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HANSARD

Thursday, March 21, 2024 — 1:00 p.m.

Speaker: The Honourable Jeremy Harper

YUKON LEGISLATIVE ASSEMBLY

2024 Spring Sitting

SPEAKER — Hon. Jeremy Harper, MLA, Mayo-Tatchun
DEPUTY SPEAKER and CHAIR OF COMMITTEE OF THE WHOLE — Annie Blake, MLA, Vuntut Gwitchin
DEPUTY CHAIR OF COMMITTEE OF THE WHOLE — Lane Tredger, MLA, Whitehorse Centre

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NAME	CONSTITUENCY	PORTFOLIO
Hon. Ranj Pillai	Porter Creek South	Premier Minister of the Executive Council Office; Economic Development; Minister responsible for the Yukon Housing Corporation
Hon. Jeanie McLean	Mountainview	Deputy Premier Minister of Education; Minister responsible for the Women and Gender Equity Directorate
Hon. Nils Clarke	Riverdale North	Minister of Environment; Highways and Public Works
Hon. Tracy-Anne McPhee	Riverdale South	Minister of Health and Social Services; Justice
Hon. Richard Mostyn	Whitehorse West	Minister of Community Services; Minister responsible for the Workers' Safety and Compensation Board
Hon. John Streicker	Mount Lorne-Southern Lakes	Government House Leader Minister of Energy, Mines and Resources; Tourism and Culture; Minister responsible for the Yukon Development Corporation and the Yukon Energy Corporation; French Language Services Directorate
Hon. Sandy Silver	Klondike	Minister of Finance; Public Service Commission; Minister responsible for the Yukon Liquor Corporation and the Yukon Lottery Commission

OFFICIAL OPPOSITION

Yukon Party

Currie Dixon	Leader of the Official Opposition Copperbelt North	Scott Kent	Official Opposition House Leader Copperbelt South
Brad Cathers	Lake Laberge	Patti McLeod	Watson Lake
Yvonne Clarke	Porter Creek Centre	Geraldine Van Bibber	Porter Creek North
Wade Istchenko	Kluane	Stacey Hassard	Pelly-Nisutlin

THIRD PARTY

New Democratic Party

Kate White	Leader of the Third Party Takhini-Kopper King
Lane Tredger	Third Party House Leader Whitehorse Centre
Annie Blake	Vuntut Gwitchin

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Yukon Legislative Assembly
Whitehorse, Yukon
Thursday, March 21, 2024 — 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 changes made to the Order Paper. Motion No. 833, standing in the name of the Minister of Finance, has been removed from the Order Paper, as it is now outdated. Motion No. 915, notice of which was given by the Premier yesterday, was not placed on the Notice Paper, as the motion is outdated. Motion No. 916, notice of which was given by the Minister responsible for the Women and Gender Equity Directorate yesterday, was not placed on the Notice Paper at the request of the member.

DAILY ROUTINE

Speaker: We will proceed at this time with the Order Paper.

Introduction of visitors.

INTRODUCTION OF VISITORS

Hon. Mr. Streicker: Mr. Speaker, today is World Forestry Day and we have several guests in the gallery. Could we please welcome, from the Forest Management branch, Michelle Sicotte, Maude Bergeron-Lambert, Daniel Potvin, and — I hope I get this right — Gavin Dykshoorn.

Please welcome them all.

Applause

Ms. White: Mr. Speaker, just as an opportunity to take this moment to welcome a person I think we are all familiar with, Patti Flather, in her capacity of all the cool things that she does and welcome her to the gallery today.

Applause

TRIBUTES

In recognition of International Day for the Elimination of Racial Discrimination

Hon. Ms. McPhee: Mr. Speaker, I rise today on behalf of the Yukon Liberal government to pay tribute to the International Day for the Elimination of Racial Discrimination, which is recognized around the world on March 21 each year.

On this day in 1960, 69 people who were peacefully demonstrating against racist apartheid laws were killed by police in South Africa. In response to this cruel act of violence, in 1966, the United Nations declared March 21 the International Day for the Elimination of Racial Discrimination.

This day is an important reminder that no country and no community are immune to racism. Racial discrimination can be subtle, but it touches the everyday lives of racialized people in and around communities.

It is also important to mention the compounding effect of intersectionality. Intersectionality recognizes that people have multiple identities and interact with one another with various systems of power and oppression, such as racism, classism, and sexism, that shape their daily experiences of privilege and disadvantage.

Mr. Speaker, in Canada and in the Yukon, we continue to promote diversity, equality, and reconciliation in an effort to eliminate systemic racism. We recognize the consequences of intergenerational trauma and the extent to which systemic discrimination flows from the legacy of colonialism, slavery, and oppression. Systemic racism is about rules, practices, or systems that perpetuate unequal access because of race to resources, opportunities, and power. Systemic racism is a reality for Indigenous and racialized people in the Yukon, and we support efforts to dismantle systemic racism within the structures of government and ultimately the broader community.

Dismantling systemic racism requires collective, ongoing commitment, education, and action from our government and from all of our partners. This day of recognition allows for the opportunity to reflect on our actions and what we can do individually and collectively to help address racism. We must learn to recognize and understand our own privileges. We need to examine our own biases and consider where they may have originated and understand their impacts on other people.

Advancing equality and equity requires that we treat people fairly and with compassion. We must listen, seek to understand, and learn from the experiences of racialized people. This means engaging in conversations about race and racism and injustice.

Lastly, we are all responsible for calling out racist statements or racist actions when we see or hear them. Cultural and ethnic diversity is growing in our territory and makes our communities so much more vibrant and rich. Our government will continue to lead by example by working to condemn racism, support diversity, and promote inclusivity.

The International Day for the Elimination of Racial Discrimination is a call to action for everyone. We can see a future where we all benefit from inclusion.

Applause

Ms. Clarke: I rise on behalf of the Yukon Party Official Opposition to recognize the international day to eliminate racial discrimination.

Racism and discrimination continue to be faced across Canada and around the world. On this day in 1960, police in South Africa opened fire and killed 69 people who were demonstrating peacefully against apartheid. This tragic event marked the transition to democracy and equality in South Africa, and the world focused efforts on working to put an end to racial discrimination. Each year, we recommit our efforts to fight racial discrimination and injustices that occur right here in the Yukon and work toward a safer world where everyone is accepted, respected, and safe.

Minorities, people of African descent, people of Asian descent, Indigenous peoples, migrants, including asylum

seekers and refugees, are particularly vulnerable, as they often face discrimination in all aspects of their lives based on their racial, ethnic, or national origin or skin colour.

Today aims to celebrate the diversity that enriches our societies and to remind us that we still have a lot of work to do. We take stock of persistent gaps to protect hundreds of millions whose human rights continue to be violated due to racial discrimination. Racism not only hurts individuals; it hurts entire communities and societies.

The world can be a beautiful place when we can all get along fully and unconditionally. There is so much potential for future generations to be raised knowing the importance of respect, kindness, and humility — to grow up knowing the history of violence and discrimination but not to live it. Please do what you can to stand up to any form of discrimination that you may see in your own circles, homes, or workplaces. Educate your children to be accepting and kind, and be good role models.

Salamat po.

Applause

Ms. Blake: Mr. Speaker, I rise today on behalf of the Yukon NDP in support of the International Day for the Elimination of Racial Discrimination.

Across the world, there are individuals, communities, and societies that continue to suffer from the injustice, violence, and discrimination that racism brings. As much as we in the Yukon want to believe that racial discrimination is not a part of our community, it is still alive and well across our society. Systemic racism continues to exist in the Yukon. It impacts how we provide health care, education, and how we address the climate crisis. For those of us who are racialized, we continue to face racism and discrimination each and every day.

As leaders, we must challenge our assumptions and biases to ensure that decisions being made create communities that are healthy and safe for everyone. I remind everyone here how loud and powerful each of our voices are. We each represent our own ridings; we each represent the Yukon. Today I encourage each of us to look inwards and ask ourselves these important questions: Am I representing everyone in my community? Do our communities, departments, and social circles reflect today's Yukon? What can I do today to ensure that everyone is represented?

Today as we pay tribute to a day to end racial discrimination, I remind everyone here in this House that we still have a lot of work to do. To those who are out there doing the work to make the world a safer, better place, we see you and we thank you.

Mahsi' cho.

Applause

In recognition of World Forestry Day

Hon. Mr. Streicker: Mr. Speaker, today is World Forestry Day, and it gives us a chance to acknowledge the many folks and groups working in our forest industry here in the Yukon. Today, in over 60 countries, we reflect on how to support our forests and responsible forestry.

Let me begin by giving a shout-out to the 70-plus commercial timber harvesters working throughout the Yukon. These individuals and companies work hard to bring fuelwood and timber to Yukoners. They help to address affordability challenges for Yukoners and promote local use of our resources. Over the past couple of years, these timber harvesters have nearly doubled the annual volume of harvested fuelwood — so thanks for all that hard work they have been doing.

Timber harvesting offers many tangible benefits to Yukoners and our communities. The timber harvesting industry provides jobs, ensures a reliable supply of wood to Yukoners, and can mitigate wildfire hazards. Locally harvested wood helps to reduce the Yukon's dependence on imported fossil fuels. Not only am I pleased that we are seeing an increase in the number of companies and individuals joining the timber harvesting sector in the past couple of years, but I am also very grateful to these harvesters for helping Yukoners to stay warm through our long winters.

Reducing the risk of wildfires is another area where Yukoners continue to step up and work cooperatively. Thank you for the efforts of all those working to identify and mitigate wildfire risks in our communities. These include Wildland Fire Management, municipalities, industry, environmental organizations, and more. The development of community wildfire protection plans is a great example that showcases the resolve of governments, communities, and industry working together to safeguard our homes from the ever-present threat of wildfire. Thank you to the contractors who are working on fuel abatement projects reducing the hazards of wildfires.

Kudos as well to those groups that have helped to conserve important wildlife habitats, heritage resources, and other forest values through cooperative planning.

Finally, a big shout-out to the critical work of First Nation government lands branches, our renewable resources councils, and the Forest Management branch working to maintain the stewardship of our forests and sustainable forestry.

On World Forestry Day, we affirm the importance of sustainable forest management and a vibrant, responsible forest industry for the benefit of all Yukoners. Happy World Forestry Day, Mr. Speaker.

Applause

Ms. McLeod: Mr. Speaker, I rise on behalf of the Yukon Party Official Opposition to recognize World Forestry Day, which is observed annually on March 21 to highlight the crucial role of forests in our lives.

We are fortunate to be surrounded by some of Canada's most beautiful and extensive forests. Our boreal forest here in the Yukon consists of conifers and deciduous trees covering approximately 28 million hectares, according to the Yukon government. Sustainable forest management across Canada contributes to the health and vibrancy of our forests.

Forestry companies have responsibilities and regulations that they must follow to ensure that the work they carry out follows strict requirements with regard to forest regeneration, including selective harvesting and replanting.

Watson Lake was once home to a thriving forest industry. Several mills provided good jobs for residents in the town and its residents were thriving as a result. We are hopeful for and look forward to the return of a sustainable forest industry in southeast Yukon.

Applause

In recognition of International Day of Forests

Ms. White: Mr. Speaker, I stand on behalf of the Yukon NDP to celebrate the International Day of Forests. Every March 21, the United Nations raises awareness of the importance of all types of forests. Forests are part of nearly every aspect of our lives. When we drink a glass of water, write on a piece of paper, take medicine for a fever, or build a house, each of these aspects — and many others — of daily living links us directly to the forests around us. Forests — their sustainable management and use of resources, including their fragile ecosystems — are key to combatting climate change and to contributing to the prosperity and well-being of our current and future generations.

There are many reasons why we are lucky to live in the Yukon, and at the top of that list for me is our easy access to nature. Each Yukoner has a relationship with forests. You can't really help it here due to the very proximity of the forests that surround us.

My relationship with forests goes way back because, as a kid with a silviculturist as a dad, I spent a lot of time in the woods. I was lucky to spend summer days with my dad hiking up hills to look at patches of dead trees or afternoons in the greenhouse watering seedlings. I grew up with a deep respect for trees and forests and an understanding that forests are complex ecosystems. He told me that we had a responsibility to forest health. Whether it is thinning trees, planting trees, managing the use of forests, or letting forests reset through natural fires, there is a role for people to play in forest management.

I will finish off this tribute with the words of the world's greatest conservationist, Smokey the Bear: "Remember ... only YOU can prevent forest fires."

Applause

Speaker: Are there any returns or documents for tabling?

Are there any reports of committees?

Are there any petitions to be presented?

Are there any bills to be introduced?

Are there any notices of motions?

NOTICES OF MOTIONS

Mr. Cathers: Mr. Speaker, I rise to give notice of the following motion:

THAT this House urges the Yukon government to:

(1) increase the comprehensive municipal grant for all municipalities; and

(2) cancel the Liberal government's plan to increase property taxes on rural Yukoners during the ongoing affordability crisis.

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

THAT this House supports the skills inventory initiative by the Government of Yukon to build a pool of employees with a wide range of skills essential for supporting critical services for potential emergencies such as fires, floods, and other events.

Ms. Blake: Mr. Speaker, I rise to give notice of the following motion:

THAT this House urges the Government of Yukon to review its helicopter medevac use policy.

Speaker: Is there a statement by a minister?

MINISTERIAL STATEMENT

Clean transportation incentives

Hon. Mr. Streicker: Climate change presents an immense challenge, but we are optimistic. Yukoners are resilient and have made it clear that they want to see us do our part to address climate change. We have established greenhouse gas reduction targets for the Yukon through the *Our Clean Future* climate strategy.

Clean transportation is one area that we are focusing on. Our government is committed to reducing our emissions by 45 percent below 2010 levels by 2030. *Our Clean Future* targets 4,800 zero-emission vehicles on the road by 2030. We are also targeting the installation of 200 level 2 chargers, which are charging stations that provide faster alternating current power than standard household outlets owned by businesses, organizations, and local governments. These targets are ambitious, but there are concrete steps we can take to get us there.

We know that transportation is consistently the largest source of greenhouse gas emissions in the territory. One step we are taking is to electrify the Yukon's roadways to help reduce our emissions. Yukoners care about climate change, and many Yukoners are embracing energy-efficient practices.

Today, I am happy to announce that we are expanding our clean transportation rebates to include commercial, medium-, and heavy-duty vehicles and other electric modes of transportation such as boats or all-terrain vehicles that will increase access to the land.

