



**YUKON ENERGY  
CORPORATION**  
P.O. Box 5920  
WHITEHORSE  
YUKON Y1A 6S7  
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File: 3305-02-04

May 17, 2012

Yukon Utilities Board  
Box 31728  
Whitehorse, YT  
Y1A 6L3

Attention: Mr. Bruce McLennan, Chair

**Re: Quarterly Adjustment to Secondary Sales Rates as of July 1, 2012**

Pursuant to Rate Schedule 32 Secondary Energy (as approved in Board Order 2005-12), the following sets out the quarterly adjustment to the Secondary Energy rate effective for bills issued on or after July 1, 2012.

***July 1, 2012 Rate Determination***

As outlined in Rate Schedule 32, the Secondary Energy rate for July 1, 2012 is based on the published Yukon Territorial Government – Bureau of Statistics biweekly price for Furnace Oil in Whitehorse for the three reporting periods prior to the 20<sup>th</sup> day of May 2012. The lowest value of the three (net of GST) is the “Oil Price Index”. The three reported values (including GST) are as follows:

April 18, 2012 = \$ 1.315 /litre  
May 2, 2012 = \$ 1.318 /litre  
May 16, 2012 = \$ 1.307 /litre

Consequently the Oil Price Index for the July 1, 2012 rate is 124.48 cents/litre (the May 16, 2012 value of 130.70 cents/litre less the GST included in that value). An Oil Price Index of 124.48 cents/litre equals a Secondary Energy price of 8.7 cents/kW.h (compared to the April 1, 2012 revised price of 8.7 cents/kW.h) and results in a Rate Schedule 43 Wholesale Secondary energy price of 7.6 cents/kW.h (compared to the April 1, 2012 revised price of 7.6 cents/kW.h).

***Notification of Interested Parties***

Rate Schedule 32 provides that the Secondary Energy Charge is to be filed with the Board at least 30 days in advance of the Rate Period. Yukon Energy will maintain this practice even though Secondary Sales have been suspended effective October 1, 2011 due to insufficient surplus hydro.

As with past notifications regarding the rate change Yukon Energy is providing notice to Yukon Electrical Company Limited at the same time as notice is sent to the Board. The updated Rate Schedule 32 rate will also be posted on Yukon Energy's website. Secondary Retail customers will not be notified by a billing advisory message as they will not receive a monthly bill while secondary sales are suspended.

Sincerely,



Hector Campbell, P.Eng, MBA.  
Director, Resource Planning & Regulatory Affairs

c: Yukon Electrical Company Limited