diesel delivered to Whitehorse. If you look at those prices, the picture is a bit more interesting. At the time, the diesel price was \$1.05 per litre. Our latest quoted price is \$1.00 per litre, so we have had a five-percent decrease in diesel prices over this time.

It's interesting to consider why this is the case. I think the reason is because there are certain components of the diesel price that are inelastic to the oil price. That means they don't really move with the crude oil price, and those would be things like refining costs, transportation costs and taxes. What you see is that when crude oil drops, the diesel price doesn't drop as much. You see a similar phenomenon with gasoline. We all wonder why we pay \$1.17 at the pump and we topped out at \$1.25 or so. We haven't seen that much of a decrease in gasoline prices either.

Moving then to natural gas, the data that I have was the following: At the time of our part 3 application, the commodity price in Vancouver was \$4.56 per gigajoule, and we now sit at \$3.90 per gigajoule. That would be a 15-percent decrease. What you can see is what has happened is the spread between diesel and natural gas has remained pretty constant. Both have moved down, no doubt, but it is the difference that is important, and that difference hasn't changed materially. The net result of that is that the overall economics of the LNG project have not been impacted in a material way by the change in commodity prices.

Ms. White: If oil stays at the present low cost per barrel, how much longer will it take to pay back? There was a forecast that was given and, during the hearings, part of the justification for the natural gas was that it was going to be sourced out of a plant in Alberta that was guaranteed to be frack-free for five years. The processing, or cooling rate, was guaranteed and that has changed because that plant is no longer being constructed or operated. There are a lot of things that have changed since the corporation moved forward toward this. If the CEO can speak a bit to that — but if oil stays at its current low cost per barrel, what is the payback time? What is the difference? Does that affect the long-term financing?

Mr. Hall: Again, I will refer to my prior response. It is the differential between natural gas and diesel that is important. The member is correct that oil is forecast to stay down low for at least 2015, but for that matter, so is natural gas. It is our belief that the differential will stay relatively constant.

Ms. White: YEC has always said that the LNG facility is a replacement for the aging diesel-backup generation facility. We know that the new facility will be able to produce more power than the original generators. If it is only to be

used to meet the backup or the peak generation or emergency requirements — and we see on the YEC website in the last three years our load growth has been shrinking — how does this jeopardize the promised economics of this project? One of the big pushes behind this was the economics of the project and how much money we were going to save. How is that affected?

Mr. Hall: I will point out that the purpose of these engines is to provide backup energy. A number of weeks ago, the members will recall that we had an issue of ice blockage at Whitehorse hydro facility and we needed to count on our diesels at that time to kick in in short order to keep the lights on, and they did so. The idea would be very much the same with the LNG engines. They are required to meet backup purposes.

In terms of the economics, the member is correct that those are dependent on load. If our forecasts of load or the amount of times that those engines come on to meet peaking demand, for example, that will impact the economics.

But, again, we see some drop-off in load in the short term, but I think we all hope and intend that the economy in the territory will recover, that population will continue to increase, that there will be measured development in the territory and, therefore, load will continue to increase. We don't see any fundamental long-term shift in that load.

Ms. White: When the project was originally being discussed, I referenced — I can't remember the name of the processing plant that was going to be in Alberta that was guaranteeing the frack-free gas. Where does YEC plan on getting the natural gas now? What location and what sort of extraction methods has that gas been extracted with?

Mr. Hall: Our short-term plan is to source the LNG from FortisBC out of their Tilbury facility in British Columbia. I think it's important for members to realize that the North American natural gas grid is interconnected and it's interconnected not only within Canada, but down into the U.S.

So when we ask our supplier, such as FortisBC, how much of the supply is fracked or not fracked, they're not able to tell us a number because, at any one point in time, you don't know where that molecule of methane came from, and the proportion of fracked supply and non-fracked supply changes as individual wells come on and off stream.

So unfortunately, it's not an easy answer to give. We've asked our suppliers, and they've not been able to tell us, nor can they tell us.

Ms. White: Initially when this project was brought forward to the public, part of the social licence buy-in is that Yukon Energy Corporation was guaranteeing that it was coming from a facility that was guaranteeing that it was frack-free for those first five years. How does that affect Yukon Energy Corporation's relationship with the social licence of the community that has raised questions and concerns around that very issue?

Mr. Hall: I will point out that it wasn't Yukon Energy's decision, nor did we have any role in Shell deciding not to move forward with that LNG plant. I mean, we have to deal with circumstances as they arise.

I would point out that the hydrocarbon fuels that we use in the territory today — namely propane, diesel and gasoline — also come from fracked sources. So it's certainly a worthwhile debate around the issue of fracking, but we would encourage a debate more broadly than just focusing on our LNG project.