Yukoners can now get up to \$2,500 in rebates based on battery size for alternative electric boats, motorcycles, and all-terrain vehicles. Rebates for up to \$10,000 are now available for commercial electric vehicles such as pickups and utility vans that meet medium-duty class 2B criteria or above. We have also doubled the rebate amount available for level 2 electric vehicle chargers. Yukoners can receive up to \$1,500 in rebates when buying and installing level 2 electric vehicle charging stations at home or at work.

The clean transportation incentives that we are announcing today reinforce our commitment to Yukoners that we take our responsibility to address climate change seriously. These updates fulfill two actions that we announced in December 2023 as part of the *Our Clean Future* climate

strategy: T30, introduce additional rebates for low-speed electric vehicles and electric vehicles that support access to the land by 2025; and T33, begin providing a rebate for medium-duty electric vehicles by 2024.

We are investing in these incentives to reduce the Yukon's greenhouse gas emissions and to make electric transportation more affordable to Yukoners. Our energy-incentive programs offer energy cost-saving, emission-reducing options to Yukoners, businesses, organizations, municipalities, and First Nation governments.

As of January 1, 2024, there were 326 light-duty zero-emission vehicles and 16 medium- and heavy-duty zero-emission vehicles registered in the territory. Since 2020, we have issued 1,148 rebates for electric bicycles. As of January 1, 2024, we have issued 63 rebates for level 2 EV charging stations. To date, the Government of Yukon has installed 19 direct current fast charging stations across the Yukon, making all road-accessible communities accessible by electric vehicles. As of January 25, 2024, a regulation under the *Public Utilities Act* now allows the Yukon private sector, First Nation governments, development corporations, and municipalities to charge a fee for accessing electric vehicle charging stations. This new regulation enables an electric vehicle charging market to develop so that Yukoners and visitors can have greater access to charging facilities throughout the territory.

Mr. Kent: Mr. Speaker, I thank the minister for the update today, and we have a number of questions based on it.

On December 20 last year, the Liberal government issued a news release outlining 42 new actions for *Our Clean Future* as part of its 2022 annual report. In that release, it states that, in 2021, greenhouse gas emissions, not including mining emissions, were one percent above 2010 levels. Since then, Yukon Energy has told us that, for the next five years, the only additional, reliable electricity generation will come from rented diesels. The 10-year renewable plan is undergoing a massive rewrite, putting the 45-percent emission-reduction goals by 2030 in jeopardy. The highly successful microgeneration program brought in by the Yukon Party is paused and under review, with no clear answer on its future.

Targets for getting more EVs on the road are lagging. We are at just over 300 registered electric vehicles on the road, so that leaves 4,500 in the next six years to meet the 2030 goal. From the OCF annual report, we are expected to be at approximately 1,000 this year and then to hold steady until 2026, when 1,000 EVs per year need to be sold to meet the goal. It looks like the minister is conveniently leaving the heavy lifting on this target until after the next election.

Further, what will the cost of rebates for the remaining 4,500 vehicles be, and where can we find that number in the budget documents? The target of 200 level 2 charging stations is also not without challenges since we are at 19 right now, and the 2024-25 budget sees a decrease of \$790,000 in funding for this initiative. We welcome the opportunity the government is giving the private sector to install and charge for these stations, but I also am curious about when YG plans to start charging EV owners to use the Yukon government stations.

While the government might want to put more EVs on the road, what does that mean for the grid? A study by Yukon University is revealing some of the challenges that EVs will pose to northern power grids. In a December 9, 2023 CBC article about the study, a vice-president with ATCO Electric said — quote: “The fast chargers ... are significant electrical loads on the grid, so it's just an increased demand and strain...” He goes on to say: “The faster they charge, the more electricity they need.”

The article itself goes on to say that there are going to be costs to the system. The VP is quoted: “For utilities, the only spot for us to recoup costs is from ratepayers.” He wants to ensure that the costs for upgrading the system and meeting people's power needs are not unreasonably borne by people who aren't buying electric vehicles.

I am curious if the minister has cost estimates for upgrading the grid and ensuring that we have reliable generation to meet the growing demand. How much of that cost will be borne by ratepayers? A potential solution may be a connection to the BC grid.

Energy, Mines and Resources has \$850,000 in the current budget this year to begin the planning work for that project, but what assurances has the minister sought from BC that they will have excess capacity to sell us, given their own electrification plans?

Just to recap our concerns, our greenhouse gas emissions without mining have increased over 2010 levels. We have six years to hit the legislated target of a 45-percent reduction. Additional reliable power generation will largely be covered by the minister's ever-growing fleet of rented diesels. Electric vehicle sales are lagging and won't ramp up until after 2026. We are less than 10 percent toward our target for EV charging stations and the budget has been reduced for that line item.

We have no idea what the cost will be to subsidize EV sales, to upgrade our power grid, and of additional generation and who will pay for those costs.

Why is the minister leaving most, if not all, of the heavy lifting until after the next election? Maybe he's not so confident that we can meet his ambitious 45-percent reduction target.

MLA Tredger: It is exciting to hear how many Yukoners are reducing their greenhouse gas emissions by driving electric vehicles. It's good to see the uptake, and I am glad to see the rebates being offered to encourage more people to make the switch. I do have some questions.

Electrification is a crucial strategy for reducing our greenhouse gases, but it must go hand in hand with renewable energy. With no new major renewable energy projects on the horizon, where is the minister planning to get the electricity to power these vehicles? In contrast to the Yukon Party offering the suggestion of the grid connection to BC, I will say that it is a minimum of 10 years and billions of dollars away, so, until he can offer any kind of guarantee that it will actually happen, I would hope that there are some other alternative plans.

An ongoing problem for electric vehicle owners is that parts of the electrical grid are not adequate to support electric vehicle chargers, and currently the onus falls on homeowners

to pay for very expensive upgrades to the grid so that they can have a fast charger. We also know that eventually there will be a point when the grid can't support new chargers without significant upgrades. What is the minister doing to solve these problems?

Yesterday when we were talking about affordability and climate change, I brought up the idea of climate justice. Climate justice acknowledges that we are not all equally responsible for climate change and we will not all equally be impacted by climate change. It calls us to do climate action in a way that makes our world better, fairer, and more just. I want to apply that concept to transportation. Electric cars are an important piece of how we can reduce our emissions, but they do nothing to make our world more fair or more just. Only people who can afford new vehicles can benefit from these rebates. Ultimately, the people whom these rebates help the most are people in our society with money. I think it's good that we are supporting people with a lot of spending power to use that spending power in a way that helps to reduce emissions, but it does not create a more fair and just society.

In contrast, there are solutions like public transportation. Public transportation reduces greenhouse gas emissions by reducing the number of vehicle trips taken. It makes our towns and cities more accessible to people who can't afford cars. It reduces traffic, meaning that we can spend less public money on roads and put that money toward projects that benefit everyone. If we were to make that public transportation more accessible by, say, making the buses in Whitehorse free, that seems like a pretty obvious win.

The Liberals' approach to free public transit in Whitehorse, however, has been to do the absolute bare minimum required for them to stay in power and nothing more. They refuse to contribute a penny more to the project than they absolutely had to and, as a result — well, Whitehorse won't be seeing free transit happen while the Liberals are in power.

It's hard to square that with their stated commitment to do their part to address climate change.

So, to sum up my questions, can the minister tell us what his plans are for renewable energy to power these vehicles and what his plans are for upgrading the electrical grid so that these vehicles can be charged at people's homes? Can he tell us why he is not equally investing in public transportation, which is a more socially equitable method of reducing greenhouse gases?

Hon. Mr. Streicker: Mr. Speaker — so, a few points. I would like to thank the members opposite for acknowledging the new work in *Our Clean Future* and all the actions that we have added based largely on the Climate Leadership Council and that work. Just a reminder to all Yukoners that over 90 percent of our energy on the main grid is generated through renewable energy, through hydro — so, as we transition across, we're moving from 100-percent fossil fuels to 10-percent fossil fuels or less. That's a good move.

And we do need to add energy to our grid. In fact, that's what we have been talking about all along. We have wind turbines that are now turning and adding to our grid. Later this year, we will have a battery plant, one of the largest in Canada,

coming online, which will support that renewable energy initiative by Chu Níikwān Limited Partnership, and our plan is to do more winter energy projects like this. I think I said that in my remarks to the budget speech.

We'll be happy to get the cost of rebates. When I have the department here in budget debate, we can get some of those specific answers of what those costs are.

With respect to how we make lives more affordable — I think I noted this in my ministerial statement — we have rebated three times as many bicycles as we have electric vehicles so far. They are by far more accessible for people. It's one of the modes that we looked for around transportation to make it more affordable, so I think that is good news.

With respect to investing in the city's bus infrastructure, we have agreed to invest in the city's bus infrastructure. We have also asked the city to indicate to us where they see priorities in that investment, and they have given us those priorities and we are respecting those priorities.

Thanks for the opportunity to update Yukoners on these new initiatives. We believe that we do have to invest in our energy infrastructure to always make sure that it is affordable, renewable, and reliable. We will keep working in that direction.

There definitely does need to be investment. We are working to invest as a government and we will support alongside our utilities to do that work. The one difference between us and the Yukon Party is that they would like to invest in fossil fuels for electricity generation, and we don't think that is the right direction to go in.

Speaker: This then brings us to Question Period.

QUESTION PERIOD

Question re: Yukon First Nation procurement policy

Mr. Hassard: Mr. Speaker, yesterday, I asked the minister about the two-year review of the bid value reduction aspect of the First Nation procurement policy, and he said that everything was going fine. He said that the review found that there were no — quote: "unintended negative consequences."

Well, Mr. Speaker, I would urge the minister to actually read the two-year review document that he cited and to actually speak with folks in the industry about that statement, because I don't think that it is accurate. Both the two-year review and the annual report of the Monitor and Review Committee make numerous references to what they refer to as a "gaming" of the policy, where businesses abuse the policy in a way that doesn't actually create any benefits to First Nation individuals or businesses.

So, my question is: What if any changes to the policy have been made to address the concerns raised by both the Monitor and Review Committee or the two-year review of the BVR?

Hon. Mr. Clarke: Mr. Speaker, thank you for the question from the member opposite.

I just want to speak a little bit about the concerns that were raised by the members opposite in prior sessions with respect to a judicial review and some of the actions that occurred arising therefrom. On April 11, 2023, the court issued reasons

for decision that indicated that there would be a declaration that the numbered company would be added to the Yukon business registry. As part of the reasons for decision, the court commented on the importance of moving along the path to reconciliation and acknowledged that advancing reconciliation is not straightforward or easy. The justice acknowledged that it would take time to get this right. The Yukon government reviewed the decision and quickly worked with Yukon First Nation partners to make changes to the policy and remove any ambiguity and make it clear that businesses have to be on the registry to access the bid value reduction benefits.

Also, Mr. Speaker, as a response to the recommendations from the judicial review, the department has also made improvements to the application and verification processes by providing reasons, when applications are not approved, to be added to the registry and by relying on information contained within the newly publicly available guidelines for registration when making decisions.

Mr. Speaker, we are continuing to actively work with the Yukon First Nation Chamber of Commerce, which administers the Yukon First Nation business registry, and the Yukon First Nation caucus — the body of representatives from the various Yukon First Nations.

Mr. Hassard: Mr. Speaker, I am not sure if the minister grabbed the wrong note or if he didn't actually listen to the question, but that certainly was not what I was asking about.

Here is a direct quote from page 28 of the two-year review that was completed last year — quote: "A significant issue identified by a high proportion of participants is the belief that the definition of a Yukon First Nation business has enabled companies that appear on paper to be 'First Nation majority owned', but are not in reality managed or beneficially owned by the First Nation individuals, to obtain the ownership BVR in their bids."

We weren't surprised to hear that at all, Mr. Speaker, because that is what industry has been saying since the very beginning. When will government make real changes to this policy to address these significant concerns?

Hon. Mr. Clarke: Mr. Speaker, with respect to the report that the member opposite is referencing, I will repeat myself from yesterday from the report that was issued on October 18, 2023.

Mr. Speaker, the key findings are that bid value reductions are resulting in an increase in the number of contracts awarded to Yukon First Nation businesses and an increase in bids from Yukon First Nation businesses. Data does not indicate evidence of unintended negative consequences for bid value reductions such as large market disruptions. There is also the perception that people could be using loopholes in the way that bid value reductions are administered to benefit from the policy; however, there were very few specific examples of potentially problematic procurements brought forward.

Socio-economic and cultural changes are long-term endeavours that require ongoing relationship-building, education, and communication. Using the information from this report, the Monitor and Review Committee has made recommendations to Highways and Public Works on

improvements to the bid value reductions process. Some of these recommendations include: providing better communication of how the policy is meeting its outcomes; combatting misinformation and misunderstanding; better data collection and increasing accountability for all the parties involved; and contract enforcement of commitments made.

Mr. Speaker, this is an ongoing process. We believe in this process and will continue to do the hard work.

Mr. Hassard: Mr. Speaker, again, I will ask the minister to actually talk to people in the industry and actually read the entire report.

According to the two-year review report, these flaws in the policy — and I'll quote again: "... risks manipulation of the policy to provide benefits to those not intended to receive them, and of undermining confidence in the procurement process." It goes on to say — and I'll quote again: "The risk to the credibility of the policy that arise from the concerns about gaming warrant a clear indication from the Yukon government that action will be taken."

Again, Mr. Speaker: What action has the minister taken to address this significant flaw with the policy?

Hon. Mr. Clarke: Mr. Speaker, just by way of perspective for Yukoners who may be listening right now: The Yukon government has spent approximately \$552.5 million during the 2023-24 fiscal year between April 1, 2023 and January 31, 2024. By the end of this fiscal year, it would not be out of line to estimate that the Yukon government will spend approximately \$600 million.

With respect to bid value reductions during that period of time, 490 tenders have closed that included bid value reduction measures, and 178 tenders have closed with bid value reductions applied. This includes 44 goods tenders, 85 tenders for services, and 49 construction tenders. There were 19 tenders with bid value reductions applied that resulted in re-ranking out of the numbers that I have provided.

For Yukoners listening at home with respect to the Yukon First Nation procurement policy — first of all, we are absolutely supportive of this policy. To provide context, Mr. Speaker: \$552.5 million in contracts in this year up to January 31; \$30.2 million awarded contracts to Yukon First Nation businesses. There is still work to be done.

Question re: Capital project commitments

Mr. Kent: Mr. Speaker, for the past eight years, the Liberal government has been telling Yukoners that the five-year capital plan is meant as a way for them to be transparent. We have been told that it's a document that businesses, communities, and First Nations can use to plan around so that they all know about all of the major projects coming down the pipeline. However, yesterday, the Minister of Highways and Public Works revealed that the port of Skagway investment of \$44.7 million was still in the five-year capital but it was hidden. He said that the document entitled *Five-Year Capital Plan* wasn't actually the five-year capital plan; it was just a highlights document.

Can the minister tell us if there are any other projects worth tens of millions of dollars that are hidden in the five-year capital plan but are not in his so-called “highlights document”?

Hon. Mr. Clarke: Mr. Speaker, thank you for the question from the member opposite. The five-year capital plan provides Yukoners with updated information on planned capital investments so that First Nation governments, Yukon residents, organizations, businesses, and municipalities have a greater sense of certainty with respect to government plans and procurement. There are projects and programs that are not highlighted in the capital plan, which include things like operational support equipment, minor work on specific highways — such as erosion control — and infrastructure planning and engineering work.

Some capital estimates have been rolled up under simplified headings, such as demolition, equipment, and building maintenance, as found in the “Building maintenance and recapitalization” table on the top of page 25 of the highlights. However, all projects are included and accounted for in the table entitled “Total planned capital spending by investment category” on page 8.

Mr. Speaker, the budget estimates for individual projects and programs in the plan can range in value from tens of thousands to more than a number of million dollars and everything in between.

Mr. Kent: Mr. Speaker, just a few months ago, the Premier was very excited to add tens of millions of dollars to the supplementary budget for the port of Skagway. It was featured in all the budget documents and the Premier spoke about it extensively at all the industry events that he went to. In fact, he told the NDP that if they didn’t support that investment, they didn’t support the mining industry.

Now any mention of the port of Skagway has been scrubbed from the five-year capital plan. The five-year capital plan lists projects as small as a few hundred thousand dollars and yet there is no mention of this \$44.7-million major capital project. Why is the Liberal government now trying to hide its investment in the port of Skagway?

Hon. Mr. Clarke: Mr. Speaker, a recent scan of other provincial and territorial jurisdictions shows that the Yukon is a leader in the level of detail provided to the public in the release of the annual budget documents, including the five-year capital plan, which provides a long-term window into the Government of Yukon’s investment plans and also shares the investment levels and ranges for individual projects and programs.

Our government, Mr. Speaker, will continue to provide Yukoners with updated information on the government’s planned investments over the next five years. Just to be clear about capital spending in the last six fiscal years: 2019-20, \$288 million; 2020-21, \$370 million budgeted — but wait, it gets better; 2021-22, \$434 million budgeted; 2022-23, \$547 million, with over \$500 million out the door; this year, 2023-24, \$484 million budgeted. We are moving the Yukon forward.

Mr. Kent: Mr. Speaker, if the Liberals are so transparent, then why is a \$44.7-million project buried in their secret plan?

Yesterday when I asked the Premier whether or not he informed anyone from industry that he would be removing the funding from the budget and pushing it several years down the road, the Premier said that there had been plenty of dialogue about it and that industry had been informed.

I would like to follow up with him on that claim, and I would like to ask very clearly: Did the Premier consult with or inform anyone in industry that he was pulling the money from the 2023-24 supplementary budget just four short months after he insisted that it be added to the budget, and if so, which groups did he inform or consult with?

Hon. Mr. Pillai: Mr. Speaker, first, I think it’s important to note that there was a dialogue on the first day of the legislative Sitting. I think the Finance minister talked about our continued commitment to this project. We have not waived. We are working in a respectful manner with the borough of Skagway. The tender that was released last year — the proponent who was successful — the borough did not want to sign off on that particular contract. We have committed to continuing to work with folks in Skagway on this particular project.

I think the key is that we have a number of organizations — one, infrastructure groups that have representation from chambers as well as from a multitude of mining companies. I want to commend the mining companies, because I think that the best information they have received and an understanding of the trials and tribulations and opportunities for the project are really in the dialogue that they are now having directly with the borough.

I know that some of our bigger players have now committed to spending more time in Skagway building the relationship. We have, of course, debriefed after our bilateral discussions. Throughout that time period, we continue to have discussions with organizations like the Yukon Chamber of Commerce as well as members from the Yukon Chamber of Mines as well as from the private sector. We will continue to have that good dialogue and work collaboratively on this very important project.

Question re: Microgeneration program

MLA Tredger: Mr. Speaker, the Yukon’s microgeneration program provides rebates to Yukoners who install solar panels on their homes. It supports Yukoners to invest in renewable energy that helps the entire Yukon meet our climate goals — or at least it used to. Last December, the Liberals announced that the program has been paused indefinitely. They are refusing to allow any new home solar projects to connect to the grid.

They have said that it’s because connecting new home solar projects would threaten the electrical grid’s stability. That’s a pretty alarming statement, and it’s pretty hard to imagine that this problem came out of nowhere. You would think that sometime in the last 10 years of the home solar program, these grid issues should have been predicted and

fixed, but they weren't, and now our territory's renewable energy future is at risk.

Why was the Yukon's grid allowed to get to such a crisis point that the Liberals are now blocking new solar projects during a climate crisis?

Hon. Mr. Streicker: Mr. Speaker, first of all, the thing that we should let Yukoners know is that the microgen project met its target seven years ahead of schedule, so that's how fast Yukoners adopted the mostly solar work. So, it came on pretty fast. It was directly from the utilities, both Yukon Energy and ATCO, that alerted us to growing concerns that they had. So, what happens after there are blackouts? They always look back to see what had caused them, and they started to worry about the frequency; it's not about the energy — it's another piece. They explained to me by letter that they were concerned about it.

The next thing I understood was that they had indicated that they — because they are required to support further microgen program applications, so they said they were no longer going to support them. So, it wasn't us, as a government.

I turned around and alerted this House to that situation last fall, I think it was, so we are allowing all the current applications that are in place to keep moving forward in the Whitehorse area; outside of the Whitehorse area, there is still microgen — and we will then listen to what the utilities tell us through that review. We have them working with industry.

Speaker: Order, please.

MLA Tredger: Mr. Speaker, it's pretty disappointing to hear that the Liberals, through their Crown corporations, are blocking renewable energy projects during a climate crisis. This so-called "pause" is having negative impacts on our climate goals and our solar industry alike. The sudden shutdown of an entire industry is devastating to the companies and people who make their living installing home solar panels.

The long-term impacts of this shutdown are still to be seen, and it may take the solar industry years to recover and rebuild their capacity. The Liberals have said that, even though it would devastate the solar industry, this pause was necessary for the stability of the grid. So, you have to hope that it's going to be put to good use.

Yukoners have been asking me what the Liberals are doing during this pause to fix the problem and get the program back on track. They failed to share any of that information, so I will ask the minister here: What is the minister's plan to stabilize the grid for future solar projects, and how long will Yukoners have to wait?

Hon. Mr. Streicker: You know, Mr. Speaker, what I will say is that I will listen to the experts about the stability of the grid. That is what I was doing then, and that is what I am going to do now. This is not a political decision. This is about making sure that the lights in our homes can turn on when someone flips the switch. It is about making sure that the energy is reliable. By the way, we have an excess of summer energy with our hydro facilities. We have a shortage of winter energy. Unfortunately, with solar panels, they provide more summer energy than they do winter energy. The thing that will make them great is if we get to seasonal storage.

When I talked directly with the industry about this — with Solvest, because they are the big leaders in this field — we talked about that on the radio, talking to Yukoners about that — if we could get pump storage, that would be great. So, I will still work toward those projects and support working with First Nations on projects of that type. In the meantime, the thing that we did right away was to get those industry experts talking with our utility experts, because that is the right thing to do.

MLA Tredger: Mr. Speaker, to recap, the Yukon's wildly successful home solar program, which provides critical spring energy, has been shut down indefinitely, blocking Yukoners from investing their own resources in renewable energy that would benefit the entire territory. From what the minister said, he is willing to listen to the experts when they tell him to stop, but there is no plan to fix the problems and no timeline. In fact, some Yukoners are skeptical that the program will ever start again.

From its surprise announcement in the Legislature to the government's silence on next steps, this pause has been a failure of energy policy, a failure of climate action, a failure to treat the solar industry fairly, and a failure to communicate with Yukoners. I am going to give the minister a chance to partially reassure Yukoners now.

Will the minister commit to an end date for the pause on home solar projects?

Hon. Mr. Streicker: Just to recap, Mr. Speaker, the program has reached its target seven years ahead of time. After I let Yukoners know by telling people here in this House about it, I was on the radio in the next week, I think, with the leader from industry where we talked about how we are working together on this challenge. What the utilities have told me is that they hope to have done their study — I think that it was by May of this year — so, I am not going to pre-empt where they get to with that work.

What I will say is that we are committed to renewables here in the Yukon. We are investing in renewables, whether it is in Old Crow, or Carcross, or Watson Lake, or Beaver Creek, or all across the grid — we are investing in renewables. We will continue to do that, Mr. Speaker, and I look for those ways in which to make solar better and make sure that it enhances our grid. That's what I will ask the utility experts and the industry experts to help us get to, because I think Yukoners want to make sure that our grid is also reliable.

Question re: Capital project priorities

Ms. McLeod: Mr. Speaker, earlier this week, the Liberal government made clear what their top priorities were for funding from the federal government. The minister said that funding for the new convention centre was not only their number-one priority, but it was also their number two when it comes to requests from the federal government.

This came as a surprise to several municipalities, especially the City of Whitehorse. Our capital city is facing massive infrastructure challenges. One that is very concerning to the citizens of Whitehorse is the fate of Robert Service Way.

Earlier this week, the City of Whitehorse administration confirmed that they had not heard any update about whether the

federal government or the Yukon government would be providing any capital funding to address the issue of mudslides on Robert Service Way.

Will the Minister of Community Services agree to make this a higher priority, and will he explain how much funding the Yukon government will provide?

Hon. Mr. Mostyn: Mr. Speaker, I am happy to talk about all the investments we are making in communities across the territory to make sure they are more resilient to climate change, for which the Yukon Party has absolutely no plan and no plan to actually work on this file. That's different from us. We believe in climate change. We are addressing it, and we are working with our municipalities to make sure they have the money and the resources to deal with the calamity that is the onset of this climate change we are seeing every year.

Mr. Speaker, I will say, as far as the City of Whitehorse's plans for the slide, the Department of Community Services and I have worked very collaboratively with the city to make sure that they got an application in to the federal program that they are seeking funding from. We are more than supportive of this option, and we will see what happens when the federal government gets back to us. We still have not heard back from the federal government on the city's plan. As soon as we hear from the federal government, we are certainly going to work closely with our partners at the City of Whitehorse to see how we can implement the plan, if we get funding for it.

Ms. McLeod: Mr. Speaker, last year, the Minister of Community Services wrote a letter to the Mayor of Whitehorse scolding her for not taking quicker action to address issues relating to the city's drinking water supply. In that letter, he said — quote: "Now, six months later, there is growing evidence of issues with Whitehorse's water systems."

Since then, it has become apparent that, in the next few years, the City of Whitehorse will need a new water treatment plant, and this is clearly a project that will require substantial federal funding. Can the minister explain why the drinking water of our largest city isn't a higher priority?

Hon. Mr. Mostyn: Mr. Speaker, the drinking water of our citizens in the territory is a great priority for our government. We have been investing record amounts of money in our sewer and water infrastructure across the territory to make sure that our citizens have drinking water and clean water and that the sewer and water facilities across the territory are up to snuff.

They had been woefully ignored for a long time; we're making those strategic investments. Not only that, the federal government, our federal government, is making absolutely historic investments in this territory to make sure that those systems are not only up to speed but are robust and will take us into the future — both climate resilient as well as for our growing territory, which, because of our red-hot economy, is growing faster than any other place in the country.

So, we are doing that hard work, Mr. Speaker. Sewer and water are certainly priorities for this government, and we are working with our partners across the territory to make sure those systems are robust and meet the needs of the municipalities for which we serve.

Ms. McLeod: Mr. Speaker, not only did that letter to the mayor damage the relationship with the capital city, but it also made inaccurate statements about the city's financial capacity. He said that the city had lots of money, and he refused to commit any funding toward a new drinking water facility for Whitehorse.

It's clear to anyone who has been following this that the taxpayers of Whitehorse will not be able to cover the cost of a new drinking water treatment facility on their own. What the City of Whitehorse will need is financial contributions from both the federal and territorial governments.

So, will the Minister of Community Services commit to making drinking water a top priority, and will he commit to providing support to the City of Whitehorse for a new drinking water treatment plant?

Hon. Mr. Mostyn: I have to vehemently disagree with the preamble of all three of the questions from the member opposite. First of all, I want to clarify for my good colleague the Minister of Tourism and Culture.

The convention centre that he was talking about was a top priority for tourism, not the Government of Yukon. It is a top priority for the department — number 1 and 2 of the tourism minister's priorities. That is just for clarification for the House, because it was misleading.

There are tons of misleading statements from the member opposite about what's happening — mischaracterizing the letter that I sent to the city, mischaracterizing the relationship that I have with the City of Whitehorse, trying to gin up the conflict in this community and in communities across the territory. It simply is not true, Mr. Speaker. We are working very carefully and closely with our municipal partners. We take pride in the investments we're making on behalf of the Yukon government, the citizens of Whitehorse, and the citizens of municipalities across the territory, taking in the historic funding we're getting from the federal government — historic funding that the members opposite refused to take up. They did not want to spend it, but we have a different approach here, Mr. Speaker.

We are a progressive government looking very hard at making our communities more climate resilient and actually taking the historic investments we're getting from Ottawa and deploying it.

Question re: Haines Junction water and sewer upgrade project

Mr. Istchenko: Mr. Speaker, in April of last year, the Mayor of Haines Junction wrote to the Minister of Community Services to inquire about the status of phase 4 of water and sewer upgrades in my community. According to the mayor's letter, the project was intended to be tendered in the fall of 2023. In the Fall Sitting, the minister confirmed that it had not yet been tendered and that the government was waiting for more information about federal funding from Canada.

Can the minister tell us when phase 4 of Haines Junction's water and sewer upgrade project will be tendered?