Ms. White: The witness is absolutely correct, and he's not responsible for the Shell plant deciding not to move forward, but the Energy Corporation is responsible for using that as a selling factor to the community in its social licence bid. Going along that same line, given the concerns of the public regarding the safety of the LNG plant, will there be an open house when construction is complete and before it becomes operational, so the public can see their investment and officials will be on-site to answer any questions they might have about the facility?

Mr. Hall: There are a number of questions there, so I'll take them in turn. In terms of safety, clearly there has been a lot of media coverage of perceived safety issues regarding our plants. I would just like to make a few comments on that at this time.

LNG has been safely transported and used around the world by ship and transportation truck for over 50 years. FortisBC's plant at Tilbury, which I encourage all members to visit if they have the interest, has operated successfully since 1971 with an exemplary safety record.

Today, several transportation companies in the Lower Mainland use LNG every day as a fuel on the roads of Vancouver. These include both Vedder Transport, which is a transportation company, and Denwill transportation. I was fortunate enough to visit both of those facilities with key stakeholders and view LNG being used in an everyday basis very safely.

I think much of the concern here in Whitehorse about the safety of LNG stems from a genuine lack of familiarity with LNG and that's understandable. We have not used it in the territory thus far and so folks simply aren't aware and therefore are concerned. We use hydrocarbon fuels in our daily lives as I stated before, gasoline in our cars and snowmobiles; propane in our homes for heating and for our barbecues. All of these fuels have unique hazards that need to be respected and the appropriate safety measures used. However, I will point out that we all use propane today on a regular basis. I have a large propane tank in the yard of my new home. I think it's generally recognized that LNG is a safer fuel than propane. I'll mention a couple of technical examples. It has a higher ignition temperature, so you need a much hotter spark to light off LNG than you do propane. The storage pressure of propane tanks is higher than that of LNG so propane tends to explode much more than LNG.

Secondly, natural gas is lighter than air so if you did have an LNG leak, it would disperse upwards. Propane sinks down and persists and sticks around the area, persisting that danger through time. We have all over time become comfortable with the use of gasoline and propane and I see no reason why we could not become comfortable with LNG.

A point to note is that right here in Whitehorse, we have two propane tank farms — Superior Propane with 200,000 litres of storage and Super Save with 290,000 litres, so the total volume of propane in the town is over 500,000 litres. This compares to our LNG storage of 510,000 litres, so very comparable. We will not be storing any more fuel here than we currently do in terms of propane.

Just for a point of comparison, the storage facility at FortisBC's Tilbury LNG plant is 33 times the size of our LNG storage so it's enormous and that's in Delta, B.C. which is a growing bedroom community of Vancouver. As I said, that plant has been operating safely for over 30 years. I mean, hydrocarbon fuels need to be respected. We need to be handling them in a safe manner, but in our view, LNG can be safe and we intend to implement all the appropriate safety measures in the operation of our site.

To the member's second question, we certainly will hold an open house where we will welcome the public to come and view our facility once it's constructed.

Ms. White: I thank the witness for having an open house. That would be fantastic. I think there's an important part to this conversation, which is "better the devil you know than the devil you don't". Part of the open house, I think, will help appease people's concerns. I wonder if the Delta, B.C. facility is below an airport and next to a hydro dam. I mean, that's just a question.

The last one on LNG is: What public education campaign surrounding safety protocols related to the LNG facility will YEC be undertaking?

Mr. Hall: We certainly are planning a communication strategy around LNG as the plant is brought into production, and that will include public education on safety. I don't have many more details than that. We'll see that brought out in the next four to six months.

Ms. White: I am moving on toward a project that the witness was speaking about — short-term goals for 2015 — when he mentioned both the Mayo Lake and Marsh Lake holdback. It is interesting, because I never refer to it as the Marsh Lake holdback because the Southern Lakes is a very large system with water. Mr. Hall says that it makes sense for Yukoners. Well, I beg to differ. There are many Yukoners for whom that project going forward just doesn't make sense. The Southern Lakes affected area includes Marsh Lake, Six Mile River, Taku Arm, Tagish Lake, Windy Arm, Nares Lake, Nares River and Bennett Lake. My question to the witnesses is: How many kilometres of shoreline is that in total?

Mr. Hall: As part of the work we have done on the Southern Lakes concept, we have done extensive studies of where we believe there would be shoreline mitigation required. It is not the whole shoreline. There are various reasons for that. The mitigation plans are focused on two areas. Those are both shoreline erosion and groundwater flooding. It is not the whole shoreline. I don't have the data with me in terms of what percentage of the shoreline it is, but it is not the whole shoreline.

Ms. White: When we are talking about the shoreline mitigation, are we only talking about the shoreline that

touches private property? Is that what we are talking about as far as mitigation?

Mr. Hall: There are various types of shoreline involved. There is private property, there is Crown land, and there is the First Nations' shoreline as well. At this time, we have focused on the private property, but I would say that our plans are not fully finalized in terms of Crown land. Certainly we will be addressing any First Nation land that would be inundated.

Ms. White: I think it is important to let the witness know that, right now, residents of the Southern Lakes area are not just worried about private property; they are worried about the hundreds and, I would guess, thousands of kilometres of shoreline — so not just ones that affect them and their pocketbook, but affect the whole ecosystem and the health and well-being of all of those water systems, including animal migration, birds, spawning areas for fish, and the list goes on and on and on.

When I was on the website today and looking at the Southern Lakes project — and I am quoting. It says that it “would save Yukoners up to \$2 million per year by displacing 1.6 and 2.2 million litres of diesel annually.” My question is: What was the cost of diesel generation at the Whitehorse hydro facility in 2013?

Mr. Hall: I don't have the data on the diesel price in 2013.

I would say a few things about the Southern Lakes concept. We understand that residents are very concerned about what is going on today to their property. Unfortunately, what we are seeing — and I know we have several residents with us today — are the effects of climate change impacting the shorelines today, whether we do this project or not. In my view, this project represents a win-win in that we will mitigate both the shoreline erosion and groundwater flooding. That is happening today.

In that sense, if we go ahead, the project is a win for residents and it is a win for Yukoners, because we get that access to that cost-effective source of energy.

Ms. White: The repeated concerns at the Southern Lakes water meetings often don't involve just private property and — like I said — they include all shoreline and they include the concerns about wildlife, migration and spawning grounds. In the meetings I have attended, those questions haven't ever been thoroughly answered by officials from YEC. People have come in, they have done presentations and they get asked questions that they don't have answers for. I would suggest that until that point, when all those concerns can be addressed — one by one — it is going to be very hard to convince the people of Southern Lakes that they should make that sacrifice, because it is not a personal sacrifice for them, it is the entire area. It is not just one lake; it is certainly not just Marsh Lake, so to call it the Marsh Lake holdback always seems disingenuous to me.

The Southern Lakes Water Level Committee has raised repeated concerns over the lack of communication between the Utilities Board, Yukon Energy and the Southern Lakes communities, including the Carcross-Tagish First Nation.

YEC has continued to say that all have been consulted, but this claim — to say that all have been consulted — was refuted at a public meeting about the project on November 27, when the CTFN chief stood up to say that First Nations had not been properly — or adequately — consulted.

What is YEC doing to resolve the issue of fully and adequately consulting the CTFN on this project?

Mr. Hall: I don't believe that we have ever said that we have completed consultation with the First Nations. I think what I said at that meeting is that it is a work in progress and certainly we would not go ahead with this — and I will point out that, you know, management, has not recommended to our board to go ahead with this project. We certainly hope within 2015 to take a recommendation — either yes or no — to our board. But, in that vein, we are not complete with consultation by any means. To that point, you know I have a meeting set up with the chief this week.

Ms. White: Fantastic. Thanks, Madam Chair. I know that Mr. Hall is in kind of a hard position, because the conversation started around this project in 2006, and if a meeting is planned within the next week with the chief of the Carcross-Tagish First Nation, that is great, but I would suggest that it has been awhile.

An example that kind of highlights some of the concerns — the gaps in the scientific studies and data presented by the Yukon Energy Corporation continue to be of concern to the residents of the Southern Lakes. For example, they question why wind and temperature data is still being collected at Whitehorse Airport despite the well-known and often-repeated fact that the wind is different and stronger on the Southern Lakes. The erosion expert who was brought up to speak in November of 2013 agreed that this was an oversight and ought to be addressed. These discrepancies are potentially big issues for the proposed holdback.

When will the data collection reflect these geographic and climatic differences between the Whitehorse Airport and the Southern Lakes region?

Mr. Hall: I will make a comment and then I believe Mr. McDonald will follow. Look, we certainly understand that the Southern Lakes Water Level Committee has certain concerns. The first time we heard about them was at the meeting that you attended and we eagerly await their report, which I believe will be presented in early January. Based on the report and our review of it — you know, there is additional data monitoring that we may choose to undertake to address specific concerns, but we would love to see the full report first.

Mr. McDonald: Firstly, as Mr. Hall has pointed out, I would make the point that the Energy Corporation has not made a final determination as to whether or not it would like to proceed with this project. However, to say that there has been little to no consultation would be false. There have been many — dozens and dozens of meetings, even in the time that I've been at the corporation, which has not been since 2006. But there have been dozens of meetings with people, including the committee that was identified to assist with dissemination of information.

There has been much effort made by Energy Corporation officials to reach out to the residents of the district. In fact, there has been much investment made in scientific studies to help identify any concerns and potential mitigation measures that might take place. Now, that's not to say that work is either complete or that there shouldn't be more to take place.

I would just point out to all members that there's not a single project in our repertoire that is not in somebody's backyard in this territory. Every single project is — and we can be assured that the people who live closest to these projects are going to be holding us to a very high standard to make sure that any project needs to be thoroughly analyzed, and certainly we expect that. Consequently, when the project comes before the board of directors, they'll expect that it has met a very high standard and that legitimate questions have been posed and answered in the process.