Hon. Mr. Mostyn: Mr. Speaker, I think that what the member opposite is really talking about is just confirming my statements two seconds ago about the historic investments this

government is making in our municipalities. It's very important for us, and I'm glad to hear the members opposite recognizing the work that we're doing with the investments we are making in Haines Junction and the investments we are making in Faro, Ross River, Dawson City, and Whitehorse.

We are taking that funding and deploying it across the territory for the benefit of Yukoners. That's really what we want to do: make their lives better, make their municipalities more climate resilient and more able to handle the influx of people who are coming to this territory, because they realize what a great place it is to live.

The member opposite is asking me about the work we are doing in Haines Junction. I think we started work just this last weekend on new lots for Haines Junction. I think we have 44 more lots going into Haines Junction — again, historic investments in our municipalities to make sure that they have the capability to grow and meet the growing needs of their community to take in more people, become more resilient and more diverse, and have more people. These are the investments we're making across the territory in our municipalities. I am very happy to hear the Yukon Party finally acknowledging all the work we're doing.

Mr. Istchenko: Mr. Speaker, I continue to hear from the municipality in my community and the residents and the businesses and everyone else that the ongoing delays of this water and sewer project is creating issues. There have been several pipe breaks and failures that are challenging the municipality, and it is really costly. The Liberals are years behind on getting these phases of work done. The government has made the promises that they would get seasonally dependent contracts out to tender by the end of March.

So, will this tender be released by the end of the month so that work can occur this year?

Hon. Mr. Mostyn: Mr. Speaker, I know that my team at Community Services was actually speaking with the municipality of Haines Junction just today, as a matter of fact. I haven't heard any results of the conversations that they are having with the town of Haines Junction. I do know, though, that the work that the member opposite mentioned is certainly a priority for the municipality, as is other work that is going on not only in Haines Junction but across the territory.

I was just mentioning the Willow Acres development, the expansion. Phases 1 and 2 are underway — 44 lots — and target completion is set for 2025. That is one investment that we are making in Haines Junction. The Village of Haines Junction was happy to announce the launch of the newest subdivision expansion within the community, and it is set to introduce a significant number of new serviced lots to the market, facilitating the community's growth in a deliberate and sustainable manner. The project represents a culmination of several years of collaborative effort between the council and the Yukon Land Development branch, and we are excited to see the project start. As a matter of fact, it has already started, Mr. Speaker, so I am really happy to hear that, and I know that the member opposite and I have heard from the Village of Haines Junction when I was last there on a community tour. I know the concerns that they have there. We are working with

that community very closely to make sure that they get all the infrastructure they feel they need.

Mr. Istchenko: Mr. Speaker, the minister was chatting about the new lots. I think he has a little bit of a fiasco on his hands, and he knows that, and he is going to have to deal with it.

Another big concern — and actually, my question was about if it is going to be tendered. Another big concern with the project is whether there was actually going to be sufficient money for it. When he was asked in the fall, the minister said — and I quote: “We are looking for more infrastructure money to deliver on some of these projects in municipalities, getting a sense of what their priorities are and where they sit in terms of the next tranche of federal money coming from Ottawa. We don't have that announcement yet, but Haines Junction's phase 4 project will more than likely be part of that process.”

So, can the minister confirm the funding for this project is there? The five-year capital plan says that there is \$7 million to \$11 million for this project. How much is coming from Canada, and how much is going to have to come from the Yukon?

Hon. Mr. Mostyn: Mr. Speaker, the good member over there — I think that was four questions. I think he's packing his questions. It's certainly a lot of information that he's asking for.

He has heard the debate that we have had on this before. I just said that we are meeting with Haines Junction — the team at Community Services is meeting with Haines Junction today. I'm sure that they will be discussing this and other matters with the CAO of the village.

Mr. Speaker, we are actually making enormous investments across the territory, including Haines Junction, where we're doing a biomass district heating system; underground and road upgrades, as the member opposite is alluding to today; water well replacement in the Willow Acres lot development. That's just one community, Mr. Speaker. I could go on to Dawson City, where we're building a 34-unit housing, Korbo multiplex; a design for the lower Dome Road lot development; duplex construction; new recreation centre; a reservoir replacement; Robert Service School upgrades; underground and road upgrades — again, more sewer and water in Dawson.

You could go to Mayo, where we're doing facilities upgrades and reservoir replacements. In Keno — fire hall water service. We can go to Old Crow, where we're building a new public works facility. Mr. Speaker, I could go on and on and on. I'm happy to do it. I mean, we are doing a heck of a lot of work here on behalf of the citizens of the territory and the municipalities scattered across the territory — record investment in Yukoners. That is what this progressive government is doing.

Speaker: The time for Question Period has now elapsed. We will now proceed to Orders of the Day.

ORDERS OF THE DAY

Hon. Mr. Streicker: 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. Blake): Committee of the Whole will now come to order.

The matter now before the Committee is general debate on Vote 22, Yukon Development Corporation, in Bill No. 212, entitled *Third Appropriation Act 2023-24*.

Do members wish to take a brief recess?

All 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. 212: *Third Appropriation Act 2023-24* — continued

Chair: The matter now before the Committee is general debate on Vote 22, Yukon Development Corporation, in Bill No. 212, entitled *Third Appropriation Act 2023-24*.

Is there any general debate?

Yukon Development Corporation

Hon. Mr. Streicker: Madam Chair, I am happy to rise today. I am just going to give a few very brief opening remarks about the supplementary budget for the Yukon Development Corporation. To begin with, though, I would like to welcome Dennis Berry and Sara French, the president and vice-president of the Yukon Development Corporation, to assist us with providing information about the supplementary budget.

There are no changes to the Yukon Development Corporation operation and maintenance budget. There are a couple of changes to our capital budget — two of them. The first one is an increase of \$856,000 to the Investing in Canada Infrastructure fund and secondly a decrease of \$388,000 to the Arctic energy fund. The first project is that we're moving dollars earlier ahead on the grid-scale battery project, and the second one is that the Kluane wind project part of the investment is moving to next year. I note that these programs are 100-percent recoverable from the Government of Canada, so these changes on the capital side will also have corresponding changes on the recoveries side as well.

These appropriations are used to support our independent power producers to construct new sources of renewable energy generation and storage, so in these instances, there are transfer payment agreements with proponents. The payments under these agreements are tied to project milestones rather than set time periods. That is why there's movement from time to time. The changes reflect the differences between forecast spending

that we had earlier and the actual spending invoiced by the proponents.

I think that overall what I will say is that the budget, including the supplementary budget, reflects our commitment to developing renewable energy projects in partnership with independent power producers.

With that, I look forward to questions from the members opposite.

Mr. Dixon: Thank you very much, Madam Chair, for the opportunity to speak to the Yukon Development Corporation's supplementary budget. Of course, we welcome the officials to the Legislature as well. For the minister's benefit, I will note that the majority of our questions we will save for the mains debate on this, but I do have a few specific questions, though, while we are here.

I will start with Atlin hydro. Obviously, that is captured in this budget. The reduction from 2023-24 to the 2024-25 mains obviously prompted a news release from the minister a few weeks ago noting that they would be removing the funding that Yukon had committed — the \$50 million.

I wanted to confirm a few things about that. Can the minister provide a little bit of commentary on the decision to remove funding for Atlin hydro as well as what that means for the rest of the funding that has been identified for this? I know there have been \$32 million or so from the federal government. There was funding — I believe from when YDC appeared as witnesses last year — for Atlin hydro under ICIP. Can the minister comment on what happens to that money? Is it either returned or does it go back into our ICIP funding that will then be used by Community Services or other departments for the use in other projects in the Yukon?

Hon. Mr. Streicker: First of all, the federal government amount in the funding stack that had been committed was much more than \$30 million; I think it was closer to \$100 million. I would have to check the number again to be sure.

I think the federal government has been very good on this project. We still had some things that were outstanding — where we weren't there yet. One of them was funding and one of them was to hear definitively from the First Nation that they had a council resolution supporting the project, so there were a couple of things that needed to still happen.

With respect to our commitment to the \$50 million — the way we had identified the original \$50 million on our budget side — I think that approximately \$35 million had been from our general capital budget, and \$15 million had been from a program where dollars flowed from the federal government, but it wasn't under the Investing in Canada infrastructure plan; it was under a clean energy program fund that was identified from CIRNAC. Those dollars will, at this point, get reallocated to other clean energy priorities. The \$35 million is just back into the pot of the capital funding budget.

What we have done is that we have made a commitment that if the Atlin project is able to close that gap and find the last of the funding stack — we are still committed to the \$50 million on our side.

Mr. Dixon: Madam Chair, my understanding had been previously that \$50 million was the Yukon government's contribution. I hadn't understood previously that \$15 million of that \$50 million was actually federal funding.

Can the minister provide a little bit more information about that \$15 million that was part of Yukon's contribution?

I am aware that the Government of Canada provided \$14.1 million to the Atlin hydro project through CIRNAC, through the REACHE program, but that was always considered a contribution from Canada, not from Yukon, so I am confused by why that would be counted as Yukon's contribution if it was part of the \$50 million.

Hon. Mr. Streicker: On occasion, there are funding pots that come from the federal government. I mean, in the larger sense, we can think of the general transfer that comes from the federal government that provides a lot of our budget dollars.

In this case, there was funding that had been given to the Yukon around climate change projects, so it was ours to use as discretion for addressing, for example, renewable energy-type projects. That was held through the Climate Change Secretariat and those dollars were distributed to a range of projects. Part of that — it was decided that it would be part of the Yukon government side of the funding stack. I am identifying where those funds originated from.

Yes, CIRNAC has other funding that they have given directly to the project — not into pots that the Yukon government distributes.

If, for example, it was Investing in Canada infrastructure project funding — sometimes called "ICIP funding" — a lot of that money comes from the federal government even though we then allocate it to the projects, and we would always acknowledge those dollars from the federal government that are in that. Under the ICIP sort of funding streams, typically, they were 75-cent dollars Canada and 25-cent dollars Yukon, but of the \$50 million that we have on the Yukon side, \$15 million of it comes from a funding pot that has to go back to specific things.

For example, that funding stream has requirements that the money be used for things like renewable energy and such. I could turn back to the department to ask for the criteria around that funding pot, but the way in which the question was posed to me by the Leader of the Official Opposition is: What is happening with the \$50 million? \$35 million of it is just back into general capital; \$15 million of it goes back into that fund. That fund can reallocate to other similar types of projects but can't allocate to broader Yukon government capital projects.

Mr. Dixon: Madam Chair, what is the name of this other fund?

Hon. Mr. Streicker: I will confirm to be sure, Madam Chair, but I believe it is just called the "climate change fund".

Mr. Dixon: Madam Chair, so this climate change fund will now have an influx of \$15 million that can be reallocated to different projects; is that correct?

Hon. Mr. Streicker: That is correct. I mean, I think there are probably some requirements around that spending to make sure that it follows the original criteria of that transfer.

You would still have to fulfill those steps, but yes, that is correct — they could be reallocated.

Mr. Dixon: I appreciate that information. How much has actually been spent, then, on Atlin hydro by the Yukon? How many actual dollars have been spent on this project?

Hon. Mr. Streicker: So far, my understanding is that the spending so far has been \$1.3 million. Of the allocation, it was \$2 million.

That agreement was for geotechnical work to assist with improving the cost estimates for the project, so that's the amount of spending that the Yukon government has put into the overall project to date.

Mr. Dixon: So, the \$1.3 million of the \$2 million that was allocated in the 2023-24 mains was spent, if I understand it correctly. Was the \$2 million allocated, which the minister referenced, part of the \$35 million that Yukon was contributing?

Hon. Mr. Streicker: That is correct. My team is asking me to emphasize the point that, in that agreement, we get that geotechnical information. Those reports are ours because of how that agreement was set up.

So, yes, from our perspective, it is considered part of the \$50 million that we committed to the project.

Mr. Dixon: So, then, it's not actually \$35 million that is going back into the general budget; it would be \$33.7 million or thereabouts. Is that correct?

Hon. Mr. Streicker: That is correct. I apologize. Just to be more precise, the \$1.3 million spent on the project would mean that it's \$35 million less the \$1.3 million, so the member is correct that \$33.7 million would be what is remaining from that.

Mr. Dixon: I will step back on the level of detail for a moment now and ask a little bit more generally about the project. What would be a milestone that we would look for to see this project move ahead? Would it be the federal budget including additional capital funds? Would it be a commitment from some other new party that we haven't heard of before? The British Columbia government perhaps increasing their share? What should Yukoners look to for this project to be successful?

Hon. Mr. Streicker: The things that we are looking for and the milestones that need to be met — number one, there needs to be this clear decision in support of the project from the Taku River Tlingit First Nation. I should say that, whenever I have talked with the spokesperson from the Taku River Tlingit First Nation, they have indicated to me that they believe that the support is there, but that step just needs to be crystal clear.

We would need to see the funding gap closed. The Leader of the Official Opposition suggested about Canada or British Columbia — I don't want to be particular about where those dollars could come from. I think that there is a range of possibilities, but I think we clearly need to see the funding gap close. Finally, we would also need to see all the permits in place and sort of the authorizations required for construction.

On the funding stack, there is also that loan that is anticipated from the Canada Infrastructure Bank, so you need

to see some details on that as well, because that is also part of the funding stack.

Those are the things: completing the funding stack; having a clear direction of support from the Taku River Tlingit First Nation; and all the permits in place.

Mr. Dixon: What is the current funding gap?

Hon. Mr. Streicker: The funding gap is — sorry, just let me make one clarification. The funding gap is between \$80 million and \$95 million. That difference of the \$15 million is a variable in the interest rate of the Canada Infrastructure Bank. Each additional percentage point of interest changes the funding stack by about \$15 million, so that is the delta that is in there. The amount that is outstanding is \$80 million to \$95 million.

Mr. Dixon: So, Madam Chair, that \$80 million to \$95 million gap assumes that Yukon has \$15 million to contribute; is that correct?

Hon. Mr. Streicker: Correct.

Mr. Dixon: So, that gap would grow by \$15 million if that \$15 million that we discussed earlier would be reallocated to different projects; is that correct?