I don't want anyone to be left with the impression that the Energy Corporation is taking this project — or any other of its projects — lightly when it comes to identifying the challenges in delivery. During the process of the consultation and during the process of the studies and the analyses, there's going to be a debate for every project that we have and, until such time as a project comes forward to the board and then forward to the regulators to determine whether or not we've met the tests, I'm certain that there will be many good questions posed and an obligation on the corporation to answer them.

Ms. White: I never said that there weren't meetings, as there have been dozens of meetings since I was elected in 2011. I've had the pleasure of attending some of those meetings and they've had upward of 20 to 30 to 40 people there at each and every meeting. I think it is unfair to categorize the residents of the Southern Lakes area as saying "not in my backyard". The concerns they have raised have not just been about their own property; they have raised concerns about wildlife, they have raised concerns about fish and spawning areas. A lot of what they focus on has nothing to do with property — their own property.

I think I have time for one more question, so I'm going to move on to the Whitehorse hydro facility, and I'm going to get it all out in one go so the Member for Klondike can ask questions.

The Whitehorse hydro facility went on-line with two turbines in 1958, so that's 56 years ago. In 1969, a third turbine was added and the fourth was added in 1985. Apparently the third turbine is not as efficient as the two older turbines and it is known to be a water hog. It does not produce as much power as it should for the water it uses, and that was brought forward at the Yukon Utilities Board hearings. Are there plans to upgrade the third turbine so that it is more effective?

The second part, even though it is only 30-years old, recent incidents in the past few years — and even as recently as last week — have highlighted the fourth turbine's deficiencies. Are there regular assessments of audits to ensure that the turbines retain their efficiency? How does Yukon Energy determine whether or not a turbine needs to be replaced? If the turbines were more efficient and producing at

peak efficiency, what could be the expected energy generation of the Whitehorse hydro facility with its current water levels?

Mr. Hall: We do conduct what are called asset assessment reports where we rotate through our different assets — be they transmission lines, hydro facilities or diesel engines — and take a look at the condition of those assets and what maintenance or optimization work may or may not be warranted at any particular point. From that, we develop our short-term and long-term maintenance plans.

I must apologize — I am not fully up to speed yet on the relative efficiencies of our Whitehorse hydro facility, as the member clearly is, but I will say that there is a project that is broadly called "rerunning" — where you do go in and make certain changes to the turbines to increase their efficiency and update the performance. We certainly look at those projects from time to time. At this time, I can't give a fulsome account of what we may or may not be planning in that area.

Mr. Silver: Thank you to the officials today for their time. I know it is a lot work to answer our questions here, so I am going to try to keep the preambles really short. I have a lot of questions to ask.

Yukon's next hydro project: at a recent workshop, YDC talked about the new dams that are in the works. It is down to a shortlist of 16 projects. As you can tell by the website, there are a couple that are listed here under new hydro, including Pine Creek, Moon Lake and a couple of others.

Some of the projects on the list had price tags upwards of \$2 billion. The workplan on this project released in May of 2014 said — and I quote: "A next generation hydro project would likely be eight to 10 times the cost of the Mayo B hydro enhancement and transmission project." Mayo B cost \$120 million.

A couple of questions: Is the corporation considering spending as much as \$950 million to \$1.2 billion on this new project, or even \$2 billion on this project? If not, why are these projects even being considered? Also, has the government given any direction to YDC with regard to the size or cost of these projects or has it simply just given a sky-is-the-limit type of thing?

Mr. Komaromi: I think the member is quoting the workplan in which we were trying to ensure that there was context around the fact that the development of new hydro is not an inexpensive undertaking. One of the things about hydro — I mean every energy source has benefits and drawbacks. Generally speaking, hydro is more capital intensive at the front end, but operates as an operating asset for 80 to 100 years. So it just churns out relatively inexpensive power once it has been constructed.

Part of the workplan that our technical consultants are addressing is to look at a couple of different things. One is to look at scalability in terms of whether or not we can find a site that allows us to start small, go medium, go large. That is part of the work that is being done. We fully expect that, ultimately — I should just say that the other thing that they are doing is looking at examining the cost by phase of project. One of the technical papers will identify, as a project goes

forward, what we might anticipate the cost to be by phase until that project was constructed and brought into operation.

I should just provide some context in that regard. Scalability would be great. Our assets in Yukon have been scaled. Whitehorse in 1958 is different from Whitehorse in 2014, and the same could be said about Aishihik and about Mayo. So scalability would be important.

I just offer a couple of examples, because I think people need to be realistic about what might be possible here. There was one project — a good one from a design perspective — in the 2009 large hydro study, and it was 41 megawatts, and in 2009 dollars, it was estimated to be around \$200 million.

The Forrest Kerr project, which was recently constructed by AltaGas in northeast B.C. has now been commissioned, is now producing power and is being sold into the B.C. grid by the Northwest Transmission Line. It is a 195-megawatt project that cost \$750 million to develop. Those kinds of projects are not inexpensive, but we fully expect that we will do our due diligence accordingly and, should we go forward with a viability study and a business case, we will propose what potential financing models might be for a project or projects.

Mr. Silver: I am just going to ask the question again, because I know that there is going to be a plan, clearly, to spend a lot of money on this project. Once again — a pretty straightforward question — I am just wondering: Are the projects that are at the higher end, like at \$2 billion, being considered? It is a straightforward question. Also, has there been any direction from the government to YDC in relation to the size and cost of these projects?

Mr. Komaromi: There has been no instruction to us in terms of the location or the size of these projects. We did go through a site-screening inventory, part one, which was the subject of the workshop and public event that we had on November 26. One of the project screenings was to look at sites that were considered to be fundamentally uneconomical. That was the third screen in a three-part screening process.

A number of projects fell off the radar screen at that time because they were thought to be fundamentally economical. So from screen two, which was show-stoppers, to screen three, which was fundamentally uneconomical, the number of sites reduced from 40-something to 16, based on the fundamentally uneconomical criteria.

The benchmark that has been used for determining fundamentally uneconomic is whether or not, in a coarse calculation, those projects can compete with base-case natural gas.

So there's still a lot of work to be done yet before we can determine what would be considered a good project economically but, contextually, we're doing the work to determine what's necessary to make those kinds of recommendations.

Mr. Silver: So we can assume that, through this process, the 16 that are left — it sounds like there has been some level of screening based upon economic viability on these projects. I guess the question still remains that there are some major projects moving forward that are in the sweet 16 that may move forward that do have a price tag of over \$2

billion. There's no reason to ask this question, other than — that's a large number. If that's going to be the project that we're moving forward on, we'll have more questions as these projects get whittled down to the top four, I guess.

On the staff that has transferred from Energy, Mines and Resources, or elsewhere in the department, over to YDC, were these jobs — can we expand a little bit on these particular jobs? Were they to work on this project? I do understand that there was \$2 million set aside for this year for this project. I'm also wondering how much of that money has already been spent and will it all be spent?

Mr. Komaromi: I'll try to remember the order of those — I might mix them up, unfortunately. To the member's question about resources, we expect that the \$2 million that was allocated and voted this year will be expended by the end of the fiscal year. YDC has a calendar fiscal year versus the government's truncated April to March fiscal year. Our financial statements, which I mentioned earlier, record expenditures against this project by the end of December of about \$1.3 million, if memory serves. So we expect that we will use the rest of those resources to do what it is we had intended to do in the first part of this work this year.

To the member's question about human resources, when we were discussing how to most efficiently implement the hydroelectric power planning directive, we very deliberately decided that we would try to assemble a relatively small, high-performing team supported by very good contractors to do this work. I think we've been successful in doing that. There are currently four people who are in the Yukon Development Corporation contributing directly to this project and contributing directly to now the Stewart-Keno project, which we've been asked to work on with our subsidiary. Two of those people originated in Energy, Mines and Resources, one in the Department of Economic Development, and the other has always been a YDC employee who, for a couple of years, was seconded to the Energy Corporation and was simply repatriated to complete the team.

Mr. Silver: I do appreciate the answers — a little clarification there.

I'm going to go to the agreements with the First Nations on the LNG facility. Last spring, I did ask the minister about the Whitehorse LNG facility and Yukon Energy's agreement with Ta'an Kwäch'än and KDFN. In a letter to me, the minister said that Yukon Energy is seeking approval from KDFN to release any final agreements. I was wondering if I can get a copy of those final agreements today, or a commitment to get those from the corporations.

Also, can the witness outline the commitments that the corporations made in those agreements? The final question on that would be: Are either of the First Nations direct investors in the project? If so, what is the nature of those involvements or those investments?

Mr. Hall: As the member points out, we have been working on it with Kwanlin Dun First Nation — on a potential investment around this project. We signed a cooperation agreement with them, which set the basic framework for that

negotiation. We expect to sign an investment agreement shortly. We have not done so at this time.

In terms of disclosure of this investment, typically agreements like this aren't made public, but we have heard the request and we're in discussion with the First Nation as to whether they wish to make the documents public at this time, so we can respond in due course on that point.

In terms of what the general nature of the investment might be, I can't get into specifics, obviously. It's not an investment in the project, but it's an investment that is triggered by the project and, in terms of a return, the return mirrors Yukon Energy's return on equity and debt. So in that sense, there's no cost to ratepayers from this agreement. The cost of the investment is no more than what we pay on our equity and debt.

In terms of the Ta'an Kwäch'än Council, there's no such investment on their side, but they are benefiting through an agreement with Yukon Energy for culturally relevant materials and support, for example, for the Fox Lake chinook salmon restocking program. They chose to participate and benefit in those ways.