Hon. Mr. Streicker: Not correct, Madam Chair. What we have done as a government is to maintain our commitment. We will sort out where we derive those dollars from, as necessary. If you want to think of it, there is a project out there tomorrow that we decide to invest in, for example, where we reallocate dollars from the climate fund. That's okay because that would have been \$15 million that we had to get from somewhere else anyway. So, the way we are looking at it is that we have made a commitment to \$50 million to the project, and we will work out how we source those dollars specifically from within the capital budget, as necessary.

We have never really — our commitment has just been that it would be \$50 million.

Mr. Dixon: Madam Chair, so if the commitment stands to the level that the minister has indicated, why remove it from the five-year capital plan?

Hon. Mr. Streicker: Madam Chair, there is always current funding pressures on the plan, so when we think about the project, what we anticipate is that — let's say that the project achieves those milestones that we were talking about earlier and reaches all of them. From that point, our anticipation is that the project would need our contribution roughly in year 2 following that.

So, that would give us enough lead time to identify where from within our capital budget dollars to get at the \$50 million, but it also means that, if we hold that \$50 million each year, we are not spending dollars, and we hear all the time about infrastructure priorities across the Yukon. So, we look to use that money as wisely as possible for Yukoners, and I think that comes back to a broader question, even from Question Period today, about infrastructure priorities within Community Services, within Highways and Public Works, and broadly across the Yukon. So, it is to make sure that we are being as efficient and effective as possible for Yukoners to deliver on infrastructure development.

Mr. Dixon: Perhaps this is a question for the Minister of Highways and Public Works, but I am not aware that, when a future project is indicated in the five-year capital plan — say for \$50 million in a future year — that money is somehow set aside in a given budget year. That is not how we have seen the government operate previously. So, if the government were to include Atlin hydro in its five-year capital plan and include \$50 million for say 2027-28, that wouldn't have a cash impact on the government's budget, but it would send an indication to other funders, for instance, that the Yukon still supports the project.

My question is whether or not we are going to start seeing some of these other funders fall off, as Yukon has. Whether or not the BC government would say: Well, if Yukon is out, we're out — or: We are going to remove our money and just call it a notional commitment as well. I think that the infrastructure bank probably has some timing considerations around the offer of their support.

Again, my question is just around what happens when funders start pulling back the level of their commitment to a project like this.

Hon. Mr. Streicker: Madam Chair, of course, I don't speak for other funders, but I certainly do speak to them. I had a conversation this morning with the federal minister, and we discussed Atlin. We talked about our commitment to the project. I have remained clear about that, and so have we, as a government.

When I was down in Vancouver for Roundup, I met with my counterpart from British Columbia. We had a meeting together; we talked about the project, and again, that commitment is there.

I also think, though, that we have to be prudent and look to continue to invest in renewable energy projects. So, for example, we believe in the Atlin project if that funding gap can be closed, but regardless of whether we believe in the Atlin project, we have to make sure to be investing in renewable energy for the Yukon.

As the Development Corporation and the Energy Corporation stated to this House when they came and acted as witnesses this past fall, they talked about where we are moving to look for additional winter energy. It is so critical for us as a territory. I think that it would be imprudent to not plan around the possibility that Atlin does not close that funding gap. It will be a solid project for Yukoners if it does close that funding gap, and the reason is quite simply that it will supply us with strong, secure, stable winter energy at a price that is really good for Yukon ratepayers.

It's difficult for me to know whether or not the Atlin project will achieve those milestones that we discussed earlier, particularly about closing the funding gap, so I will continue to talk to the other funders and express that we are committed to the project should we reach those milestones, and at the same time, we will continue to look for other renewable energy projects for the Yukon.

Mr. Dixon: When the minister spoke to the federal minister this morning, did he or she — I'm not sure which minister it was — indicate that they would be closing the

\$80-million to \$95-million funding gap? If so, when would that happen?

Hon. Mr. Streicker: I don't have news to share today about the closing of the funding gap. If I did have that news, I would be sure to try to find a way to announce it. I would be excited for the Yukon, but I will say that the federal government has been a very strong partner on this project. As I indicated earlier, I think that their investment commitment is very significant. My recollection is that it is around \$100 million at the moment, and they also have been supportive of the work to identify the loan through the Canada Infrastructure Bank.

I think that the Yukon Development Corporation is often in conversation with counterparts from Canada, and I think they continue to look at the possibility of the project. I will continue to support the Tlingit Homeland Energy Limited Partnership and the Taku River Tlingit in their conversations with the federal government.

Mr. Dixon: I will move on to something the minister mentioned. He discussed the need for dependable capacity.

Can the minister tell us: When was the last time the Yukon added dependable capacity to our grid?

Hon. Mr. Streicker: I will give a suite of answers. In our off-grid communities, intermittent renewables are, in a way, displacing fossil fuels, because in those communities, you have diesel generators, typically. So, when you bring in intermittent renewables, like solar, then you start to displace.

You know, the furthest back I'll go will be Old Crow and the solar battery project there. We have other off-grid community projects underway right now. We have solar happening for Watson Lake; we have wind happening in Kluane — the community of Burwash; and we have solar coming for Beaver Creek.

Here on the main grid, as I said in Question Period today, solar is not, you know, going to displace that base — it's not going to be dependable. We believe that wind can be dependable, but what you need is wind/battery backup. So, the wind that we have just brought on — or I shouldn't say "we" but the Chu Níkwān Limited Partnership — Thay T'áw, the Haeckel Hill wind project, is now energized and connected to the grid. We will be bringing on the battery project later this year, and we are calibrating it to do two things: One is to make that wind more dependable, and the other one is to do — it's called "peak shaving" where we take the daytime highs of our energy demand — usually, in the morning and right after work is when we have our highest load in the winter — and taking those peaks and supplying battery power at that time so that your peak is lower and then in the evening re-energizing, or recharging, that battery. It's called "peak shaving".

If you do wind, battery, and backup, you do get to dependable winter energy. That project, in the aggregate, is sort of halfway through. The other one I will mention is that we are replacing several of our older permanent diesels, and when we do that, the new diesels that are coming on typically have higher efficiency, so they add capacity. So, you are not increasing the amount of diesel, but you are increasing their efficiency, so you are getting more bang for your buck with the same amount of

fossil fuels. That is the suite of what we have ongoing now and in the recent past.

Mr. Dixon: I have a good understanding of how the battery is supposed to work or will work. I understand how the diesel replacements will occur in the future. I think that Dawson is slated this year for the move, although I would disagree slightly with the minister that, in the case of Dawson, there is an increase in the capacity of the diesel generation, not just efficiency.

My question is: Say over the last eight years, when was the last time we added firm, dependable capacity to the grid?

Hon. Mr. Streicker: Can I just clarify the question, Madam Chair? Is the member asking specifically about electricity here in the Yukon, or is he asking particularly about the main grid?

Mr. Dixon: The main grid.

Hon. Mr. Streicker: I think I gave the answer, but I will just repeat it. We have wind, which has just come online — four megawatts with the Thäy Tāw project on Haeckel Hill. That's not dependable power yet, but it's part of dependable power. Once we add grid-scale battery — and we also have to make sure that there is enough backup for it, so that also has to be part of it. One way — as I heard the Yukon Energy Corporation say to us here in the Assembly last fall — to have dependable winter energy is wind/battery backup.

Mr. Dixon: Anytime that I have heard the Yukon Energy Corporation appear here, they have never considered wind, absent battery, to be dependable capacity. Since we don't have a battery online yet, I will just reiterate my question. When was the last time the Yukon integrated grid added dependable capacity?

Hon. Mr. Streicker: I agree with the member opposite that wind on its own is not dependable power, but wind/battery backup is.

If the member is just trying to be specific for me to say that we have to wait until the battery comes online before we can make this energy dependable for the winter, that is correct. I think that is what I have been saying. Wind/battery backup is what will get us to dependable power.

I will go further. When the utility was here acting as witnesses, I knew where they were heading. The Yukon has a gap in our winter energy. We need to get more capacity in winter. As we grow and as we electrify more things, we need more winter energy — full stop.

The utility has looked at its own energy plan — its own 10-year electricity plan. I will probably get the name slightly wrong. They are asking the same question: Where will we go? We are uncertain about Atlin and we are uncertain about Moon, so we have to look for other opportunities for winter energy. Their indication to me — and I thought that they indicated that to us here in this Assembly last fall — is that one of the places we will go is for wind/battery backup.

We will continue to seek that through, for example, partnerships with First Nations or other independent power producers. We will look for that project.

Last fall when I was invited to be alongside the Kwanlin Dün First Nation and their development corporation as they

virtually cut the ribbon for the Haeckel Hill wind, they said right then that they were interested in doing another wind project. I stood up and said to them: “Wind plus battery plus backup” because that is what the utility has been telling us they need.

If the member is asking me to identify that this is not there yet, I agree because the battery project is coming this fall. We need that to come online. So, we are halfway there, I guess, but this is the direction we are trying to head in.

Mr. Dixon: My question is not about what is coming down the pipe. My question is not what’s ahead. It is: What has been added to the grid in the last eight years? Has there been any dependable capacity added to the grid in the last eight years?

The reason I am asking is because the minister correctly points out that we have a dependable capacity gap right now. That gap is somewhere between 35 and 37 megawatts that’s currently being filled mostly by rented diesel generators. The dependable capacity gap is growing because our electricity demand is growing, but my question is about the supply. When was the last time the Yukon grid added dependable capacity to its supply?

Hon. Mr. Streicker: I will work to find out — because I think that the member opposite is trying to make a point, and I am trying to make one back.

So, the first point I am going to make is that when I look at our grid right now — and I watch this thing every month and I try to see the amount of energy that is coming from various sources. Over the past year, we are 91-percent hydro; we are seven-percent LNG; one percent of our energy came from our existing diesel plant; and we are one percent rented diesels.

So, no, I don’t agree that the capacity gap is being filled by rented diesels. Usually when you are saying a “capacity gap” — because it isn’t that we have rolling brownouts. We do make sure that there is dependable power for Yukoners.

I agree with the member opposite that we see more growth coming onto the system, which means that there is more demand coming, and so we have got to find more winter energy.

I disagree with the member opposite that our intention is to just use rented diesels. In fact, the whole point of this is that we are looking for renewable energy to go in that place. He is very careful to use the word “dependable” because wind is not dependable. I think that this is a great point that he is making. If it is just wind, it will sometimes be blowing and sometimes not, but if it is wind combined with battery combined with backup, then for the most part, it is renewable energy. For a small part, that extra backup will make sure that it is dependable.

So, this is the direction that we are looking to head. Have we added wind/battery backup already? The answer is not yet, but we have the wind project there, we have the battery project coming, we have heard from First Nations that they would like to do more of this, and we have said to them pretty clearly that we would like to partner with them and we would like to do it where it’s not just wind — it’s wind/battery backup. That’s the sort of way that we will work in partnership with First Nations.

Have those projects come on stream yet? No. The one that I’m referring to is only halfway there — if we think of it as the battery is coming this fall.

Mr. Dixon: I will perhaps follow up with a letter, because it’s clear that the minister is not eager to answer this question today. I’m not trying to make a point; I’m not trying to make an argument. I am simply asking: What was the last project that represented dependable capacity that came onto our grid? Not what is happening in the future with wind and batteries or anything like that — my question was: When was the last time a project came on that represented dependable capacity? I’m not making a point; it was just a matter of fact that I was asking. I will move on, because I can tell that the minister doesn’t want to answer that.

He has brought up this question about the battery, and since we are debating the supplementary and there is an increase to the grid-scale battery, I will turn to that now. What is the current estimate for the battery project as a whole? What is the timeline for bringing it online? What is the breakdown in funding between the Yukon government’s contribution and that being provided by Yukon Energy Corporation, which will eventually go onto the rate base?

Hon. Mr. Streicker: By the way, I will work to get the specific answer for the member opposite about the last time we brought dependable energy onto the system. I am not trying to hide from that. Anyway, I will work to get the specific answer.

The grid-scale battery’s estimate is \$35 million. In that breakdown, a little over half — \$18.5 million — of the project is coming from Yukon Energy Corporation. That would be the portion that I believe would be put to rate. \$16.5 million is coming from the Yukon government — a little under half — and the source of that funding is the Investing in Canada infrastructure plan, the ICIP funding stream, and that will not go to rate.

The other question was about a timeline. The timeline for the battery project is for it to come online later in 2024.

Mr. Dixon: Can the minister tell us what the lease costs annually will be for the land?

Hon. Mr. Streicker: I will check in with Yukon Energy to try to get some information for the member opposite.

Mr. Dixon: I will conclude there. I appreciate the minister’s time and the time of his officials. I look forward to moving on.

MLA Tredger: Thank you to the officials for being here. I have been following the conversation so far, but if I have missed some things and re-ask questions, I apologize.

I have a number of questions for today. I wanted to start by following up on a question that I asked during the ministerial statement today, and that’s about the electrical grid in the Yukon and grid stability in particular. We have talked before in the Legislature about how there is likely quite a bit of upgrading needed to the electrical grid in the Yukon in order to facilitate electrification. I understand from the minister’s past comments that there is a working group working on this. I believe the Yukon Development Corporation has a representative on that working group. I am wondering if I could have an update on

what that working group is doing and what progress has been made.

Hon. Mr. Streicker: The working group that is created has on it the two utilities. Yukon Energy is dominantly the energy generator. ATCO Electric is the energy distributor. There is Energy, Mines and Resources and there is the Yukon Development Corporation.

Their basic lines of inquiry are to understand variable energy sources — or intermittent energy sources like solar — and what kind of penetration limits the system can withstand and also ways in which we can upgrade the system to allow for higher penetration. It's a very technical thing.

I understand that they met as recently as yesterday, so it is an ongoing piece of work.

MLA Tredger: From our last conversations, I had thought that the group was also working on sort of the broader problem of the grid updates that are needed. For example, today I talked about how many people who install chargers are required to pay for those upgrades themselves. I believe there is a limit on how many chargers can even be installed in some parts of Whitehorse. There is the bigger question about having a very old grid that needs to be updated. Is the working group also working on that more broadly, or is it specific to renewables?

Hon. Mr. Streicker: Madam Chair, maybe I misunderstood the question at first, but yes, this working group does several things. They have several subjects. One is around the microgeneration sort of question and that specific one. They have another thread that they're working on which they call "modernizing the grid". That is a pretty big topic all on its own, so there would be a lot of subdiscussions that are happening. There is another thread talking about demand-side management and ways that we can reduce demand. Anyway, yes, they do have conversations that are happening about modernizing the grid, which would include those conversations about where load is going to come — meaning vehicle charging stations as an example and how to upgrade the system to accommodate those changes. There are different approaches that can be taken.