Mr. Silver: Thank you for the clarification on this. We were under the understanding that there were some final agreements. I will have to take a look at Hansard and have some more questions for the minister on that.

With the bond issue, we did talk here — with my colleague from Takhini-Kopper King — about the bond for Mayo B. I believe the number was discussed and the terms of that bond, but I am wondering, in relation to that, what the total amount of interest is that will be paid over the whole life of the bond. A couple of questions on here — and I can ask a few in a row. Also, what is the current debt load of the corporation? I will start there and I have a couple more questions pertaining to Bill No. 77.

Ms. Fairlie: The \$100-million bond is at five percent over 30 years, and the total interest on that will be about \$150 million.

Mr. Silver: We have been deliberating on Bill No. 77. Was the corporation consulted about changes made in Bill No. 77 with regard to borrowing? Did the corporation make a formal submission to the government about this bill and, if so, may I receive a copy?

Mr. Komaromi: Madam Chair, the member could clarify whether the question is for the Yukon Energy Corporation or for the Yukon Development Corporation.

Mr. Silver: How about both?

Mr. Komaromi: From the Yukon Development Corporation's perspective, there was nothing new in Bill No. 77. We were aware, notionally, that there were going to be some changes that would codify the way that we operated around the management of debt.

There's nothing in Bill No. 77 that is different from what the Yukon Development Corporation has been doing for a number of years, and that is to recognize that our liabilities also fall within the broader liabilities of the Yukon government, in terms of its debt cap, and that we have an obligation and a responsibility to manage ourselves within that

fiscal framework, which makes us a part of the Management Board process.

So nothing there came to us as a surprise or as being different from what we were doing, and we'll just continue to do what we've always done.

Mr. Hall: From the Energy Corporation's perspective, we did have discussions with Yukon government on this amendment, just seeking clarification on a few points — but to my colleagues from the Development Corporation's point, we didn't see a substantial change from what we had been doing previous to that, and we did not make a formal submission.

Mr. Silver: Thank you to both corporations for their answers. I do have a question — we were tabled today in the Legislative Assembly a shareholder letter of expectation and also a protocol agreement from the Minister of Energy, Mines and Resources.

We did submit questions to the corporations that are appearing here today, and we did have questions on these particular documents, so we're happy to see them being tabled today, but I guess that does beg the question: Why today? The date on these documents is August 25, 2014. Why was this document not available to the public until today?

Hon. Mr. Kent: Those are decisions that were made by me, as minister responsible for the Yukon Development Corporation.

I would point, I believe, to the shareholders letter of expectations — the signature page which is actually December 11 when he looks at that — between the chair of the Yukon Development Corporation and the chair of the Yukon Energy Corporation — the signing dates with respect to the protocol agreement were early October.

So again, it's my responsibility. I apologize to members for not bringing these forward earlier, but again, it wasn't something that was deliberate by any means and these will be made available on the website and as we move to the 2015-16 agreement, I'll ensure that they're put up on the website as soon as they're signed and copies are provided to both parties opposite at the time of signing.

Mr. Silver: Thank you to the minister for the explanation. I wasn't intending — that there was any deliberate malice here, but it's good to know as to why we were receiving documents that are labelled August 25, 2014. I guess that does answer a few of my questions here.

I will ask this to the witnesses today: It doesn't seem so, but is there anything new or different in these documents from previous years?

Ms. Fairlie: The documents were an attempt to clarify the roles of the two corporations. In the past, there was a mirror board between the Yukon Development Corporation and the Yukon Energy Corporation. When a decision was made, despite the two boards, there was no clarity around what the individual roles of the two corporations were except for that which was included in the legislation.

So we attempted to develop a protocol agreement with the minister and a letter of expectation with our subsidiary, the

Yukon Energy Corporation, to reflect our respective roles, as outlined in the legislation.

Mr. Silver: Thank you for the clarification.

West Creek hydro — I was wondering if the witnesses could provide an update on the West Creek hydro project. Has the corporation spent money on this project specifically this year, and what work, in specific? As it is listed on the website here, there are just a couple of at-a-glance information bullets, but if they could elaborate a little bit today, that would be great.

Mr. Hall: I think overall that the West Creek hydro project is an interesting one. It obviously requires a transmission line connection to Skagway, which our government is working on in terms of a project with the Alaska authorities on that. In terms of a longer-term opportunity, it is certainly interesting.

In terms of the pacing of this project, I do have a few updates. The Alaska Power and Telephone did submit what is called a preliminary permit application to FERC in March 2014, so that is a key regulatory step to move it forward. Shortly after that, the municipality of Skagway is working with Alaska Power and Telephone to transfer registration of the application to Skagway. So in other words, the municipality of Skagway would become the formal proponent.

We are planning to meet with the borough of Skagway in the new year to advance discussions. We have an MOU signed with them. I can't say that we have done very much work recently, but we feel that this is an opportune moment to really understand their plans, their pacing, on which they seek to move this project forward.

Hon. Mr. Kent: Just to provide a brief update for the member opposite as well: the work that is being done on the transmission aspects — to connect Yukon to southeast Alaska — we are expecting the report to be complete sometime within the first four months of 2015. Once that work has been completed, I will certainly make it available to members of the House.

Mr. Silver: I know we did go over the LNG plan quite a bit. We talked about the \$42.9 million and also the open house, which is great news. I don't believe there were a couple of questions that were answered. Please forgive me if they were — construction complete date and also when the facility will be operating?

Mr. Hall: At this time, given the workplan, we were expecting the facility to be in service by the end of April.

Mr. Silver: Moving on to future connections and load bearing for the grid — are there any discussions with any new mining clients connecting to the grid in the near future? Are there any discussions with any potential new mining clients at this time, for example, on power purchasing agreements?

Mr. Hall: In the past, we certainly had communications with a number of clients about potential connection. At this time, we don't have anything active in discussion. I think it is clear to everyone that mining is in a bit of a downturn, and I think the pace at which finalization of their plans is proceeding has slowed down somewhat.

Mr. Silver: My attempt to get some good news, hopefully.

What about the Mayo Road substation? I know there are some questions there. Who was the contractor for the Mayo Road substation? I'll start there.

Mr. Hall: It's a contractor by the name of FMI.

Mr. Silver: Sorry, Madam Chair, I'm moving around here through a bunch of different notes. Of course, being the last up, you'll have to forgive me.

I'm going to talk a little bit about wind here — and please, once again, forgive me if some of these were already answered, but I don't think it was. Given Yukon Energy's recent press release on wind study from Mount Sumanik, a few questions come to mind. Very pleased to hear that Yukon Energy does appear serious to consider wind energy. Will Yukon Energy be soliciting support from YDC or Yukon government if the anticipated cost of wind energy does not meet the 18 cents per kilowatt hour hurdle? I'll start there.

Mr. Hall: I think I'll start with some general comments around wind. Obviously wind carries a number of potential benefits and a number of drawbacks. The intent of the work is to really focus in on the design of wind farms in both the Tehcho and Mount Sumanik areas and quantify the costs the member refers to. I think that's our focus for now. We have not taken the project to the next step in terms of looking at what financing may or may not be required, so I don't think it's the right moment to get into that discussion.

Mr. Silver: I guess, from that, another question would be that Yukon Energy — will they be asking for money from, I guess, the Yukon government for part of the capital costs of an eventual project?

Mr. Hall: I think at this point I don't know what the capital costs are, so it is not really the right time to be deciding where that financing may or may not come from.

Mr. Silver: I guess a couple more questions on wind — it would be the wrong time if we are not getting some answers from those questions, so I will move on. I do appreciate that timing is an issue here.

IPP — does the corporation support the creation of an IPP policy?

Hon. Mr. Kent: I think as members know, the IPP policy is obviously something that is born out of the 2009 energy strategy, so the IPP policy and the microgeneration policy are actually the responsibilities of the Department of Energy, Mines and Resources. As I have mentioned previously during this sitting, we expect the microgeneration program is in place and we made an announcement today that there will be some capital contributions for individuals who are interested in pursuing microgeneration opportunities. We expect sometime within the first six months of 2015 to have an IPP policy set in place as well.

Mr. Silver: I appreciate that from the minister, but I was wondering if the corporation can comment on their participation in the creation of an IPP policy or any type of consultation that they had in such pursuits.

Mr. Hall: I think that from the Energy Corporation's perspective, we certainly support the policy.

We did provide comments to — as part of the consultation on it. They predated my time, but I did have an opportunity to review our comments. We do await the release of the policy. I think more generally, it provides an interesting avenue for development of certain types of renewable energy that may fit a different risk profile from what we might undertake, and that certainly is the function of the IPP policy in British Columbia, for example. We feel that it's an opportune way to develop certain types of renewable resources.

Mr. Silver: We are running short of time, so I have one more question left. Again, thank you very much to the witnesses today for your time — very informative.

I just have one question on the ice jam that recently happened with the shutdown of our dam. How likely is a repeat of this occurrence? It was reported as pretty — quite an odd situation. Also, what was the cost of this episode?

Mr. Hall: In terms of what was the cause — looking at the different ice mechanisms that would be at play in Schwatka Lake, there was a bit of a difference between what we saw at the different Whitehorse 1 and 3 and then at Whitehorse 4. You know, in the one case, it was related more toward what is referred to as “frazil ice”, so it's kind of a slushy ice that builds up on the gate. In the second case, it was more like shore ice, so it's almost like we had — and shore ice being blown from the shore where it's forming in and being sucked down against the gate. That's a fairly complex situation that seems to have emerged and two possibly black swan events in terms of outlier's probability-wise that happened at the same time.