It is a very technical thing that they are working on. Each time that I have met with members of the group to sort of get reports, they discuss this stuff for me at a very high level. I am sure that they get very technically involved when they are geeking out.

MLA Tredger: Are there terms of reference for this group? What I am wondering is if there are expectations or plans — material that they are supposed to produce, or are they supposed to come up with a plan or a strategy or recommendation or next steps and if there is a timeline for them to produce — what happens next?

Hon. Mr. Streicker: Yes, there are terms of reference and there are work plans that they have identified. I think as well with respect to timelines — a couple of things that we can just sort of point to right away — the whole microgen question. I think that they were working to try to get that done in the early part of this year so that we could start seeing if there were new policy directions we needed to head in or what that looked like. That is an example. I think that the 10-year Yukon Energy

supply plan — and again, I apologize to Yukon Energy if I am getting that name wrong, but that is another example of something that they are working toward. This is all part of what is feeding into that work.

MLA Tredger: Madam Chair, I am wondering what the timelines are for next steps around grid modernization. I ask because this is a really big issue. It is not unique to the Yukon, but it is very relevant in the Yukon, and it is an enormous challenge that is facing us. From previous conversations that I have had with the minister, he said: Well, this is our response to that need that challenges this working group. So, I am wondering when we are going to see something come from that working group that can lead to next steps and action to solve the problem.

Hon. Mr. Streicker: I will try to answer it a few ways to try to give a picture for the members of the Assembly.

The first thing I want to explain is that they are modernizing the grid as we speak. It's not a discrete thing that they do complete planning, then they wait until that's done and then they go off and they do the modernization and then that's done. It's actually much more overlapping at all times.

For example, if we look at the current general rate application in front of the Utilities Board — I think 40 percent of the costs — for Yukon Energy, anyway — are around sort of grid modernization. We will call it "grid maintenance and upgrades". At all times, whenever you hear that, please think about them trying to plan for the future.

There are a few discrete threads under grid modernization. The next timeline that they are working to achieve as a group is on this variable penetration work. That work is hoping to be completed by this fall. I would have to check on the overall plan for Yukon Energy, but I think they are planning to have it done by 2025 — the 10-year plan that they are updating now. It has, as a major component of it, the modernization of the grid, but it won't be all things.

For example, they are not on the distribution side, which is what I think the member opposite's questions were more about, right? If we are talking about transformers in neighbourhoods, that more typically has to do with the distribution side of this. I could ask the working group to give me some sort of sense of those sides of it and what that timeline might look like, but anyway, it's an ongoing process.

MLA Tredger: I would actually really appreciate it if the minister would ask the working group for that, and then I will ask about it again when we get to the mains for the Yukon Development Corporation. This is such an enormous problem facing us, and it's really a barrier to so many of our other goals. It would really concern me if there was no work being done on that right now, because we are looking at the penetration of renewables, and we couldn't work on them both at the same time. In the past, I've been told that there is a plan and it's being taken care of by this working group. I am looking for some knowledge of what the next steps are, so I will ask about that again in the mains, and I hope that we can discuss it a bit more then.

I wanted to talk a little bit about the independent power production policy and the standing offer program. Could the

minister tell me how close we are to achieving — I think it's the 40-megawatt goal of that program? I discussed this a little bit with officials in the briefing, but I was hoping to get an answer on the record.

Hon. Mr. Streicker: I will give the answer on the independent power producer policy in a second. Let me just back up for a moment and talk about that grid modernization. It is so important, and the member is correct, but it's not that the sky is the limit. We can't go out today and modernize everything, because what would happen is that — whenever you have a utility that reports to a utility board, you always have to consider what the rate base can bear as well.

So, we know that modernization is coming and happening. We also know that we have to be careful to not overwhelm the rate base. I do hear from Yukoners about wanting to modernize, but I also hear from a lot of Yukoners who are concerned about the rates of electricity, so that is the balance — that is the affordable side of the equation.

I completely agree with the member opposite that this is an important piece. I will try to get some milestones that I can share with Yukoners about where that modernization piece is happening and how we can anticipate it to proceed.

With the independent power production policy, we have a 40-megawatt goal. We have projects that have been proposed. We haven't built those 40 megawatts; I think that we are over half now, but we have more projects in the queue to come through, but what happens with that queue is that sometimes projects drop away. So, currently, we just had a project that sort of vacated some space. So, it was in the queue, but now it is not, and I have asked the Development Corporation to go back to the folks who were on a waiting list, and I have asked them also to prioritize projects that would be part of that need for winter energy, which is our biggest need at the moment. The queue is currently not quite full because we just had a project drop out, but it will be pretty easily backfilled because we have a lot of projects that are interested to go.

MLA Tredger: Sorry to jump around, but I do want to go back to what the minister said about the grid before I follow up on the IPP piece. So, I am not very worried that we are going to go out and modernize everything today and that we won't be able to pay for it. I am actually quite a bit more concerned about the opposite.

The minister talked about the balance of what can go to rate base versus what is needed. Does that mean that he is not considering — that he is assuming that all the grid modernization will be funded by the ratepayers?

Hon. Mr. Streicker: My answer to that is no. We do look for ways in which we, as a government, can contribute or find other funding opportunities to invest in the infrastructure, to not overload the rate base. I just gave an example — I don't know — in the last 10 minutes or so when I talked about the grid-scale battery. That one is — well, \$18.5 million of the \$33 million is coming from the utility; \$16.5 million is coming from government infrastructure dollars. I will run the math, but let's call it: 55 percent is rate and 45 percent is our tax — well, government revenues.

When it comes to the modernization of the grid, I think that we will look for ways in which we can be supportive, but it's a complex plan. For example, if you were to do it in new neighbourhoods that you are building, it is quite cost-effective to build it with a more modernized grid, because you're doing it as you build out. If you were to do it a neighbourhood at a time, you would make it less cost-effective than a new build but more cost-effective than going around and triaging from place to place. The reason is that you would just concentrate that effort and go through. Then the least cost-effective way is to do it sort of on that piecemeal basis. However, when you look at the pressures that are coming on the system, usually it's more piecemeal.

I think that is the whole purpose of the working group: to try to identify what the strategy should be around that modernization and how they will approach it. So, it is a complex question, and I think that the point that I made a couple of responses ago is that they are modernizing as we are speaking, but I don't know that we have done that deep dive yet across the system.

You know, we will take those suggestions as they come from the working group and from users — citizens — and from industry as well. Anyway, that is the challenge of that system. At all times, we will look to do our best to keep the rate that Yukoners have to pay as low as possible.

MLA Tredger: I appreciate the minister highlighting some of those challenges, because it is a very difficult problem, not least of which is that most of our distribution network is owned by a private company, and how government money fits in with that is not something I have the answer to. I think it is a deep question that we really need to grapple with in order to achieve our electrification goals. That's why I am asking about timelines. Like I said, I am not worried that it's all going to happen today; I am worried that it is not going to happen in time to achieve our electrification goals. I would hope that, as that working group is doing its work — we don't know exactly what the request is going to be or exactly what the dollar amount required is going to be, but I think it's pretty safe to say that money will be required from the Yukon and probably from Canada as well.

I guess this is just my hope that the minister is starting those conversations within his Cabinet, with his federal counterparts, about how we are going to fund that project.

I don't really have a question, but I just want to give the minister a chance to respond before we jump to the IPP to try to stick to one topic per exchange.

Hon. Mr. Streicker: I agree with the comments that the member opposite has made.

Yukon Energy's capital forecast is \$70 million to \$90 million a year. That's just on the generation side. The distribution side, I think, is another question.

I would have to talk to ATCO to try to learn what their capital expenditures are, but they are significant. It is important that we try to think about it from a more holistic perspective and coordinated perspective. I think at all times we are balancing the impacts to rate and the need to upgrade the system.

I think that what Yukoners should understand is that our utilities are working right now to modernize the grid, and there is a lot of work to come.

MLA Tredger: Thank you to the minister. I will leave that for now, and I would like to go back to our conversation about the IPP, the independent power production policy, and the standing offer program. He said that there is the 40-megawatt goal, and I believe he said that over half of that is already met and that there is more in the queue, but the queue is not quite full. Could he elaborate a little bit more on what projects are yet to come and how much capacity is left, assuming that all the projects in the queue come online?

Hon. Mr. Streicker: Roughly speaking, the room that we have in the queue at the moment is around two megawatts. The projects that have come on and are active are: Solvest's Whitehorse solar project; Nomad Construction and Electrical Services' solar project; Vuntut Gwitchin's solar project in Old Crow; the Klondike Development Organization's solar project in Dawson; and the Chu Níikwān's Eagle Hill or Haeckel Hill — their first project is now active. Other projects that we have in the queue at the moment are: a second one from Chu Níikwān — a wind project; the White River solar project, which I referred to earlier, in Beaver Creek; Kluane First Nation's N'tsi wind project; ArcticPharm's solar project; and Sunergy's solar project in Haines Junction.

MLA Tredger: Just a quick question: Was the Vuntut Gwitchin solar project under the standing offer program?

Hon. Mr. Streicker: Just to clarify, Madam Chair, the independent power production policy, the IPP policy, is for projects around the Yukon. A subset of it is the standing offer program, which is on-grid. Vuntut Gwitchin, of course, is not on-grid, so they are part of the independent power production policy, not part of the standing offer agreement program.

MLA Tredger: So, that project doesn't contribute to the 40-megawatt limit; is that correct?

Hon. Mr. Streicker: Correct in that the project does not contribute to the 40-megawatt limit.

MLA Tredger: Thank you; I appreciate that. So, within the standing offer program, it sounds like there is a little more than 20 megawatts already online and about another 18 in the queue. So, there is very little left to be filled, it sounds like. That really sounds like about one project. What is next once it is full?

Hon. Mr. Streicker: This is where these threads sort of cross over. You know that the study that the working group is working on right now about variable penetration tells us whether we can go further with more of these types of renewables. That is one of the whole points of it. It is not just about microgen; it is about a lot of these projects and what the room on the grid is for them. So, I think that is the first place that we are looking. I said earlier that we are hopeful to get an answer by this fall around that. The working group is right now considering — it is not about — the first question that we are asking is not about what is the — whether we have more dollars for this stuff; it's whether the grid can take this stuff. That is what we're looking at right now.

By the way, we also need to understand that — I sometimes refer to the grid as though it's some static thing, but it's not,

because we're growing. There is always demand coming on the grid, which changes it. The other thing that would really change it is if we did get to a long-term energy storage solution. That really changes the ability of the grid to do other things. If we get long-term storage, then summer types of generation become very different. It would really change, for example, the profile of solar and how much it could contribute to electricity generation in the Yukon. There are certain solutions that, when you look at them, you say, "That's only this many megawatts." But if they include storage and seasonal storage in particular, they really would change the dynamic of the system. I talk about the grid, but we should recognize that it really depends on the path we choose as a territory.

MLA Tredger: To make sure that I understand this situation correctly, we have some projects that have already been approved for the standing offer program and we have about two megawatts left for one more project. Other than that, we are not going to make guarantees that any new renewable projects, other than utility-backed projects, will be accepted until October — is that right?

Hon. Mr. Streicker: I have a few points to make. The first one is that, yes, there can be other projects that the utility seeks out and works on directly. There could be a call for winter power. Those sorts of calls can still happen.

There is a stream under the independent power production policy — there is a stream that is there for unsolicited proposals, so they don't come under a standing offer program. You could still bring forward other projects and we would consider them on a one-by-one basis.

The other thing to note is that when I say that roughly half of the 40 megawatts is built out, the other half that is in front of us right now — short the two megawatts, which I am sure will get filled pretty quickly — those projects are several years to completion. For example, if it's a wind project, the lead time for ordering windmills is at minimum two years. That's after you have done your wind study, after you have done an energy purchase agreement — all these things that you would have to put in place.

Yes, the work is happening right now by the working group to consider how much more variable penetration we can have on the grid. That will help us to know about where we are at. Earlier today, the member opposite was pretty critical that we didn't give enough information ahead of time about the grid and what we had going on with its capacity around variable or intermittent renewables. I said then that, as soon as we got the information, we acted on it. They are doing that work right now to see what is possible for the grid as of today.

The other thing that I should just mention is that we are in dialogue all the time with energy partners. When I meet with First Nation chiefs and their councils and we talk through things, we are talking about energy projects. I know that the department is in those conversations. I know that there are technical conversations going on.

Yes, we have to check that standing offer program to see what is possible, but I think that the timeline is not bad. If we understand the answer to that question by this fall and our buildout in the existing projects in the queue — it's difficult for

me to say because they are not our projects. They are these partners' projects, but if there are three to five years' worth of projects, then having the answer by this fall will give us time to be prepared for what the next step is after that three to five years' worth of projects.

MLA Tredger: Given that it is at least three to five years for a project to get from beginning to conception, does that mean that in five years, if we are not starting projects now, we are going to have a gap?

Hon. Mr. Streicker: I always try to give my best sense in these answers — but I don't think so. I can't be certain about that. What I can be certain about is that, when I talk with communities, First Nations, and industry around the Yukon — there are a ton of people active in this space — there is a lot of thought going into our utilities, the energy that we need, and opportunities for First Nations to invest. I actually think that we won't have a gap, but it's difficult for me to know.

Even if today we understood that there was capacity on the system to allow for more and we put the next one in place, it is not always possible for us to control the tempo of what comes forward, but in my experience, we have lots of projects where people are proposing them to us, not the other way around.

MLA Tredger: I am glad that all those conversations are happening. I'm a little worried about those conversations happening if there is not going to be a guarantee that those projects will actually be accepted.

That is what has been great about the standing offer program. Everyone from development corporations to private companies have known that if they develop projects, there is a place for them. I worry that we don't have that guarantee anymore — as of one more project — a 2-megawatt project away.

I don't think I understand the difference. The minister said that there is still the possibility of the utilities soliciting proposals themselves. Why would the utility be able to solicit proposals but there not be a standing offer program?

Hon. Mr. Streicker: There are three streams under the independent power production policy. The first one is the standing offer program. Those are the ones that are smaller typically than the bigger projects, and typically, we get more of the solar projects there.

Again, we do need to do the work to understand how much solar can come onto the system, and that is the work that the working group is doing, and that is pretty essential. I made that argument today during Question Period, and I will make it again. Yukoners will not — I don't think that they would accept that we don't make sure that the grid is stable. I believe that needs to happen.

The second stream is for unsolicited proposals. An example of that is the Atlin project. That is where that came in. This is under the unsolicited side of the independent power producers policy, and further projects could come onboard that way. I hear about conversations about potential projects all of the time, so that is still happening.

Then the third one is that the utility could put out a call. Sometimes it's called a "call for power". I remember when I was at the First Nations energy workshop in the fall, and the

utility, Yukon Energy, referred to it more as a "call for partners". The thing that can be different about that is that they could, for example, say under that call that they are seeking dependable winter energy.

Okay, why does that make a difference? Because right now, under the standing offer agreement, that is not a requirement, but the work being done by the working group could identify that we actually need to be careful about variable energy or intermittent energy, so we then might shift that policy to talk about more dependable energy. Certainly, that is what I think Yukon Energy is looking for right now around our winter supply. All of the questions that I had back and forth today with the Leader of the Official Opposition were really about dependable winter energy.

These are the ways in which the independent power producer policy has been previously set up. It is still active on two of the streams, the ones that will yield better results for Yukoners. We are doing the work now to understand what the grid needs or can take or can utilize, and that may help us to adjust the policy.

I think that it is an important piece of work around it. We still have several years of buildout with the current projects. I can't be explicit about that time, because these are independent producers. So, I think that we are in good shape to do that work and start to identify the directions we need to head, based on the needs of the territory now.

MLA Tredger: So, before, when I said: "Is it right that there is no new capacity for new renewables to come on, except those by the utility themselves?" the minister said: "No, there is this option for the utility to call for a project — this call for power." Has there ever been a call for power from Yukon Energy?

Hon. Mr. Streicker: Madam Chair, no, we haven't had one in the Yukon before, but we have seen this increasingly in Canada — well, around the world. It is becoming more common. I have certainly seen them, and so, it is a pretty standard practice out there, and I think that we will see them here, because it really marries the need of the utility with opportunity — typically for development corporations or others.

Look, the stream under the standing offer agreement — the way it mainly works is that you have people who really want to get additional dollars from the government to assist them with their projects. That is true with larger projects too at times, but as we move up into sort of the larger projects, it gets more sophisticated around the funding side of it, typically. Trust me; I have had lots of conversations — or I should say, the Development Corporation and the utilities have had lots of conversations — with proponents about the challenges of connecting their projects to the grid and what you need in order to make it safe for the grid.

Anyway, that is not yet in the Yukon, but I think that we should anticipate it.

Chair: Do members wish to take a brief recess?

All Hon. Members: Agreed.

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

Recess

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

The matter before Committee is continuing general debate on Vote 22, Yukon Development Corporation, in Bill No. 212, entitled *Third Appropriation Act 2023-24*.

Is there any further general debate?

MLA Tredger: When we last finished, we were just talking about the call-for-power option under the independent power production policy. I would just say that, given that there has never been one, I don't think it's the reassurance that we are still going to have renewable power that the minister was hoping it would be, but I think what we do agree on is that the standing offer program has been very, very successful and needs some adjustment as it goes forward.

I was reading the *Yukon Independent Power Production Program Review* from July 2022 about this program. I think it is really great that the government decided to go ahead and do that review and look at what's working about the program and what needs to be adjusted.

I have some questions about that. The policy had two aspirational targets. The first was that 10 percent of new electrical demand be met by the IPP program. I am wondering if the minister can give me an update on whether the program has achieved that goal.

Hon. Mr. Streicker: A couple of points — the first one is that I think that I misspoke when I said 40 megawatts. I got the units wrong. I think that it is 40 gigawatt hours, so I just wanted to correct the record on that when we're talking about the standing offer program.

There were a couple of goals under the standing offer program — 10 percent of new generation coming from independent power production and through that policy. This sort of goes back to the question that the Leader of the Official Opposition was asking about with regard to what new dependable power we had. I am going to really need to dive into the way it was worded to know for sure. If the rented diesels don't count — you know what I mean? I have to see how that compares.

But the projects that we have under the independent power production policy are all renewables. The grid-scale battery, which is coming, is not under the independent power production policy, but, of course, it makes those renewables better. The other target that we had was that 50 percent of the investment should come from First Nations, and I think that we have exceeded that target.

I would need to check back on the very detailed issues just to be sure about whether we had achieved the 10-percent target or not.

MLA Tredger: Thank you to the minister; he actually anticipated my next question, which is about that 50 percent First Nation ownership. That is great to hear. I am really glad to hear that it was exceeded.

In terms of the 10 percent, it's 10 percent — I am just reading from the independent power production policy right now and it says — quote: "10 per cent of new electrical demand to be met by IPP..." as opposed to the projects that have come online. I don't necessarily need that number now; I can ask about it again in the mains. But this review happened just about two years ago now — not quite — and I would assume that, as the work is being done to decide what was working about the program and what wasn't, the targets would have been evaluated, so I am hoping that he can come back with that in the mains.

At the end of this review, there is a really great chart that has advice and what it suggests be done by all the different partners in a zero to six-month time frame, a six-month to two-year time frame, and a two-plus-years time frame. Then it says that probably those partners need to come up with a more detailed work plan to make that happen. Is there a more detailed work-plan version of this review?

Hon. Mr. Streicker: Madam Chair, the independent power production policy had been sitting under Energy, Mines and Resources and is now being led by the Yukon Development Corporation, so it is an appropriate question here. That working group — which we were talking about earlier back and forth in questions — has as part of its tasks to consider the review and what the next steps are. That is the group that is working on the review.

MLA Tredger: I have to say that it is a busy working group, taking on the penetration of renewable energy, the renewal of the standing offer program, and the modernization of the grid. I feel a bit concerned that all of that work is falling to one working group. Is there any other work outside of the working group happening to develop a new standing offer program and a new IPP?

Hon. Mr. Streicker: Madam Chair, I was going to make a comment that I was going to criticize the Minister of Energy, Mines and Resources for really, you know — yes, this is an important group. They have important work, but you can't sort of pull it away and say, "Hey, utilities, we don't want you to be part of this conversation." No, we actually need them there. It's important that they be there, and can we please acknowledge that, even though there is a working group — they have these terms of reference, they have outlined, you know, a work plan, and they assign tasks to other staff who support them from within the organization. Yes, I take the point from the member opposite that there is critical work being done by this group, and I agree. Really, what I ought to be saying here is thank you to this group of folks who are doing all of this hard work on behalf of Yukoners.

I will say as well that it is not being done in a vacuum. We have, at the same time — like, I referenced a two-day workshop this past fall for First Nation leadership around the issue of energy. That had already been preceded by a couple-day workshop, I think, in Haines Junction by the technical folks from First Nations to talk about energy and energy investments. There is work going on beyond this working group, but I agree with the member opposite that this working group has several critical tasks in front of them.

MLA Tredger: Thank you, Madam Chair, and I will add my thanks to that working group, who are taking on some pretty big things that are pretty important to a lot of people. I'm glad to hear that they are not doing it on their own and that they are being supported by all of these people around them.

I will ask a little bit about some of the pieces in this advice, like these steps that were suggested at the end of the review. One of them that falls to YDC would be — or YDC and partners, I should say, not just Yukon Development Corporation — so, within six months to two years, which would be by this July — I assume that if it is happening, it is happening now.

It says: "Initiate a feasibility study and/or options analysis for incentivizing winter generation projects, including preferred pricing, transfer of environmental attributes and/or other strategies." Can the minister tell me about the work on that item from the review?

Hon. Mr. Streicker: There are a few ways that I will describe this as being tackled. One of the ways we can think of is how we use our independent power production policy. That is exactly what I have been discussing for the last little while, that we are considering where it should go in next steps, and part of that would be to incent winter energy. That's certainly one of the main factors that we are thinking about.

We are talking about how we do that with our funding pots that we have right now, but of course, that still has some steps in front of us — for example, going back to Management Board around that — or just call it "budgeting processes"; it may be easier to describe it that way.

The utility is doing work, as they indicated to us this past fall, when they talked about wanting to work toward calls for power. Again, I will use the phrase that they are trying to use, "calls for partners", to achieve that, but that very specifically, as they indicated, was around winter energy. Then, finally, we have conversations with federal partners to talk to them, that the real thing that we need to focus on is winter energy. I think we are trying on all fronts to achieve this.

I heard the member opposite's comments that, because we haven't had calls for power here before, that means that it is uncharted territory. I really don't think it is. We have lots of ongoing dialogue with First Nations and with development corporations. This is not a new thing. This ecosystem of energy utilities — there is quite a bit of experience out there around this front. I think we are going to get there, and I think that, in my conversations with the utility, this is the direction they have indicated that they would be heading.

MLA Tredger: I understand from that there is some different work going on about how to get more winter power. That's good; I'm glad to hear it, but I guess I am assuming that means that YDC or partners have not initiated a feasibility study or an options analysis about how to incentivize winter generation projects.

Hon. Mr. Streicker: Thank you, Madam Chair, and I hope to do this justice in terms of how I respond. So, yes, there is this review which we had done in 2022. There were suggestions under it that will lead us to specific outcomes, but they are not the only ones. This is not the only place we turn to

for guidance about what are the logical next steps in order to get us to renewable energy here in the territory.

For example, under my mandate letter, I have as a mandate to develop a First Nation investment policy around energy. We see that as also part of the critical path to get us to this call for partners or call for power. It will establish how the utility will work with First Nations in that call. There are all of these pieces that we see as being pivotal to creating the opportunity for this winter energy.

One of the other ones that we have been talking about today is the work to technically assess the grid to see what it can take for variable or intermittent renewables, but please let me just emphasize once again that if what we do is go for wind/battery backup, we will see that as dependable capacity, so that comes under a different sort of tranche. Then it is standalone — as not variable. The initiative is underway to get us to more renewables — in particular, winter energy. The piece that the member is asking about under the review of the independent power production policy is one of the pieces but not the only one we are working on in order to facilitate the development of winter energy.

MLA Tredger: Madam Chair, there are other things happening and I'm still concerned that this piece isn't happening.

When I think about the standing offer program, I think it has just been enormously successful in leveraging many people beyond the capacity of the government and the utilities. It has really leveraged a lot of capacity outside of that in a really successful way. What it had asked for is renewable energy, and it has gotten a lot of renewable energy much faster than expected. I think that's fantastic. I wonder if the minister is thinking about taking that same approach to the current energy needs, because I hear him say that we don't want to extend the standing offer program for more variable energy until the fall when we know how much more variable energy the grid can handle, but what about extending the standing offer program for other things — for example, dispatchable generation? What if we had a standing order program for dependable capacity?

What I am worried about is that it seems that we are waiting for all of these studies to come in to tell us about the variable energy and I haven't heard anything yet that tells me that there is a lot of work happening on designing a new standing offer program that would meet these current needs.

Can the minister talk about any work that's happening to re-jig the standing offer program so that it would be a call for things like dispatchable generation?

Hon. Mr. Streicker: I think that we need to think of a spectrum. I appreciate the comments by the Member for Whitehorse Centre about one of the things that has happened through the standing offer program and the microgeneration program, which is just to get more Yukoners engaged in considering energy and being part of this equation. I will also note that we are asking proponents to take their experience that they have gained from the standing offer program and work together with the utilities and/or First Nations on bigger projects.

But those bigger projects — which, by the way, are still there under the independent power production program, both on the unsolicited calls and the calls for power — the projects that we're talking about that lead to more dependable energy, like wind projects, let's say — those are the ones that I think are more likely, but you could have others.

It could be a hydro project; it could be a pump storage project; it could be wind; wind/battery backup — but as soon as you move into any of those projects, you typically need to be partnering with the people on whose traditional territory you are working. Solar programs can often sit in old landfills and grader stations and things like that. Solar is a little bit more flexible about where it goes, but wind you have to get up on tops of our hills and mountains. So, typically, that automatically leads to a partnership with First Nations, and if we are moving into hydro or pump storage, you are definitely into a partnership with First Nations. Those projects naturally are there and captured under this program right now.

If someone came to us with a smaller program that they could put somewhere and that was there, I don't think that we are saying no to any of that. The impression that I am trying to give is that we have a desire to work with Yukoners around dependable winter energy. If there are projects, we will find a place for them.

There are a whole bunch of challenges that are out there. For example, I have sat down with some proponents who are super bright folk, and they just — their eyes open a bit when they start to hear about what it would take to connect to our grid and what kinds of things we would need to put in place to make that happen. These are projects that take a lot of technical expertise on the utility side, on the proponent side, and we are keen to work with people around it.

Most of the standing offer agreement, if we just run through the list, is really around variable or intermittent renewables. With those types of projects, we really need to technically make sure what our situation is with the grid. That is just what that portion of it needs to make sure about.

In the meantime, can I just suggest that the team is very focused at this question of winter energy? That is mostly Yukon Energy and the Development Corporation that have that focus. Even in off-grid communities, ATCO would care about that too.

We are working, as we speak, with proponents around the types of projects that would provide us with that supply. In fact, if we go back through Hansard and read my responses to the Leader of the Official Opposition, it was what I clearly gave as our focus around the need for energy here in the territory — that renewable winter dependable energy.

MLA Tredger: I would suggest that there is a difference between not saying no and having a program designed to welcome people in.

I want to leave the standing offer program for now. The minister had mentioned that one of the tasks under his mandate letter was to develop a framework for First Nations to economically participate in renewable energy projects developed by Yukon's public utilities. I think that is what he mentioned. It is item E9 under *Our Clean Future*, and it had a

deadline of 2022. In the last update, it was listed as "in progress". I am wondering if he can give an update on that work.

Hon. Mr. Streicker: Madam Chair, at that conference that I was talking about just a few moments ago — the First Nations energy workshop — we shared a — let's call it a "draft framework" with First Nations, so we are in dialogue with First Nations right now. We didn't just unilaterally say that this is the framework. What we said to First Nations is, "Hey, this is what we think this could look like." We asked them what they think, so we are just in that dialogue with them right now.

MLA Tredger: Madam Chair, is there any sense of when that framework will be ready?

Hon. Mr. Streicker: I think what we heard back from the nations is that they are intending to develop their own sort of energy working group. I think that the indication we had from them was that they would then, once they had that group in place, engage with us again. We are hopeful that it will be happening this spring. At this point, I think that the next step for us is to hear back from nations about how they want to move forward with it.