Our general feeling is that it was an unusual occurrence and is not something that we have seen before. Obviously, we will continue to monitor in future years, as we go into the freeze-up period. To the member's second question in terms of what it cost us in diesel, it was about \$150,000 of diesel that we burned.

Mr. Tredger: Do we have time for another question?

I will ask my question quickly, and I would also like to thank the officials for showing up today. We have lots of questions; it is too bad we are limited in our time.

Ideally, Yukon Energy would be looking more interested into load management, which means shifting demand to shave peaks and fill valleys, as well as to move or enhance demand into the summer when there is a surplus of electricity. It appears to me that the key to integrating renewable energy into our energy system is to have a flexible grid, a wide basket of sources that can be linked seasonably, and sufficient storage. In the summer, we have lots of hydro, while in the winter, studies I have been reading show that wind appears to be greater. As part of the wind feasibility study, will Yukon Energy Corporation study the effectiveness of electric thermal storage units and smart grid technologies?

Mr. Hall: I think the member has brought up a couple of very interesting concepts and opportunities for optimization of our grid. I can respond in a couple of ways.

Firstly, in terms of providing storage, you will have noticed in our announcement on our wind work, we are going

to be looking at the requirement for storage to firm up the intermittent energy that is produced from our wind resource. That storage can take a number of technical forms, including concepts such as pumped storage which, in its ultimate implementation, would allow us to store water in summer when we are spilling out of Whitehorse hydro; use — generate — pump-up during the summer and, if we had enough storage available, run that down during the winter to offset thermal generation.

We like the concept of pumped storage a lot. There are a couple of sites in the territory that may be amenable to it and we plan to do some work around that to assess how much storage might be available at those sites — I think a very good concept and something we fully subscribe to.

There are other technologies for storage — large batteries. There is a lot of work going on in California for grid-scale storage, using battery technology. It is an area of technology that is developing very quickly. Costs are coming down and so we certainly want to refresh our database of costs and find out what the best available solutions might be out there.

In terms of electric thermal storage, I think it is important to realize what that is. It is certainly a way of storing energy and it is a load — like, if we built a bunch of ETS units out there, it would be load that you could match up against wind. ETS isn't something that you can switch on and feed electricity back into the grid. It just doesn't work like that. So if the wind stops blowing suddenly or, for that matter, you get a gust of wind such that your wind turbines trip out on maximum velocity, ETS isn't going to help you with that.

It is a potential piece of the puzzle, but it's not the only solution. I know it's very topical in the territory — there are a number of experts who have a lot of experience with it, but it will be one of the solutions we'll look at — not the only solution.

Hon. Mr. Kent: On behalf of all members of the Legislature, I would like to thank the witnesses for appearing — Mr. Komaromi, Ms. Fairlie, Mr. Hall — welcome — and Mr. McDonald. Thank you so much for your years of dedication to the Energy Corporation and really building a positive foundation for our energy future.

Before we go, I would also like to recognize Shelley Dixon, who is Mr. Hall's executive assistant, who has joined us here and serves as a good reminder that I need to get the prescription checked for my glasses as well. Thank you very much to the witnesses. I appreciate you appearing here. Thank you.

Chair: The witnesses are now excused.

Witnesses excused

Chair: It being 5:30 p.m., the Chair will now rise and report progress.

Speaker resumes the Chair

Speaker: I will now call the House to order.

May the House have a report from the Chair of Committee of the Whole?

Chair's report

Ms. McLeod: Mr. Speaker, Committee of the Whole adopted Committee of the Whole Motion No. 9 regarding the appearance of witnesses before Committee of the Whole from 3:30 p.m. to 5:30 p.m. today to discuss matters related to the Yukon Development Corporation and the Yukon Energy Corporation.

Committee of the Whole also considered Bill No. 15, entitled *Second Appropriation Act, 2014-15*, and directed me to report progress.

Speaker: You have heard the report of the Chair of Committee of the Whole. Are you agreed?

Some Hon. Members: Agreed.

Speaker: I declare the report carried.

As the hour is 5:30 p.m., this House now stands adjourned until 1:00 p.m. tomorrow.

The House adjourned at 5:32 p.m.

The following Sessional Papers were tabled on December 15, 2014:

33-1-139

Protocol Agreement 2014-2015 between the Minister responsible for the Yukon Development Corporation (as representative of Government) and the Chair of the Yukon Development Corporation (as representative of Yukon Development Corporation) (Kent)

33-1-140

Shareholder Letter of Expectations 2014-2015 from the Chair, Yukon Development Corporation ("Development") to the Chair, Yukon Energy Corporation ("Energy") (Kent)

Written notice was given of the following motion on December 15, 2014:

Motion No. 847

Re: Government to consult with Yukoners with disabilities to develop and introduce legislation that will support the rights of Yukoners with disabilities in accordance with article 33 of the United Nations *Convention on the Rights of Persons with Disabilities* (Silver)