MLA Tredger: Madam Chair, knowing that most First Nations are doing a lot of things at once and capacity is always a challenge, are there any resources being provided to those nations to do that consultation work?

Hon. Mr. Streicker: Madam Chair, I think there is some support being provided to nations around sort of this broad question. My understanding is that it is coming from the federal government, maybe through CIRNAC and Natural Resources Canada. There are a couple of streams that I think are being used to provide some dollars for capacity. I will leave it there, but the answer is yes.

MLA Tredger: I think it's just so important that, as we are asking First Nations to co-develop this framework — which I absolutely think is the right thing to do — that it not be pulling them away from the many other important things that they have to do — in the same way that the Yukon government has staff who are funded to do this specific thing, that they also receive that kind of funding.

I want to ask about E1 in *Our Clean Future*. EMR is listed as the lead, but it is about renewable energy, so I wanted to ask about it here. It talks about developing "... legislation by 2023 that will require at least 93 percent of the electricity generated on the Yukon Integrated System to come from renewable sources, calculated as a long-term rolling average." Can the minister update me on where that work is at?

Hon. Mr. Streicker: I was just trying to bring up my copy of *Our Clean Future*. This is really led by EMR. I can try to hunt through my briefing binder and see if I have a note on it while we do more questions, but if I don't get an answer today, I will suggest that when EMR pops up in one of our budget debates — and I'm sure it will — I can make sure to get an answer for the member opposite.

MLA Tredger: Thank you to the minister. I appreciate that it is a different department. I guess I had assumed that YDC would have been pretty closely involved with that. I will look forward to asking in EMR.

Another action that is specific to YDC — it's actually YEC, but I'm hoping I can ask about it here — is H28, which is to complete the peak smart pilot project by 2022 to evaluate the use of smart devices to shift energy demand to off-peak hours. It is listed as "complete", which I was a little bit surprised about because I thought that there was still a call-out for that pilot program, but maybe there are different stages of that program. I'm not quite sure how that works. I am hoping that the minister can explain what part has been completed and what they learned from that pilot.

Hon. Mr. Streicker: My understanding is that the reason the action is called "complete" is because this is about the peak smart piece of it, which was phase 1. The peak smart of it is done. They are on to the demand-side management project now, which is sort of the second phase. Just the way that they accounted for this was — they were saying that the first phase of that was done, which included the peak smart pilot project. Now they are on to the delivery of the program.

H28 as an action was to complete the pilot project. That is why it's marked as "complete". More work is happening now under the demand-side management program, which I think was initiated this past fall.

MLA Tredger: Thank you to the minister for that. It helps to clear it up for me.

I wanted to ask a little bit about the BC grid connection, because Energy, Mines and Resources has \$850,000 budgeted this year for preliminary work. I was wondering if Yukon Development Corporation is involved with any of that work.

Hon. Mr. Streicker: Yes, there are ways in which Yukon Development Corporation and Yukon Energy Corporation are involved. Energy, Mines and Resources has the lead. But, for example, we just talked about First Nation investment framework. We believe that this project will happen as an opportunity for First Nations to invest. That certainly would include if a transmission line is crossing a traditional territory, but it could include much more than that and I think we turn to the *Umbrella Final Agreement* as a guideline for that.

The energy utility, of course, is involved because if you are going to connect from one energy utility's grid to another, you need to be in dialogue about how that looks and those technical aspects. So, yes, there is involvement by Yukon Development Corporation and Yukon Energy Corporation.

MLA Tredger: I think I will ask more about that in the mains because I guess it is about work that is upcoming. I am going to wrap up my questions for the supplementary. I will have some more to talk about in the mains, but I will leave that for now.

I want to say thank you so much to the officials and to the minister for this conversation that we have had — which was very interesting and there was lots of information in it — and to the rest of the department. I really appreciate it.

Hon. Mr. Streicker: Madam Chair, I would also like to thank the officials and I will make sure to pass on my concerns about the performance of the Minister of Energy, Mines and Resources and I will take it up with him.

Chair: Is there any further general debate on Vote 22, Yukon Development Corporation?

Seeing none, we will proceed to line-by-line.

Mr. Dixon: Pursuant to Standing Order 14.3, I request the unanimous consent of Committee of the Whole to deem all lines in Vote 22, Yukon Development Corporation, cleared or carried, as required.

Unanimous consent re deeming all lines in Vote 22, Yukon Development Corporation, cleared or carried

Chair: The Member for Copperbelt North has, pursuant to Standing Order 14.3, requested the unanimous consent of Committee of the Whole to deem all lines in Vote 22, Yukon Development Corporation, cleared or carried, as required.

Is there unanimous consent?

All Hon. Members: Agreed.

Chair: Unanimous consent has been granted.

On Operation and Maintenance Expenditures

Total Operation and Maintenance Expenditures in the amount of nil agreed to

On Capital Expenditures

Capital Expenditures in the amount of \$468,000 agreed to

Total Expenditures in the amount of \$468,000 agreed to Yukon Development Corporation agreed to

Chair: The matter now before the Committee is continuing general debate on Vote 55, Department of Highways and Public Works, in Bill No. 212, entitled *Third Appropriation Act 2023-24*.

Do members wish to take a brief recess?

All Hon. Members: Agreed.

Chair: Committee of the Whole will recess for 10 minutes.

Recess

Chair: Committee of the Whole will now come to order. The matter before the Committee is continuing general debate on Vote 55, Department of Highways and Public Works, in Bill No. 212, entitled *Third Appropriation Act 2023-24*.

Highways and Public Works — continued

Chair: Is there any further general debate?

Hon. Mr. Clarke: I don't think that I have much time, but in the time that I do have, I will introduce, to my right, Deputy Minister Catherine Harwood from the Department of Highways and Public Works. To her right is Assistant Deputy Minister Richard Gorczyca, also from the Department of Highways and Public Works, which is good, because that's what we're doing here in Committee of the Whole.

In any event, briefly, what I would perhaps just say in the time I have is to thank the Highways and Public Works road crews, because if it wasn't the Haines road, it was the Skagway road, and if it wasn't the Skagway road, it was the Dempster Highway over the course of the last month or so. Herculean efforts have been made to try to keep those roads open. I can report an update right now that the Dempster had been open, which has allowed, among other things, fuel to get to Inuvik

and other communities and, perhaps more importantly for this weekend, for many keen hockey players and hockey fans to get down to Whitehorse for the Yukon Native Hockey Tournament.

In any event, a lot of variable conditions, hurricane-force winds, significant snow accumulations in the two passes and on the Dempster Highway during the course of, as I said, the last four weeks or so. So, hats off to the hard-working HPW crews for their efforts over the course of the last while, and all the best to all the participants and fans at the Yukon Native Hockey Tournament.

MLA Tredger: Thank you, Madam Chair, and thank you to the officials for being here. I'm excited to have the chance to ask some questions. I'm not going to ask too many in the supplementary; I'll mostly save them for the mains, but I have a couple I just wanted to follow up on, mostly from last Sitting.

Last Sitting, I had asked about the walkway across the bridge in Pelly Crossing. I had talked about having visited there and having multiple people bring it up with me and express their concerns. I actually went out on it with my colleagues, and I will attest to the fact that I did not feel really safe being on it. Between some of the holes in the rebar — the part that you actually walk on — to gravel coming down from the cars on my head, it did not feel like a great place. The minister said he was working on that, I believe, with the Selkirk First Nation, and I'm wondering if he can provide an update on that work.

Hon. Mr. Clarke: Madam Chair, yes, I did have an opportunity to meet with Selkirk First Nation last summer on various topics. As the member opposite indicated, the pedestrian crossing of the bridge over the Pelly River was identified as a community priority.

I think I have answered this question before, but unfortunately, the design of the bridge was such that the pedestrian deck is a certain number of feet lower than the bridge deck, which is suboptimal. The prospect of moving that pedestrian deck up to the level of the bridge deck in the near future would represent a challenge. However, I have also heard that there is a concern with respect to the lighting — specifically that there isn't any lighting from the bridge onto the pedestrian passage. I have certainly indicated to my team at Highways and Public Works that this is a priority. Highways and Public Works is working with Selkirk First Nation and there will be a safety review. The safety review will be conducted in the spring with respect to both the bridge and the walkway, including the lighting. I would certainly push for us to make best efforts to improve the lighting on the pedestrian walkway, at the very least, before the darker fall season.

I heard this concern loud and clear from both the member opposite and from the Selkirk First Nation, and I certainly understand as well that, in a perfect world — in a perfect world, that bridge would not have been designed with the pedestrian passage being three, four, or five feet lower than the rest of the bridge. I understand that this adds to the sense of separation and concern. In any event, we will make best efforts to have lighting in place by the late summer or early fall.

MLA Tredger: Thank you, Madam Chair, and thank you to the minister for that. I don't think I had the timeline in the fall, so that timeline is really helpful — or maybe I've forgotten it, but I appreciate it being said again. I will pass that on to the folks who I talk to in Pelly and I am sure that they will be happy to hear about that.

I wanted to ask a little bit about the Poker Creek border crossing, which I know is run by the federal government but is obviously part of the Yukon highway infrastructure. My understanding is that, since COVID, the time of year that it is open has been reduced and it is no longer open for as many months a year as it used to be, which has had a pretty significant impact on the tourism industry in Dawson.

I am wondering if the minister has been involved in that situation and if he has done any advocacy with his federal counterparts about the impact of that border being open and the necessity of it being open for the tourist industry, which is, of course, still recovering from COVID.

Hon. Mr. Clarke: I absolutely agree with the member opposite that, if possible, extending the season on either end — even by the matter of a few weeks or a week on either side — can be important to Dawson hoteliers and to tourists in general.

I have the opportunity during community visits to find myself in Dawson usually a number of times during a typical summer — and not just summer. I certainly have spoken to the hotel owners there, and they push for us to continue to advocate to extend the season, if at all possible. I understand, from speaking briefly to my colleague, the Minister of Tourism and Culture, that the department is on this file and is liaising with Canada Border Services Agency and their US counterparts. We are obviously not in a position to direct them to do anything, but we can certainly make the case for Dawson residents, for the Dawson tourism industry, and for the Yukon tourism industry in general.

My understanding is that the shoulder seasons are not quite back to where they were prior to COVID but that there is advocacy occurring on a fairly consistent basis, as I said, to push the season out even one week on either side.

I know that I have spoken to the owners of the Aurora Inn and others who have certainly advocated that, if we could do that, that would assist with their business model.

MLA Tredger: I appreciate that, and one of my colleagues or I will ask more about that in Tourism.

Now, I have no further questions, so thank you to the officials.

Hon. Mr. Clarke: If the members opposite have questions, we probably have time for one or two more questions.

Mr. Dixon: Madam Chair, can the minister give us a quick update on the airport contract and whether or not there have been any change orders? He has alluded to some before, and I would like to know if there is an update on that.

Hon. Mr. Clarke: Perhaps I will just provide a bit of background to finish the afternoon.

To the best of my knowledge and in liaising with my officials, my understanding of the file is that there have not

been any change orders to date, but we will certainly confirm if I learn otherwise.

The Government of Yukon is making crucial investments to the Yukon's infrastructure to provide Yukoners with safe and reliable aviation infrastructure for years to come. The main runway at the Erik Nielsen Whitehorse International Airport was last resurfaced in the late 1980s. That was just a resurfacing. In order to meet requirements set out by Transport Canada and industry best practices, a reconstruction of the runway surface and lighting system is now required.

The \$160.7-million contract to reconstruct the main runway was awarded to Flatiron Constructors Canada Ltd. on May 19, 2023. This work is part of a \$258-million program to improve the Erik Nielsen Whitehorse International Airport. The federal government is contributing \$186 million through the national trade corridors fund, with the Yukon government funding the remaining \$72 million.

Work started in the 2023 construction season and will continue in the 2024 and 2025 construction seasons. The projects will be completed by 2026. During the 2024 and 2025 construction seasons, the main runway will be closed and all aircraft will be using the parallel runway. That is during the construction seasons. All aircraft of a 737 size or smaller will be able to use the airport as normal all year-round.

As part of the overall project's plan, the parallel runway was lengthened and strengthened in 2002 to allow a 737-type aircraft to use the runway. Edge lights were also installed in order to allow it to be used at night. Once completed, the new runway and taxiway dimensions will be able to accommodate larger aircraft such as those found in Aircraft Group Number V, also known as AGN V.

While this is a large project, we expect there to be minimal disruptions overall for the travelling public, and we will be working closely with aviation stakeholders in order to minimize impacts on their operations during the construction period. Condor will not be able to offer direct service to Whitehorse while the main runway is closed during the 2024-25 construction season. This is because their aircraft is too large to use the secondary runway. However, as I believe I have advised previously, Air North has secured interline agreements with Condor that allow travellers to connect to the Yukon through Edmonton, Calgary, and Vancouver.

As asphalt ages, the ability for the mix to hold together degrades and the surface loses its flexibility. The lower flexibility results in increased cracking and produces foreign object debris, which can be detrimental to aircraft. Since 2017, the department has been regularly patching and rehabilitating the runway to extend the runway's life, but it was no longer economical or practical to continue with this approach.

There is certainly more to discuss about this exciting project, including the project agreements with Kwanlin Dün First Nation and Ta'an Kwäch'än Council as well as other opportunities that have been provided, so I certainly look forward to continuing to discuss this important infrastructure upgrade to the Erik Nielsen Whitehorse International Airport, which, of course, is also the hub and gateway for the entire Yukon Territory and for a lot of the northwest.

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

Chair: It has been moved by the Member for Riverdale North that the Chair report progress.

Motion agreed to

Hon. Mr. Streicker: I move that the Speaker do now resume the Chair.

Chair: It has been moved by the Member for Mount Lorne-Southern Lakes that the Speaker do now resume the Chair.

Motion agreed to

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. Blake: Mr. Speaker, Committee of the Whole has considered Bill No. 212, entitled *Third Appropriation Act 2023-24*, and has directed me to report progress.

Speaker: You have heard the report from the Chair of Committee of the Whole.

Are you agreed?

Some Hon. Members: Agreed.

Speaker: I declare the report carried.

Hon. Mr. Streicker: Mr. Speaker, I move that the House do now adjourn.

Speaker: It has been moved by the Government House Leader that the House do now adjourn.

Motion agreed to

Speaker: This House now stands adjourned until 1:00 p.m. Monday.

The House adjourned at 5:28 p.m.