

YUKON
ENERGY



YUKON ENERGY
CORPORATION
P.O. Box 5920
WHITEHORSE
YUKON Y1A 6S7
(867) 393-5300

File: 3305-02-04

August 30, 2012

Yukon Utilities Board
Box 31728
Whitehorse, YT
Y1A 6L3

Attention: Mr. Bruce McLennan, Chair

Re: Quarterly Adjustment to Secondary Sales Rates as of October 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 October 1, 2012.

October 1, 2012 Rate Determination

As outlined in Rate Schedule 32, the Secondary Energy rate for October 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 20th day of August 2012. The lowest value of the three (net of GST) is the “Oil Price Index”. The three reported values (including GST) are as follows:

July 11, 2012 = \$ 1.223 /litre
July 25, 2012 = \$ 1.231 /litre
August 8, 2012 = \$ 1.208 /litre

Consequently the Oil Price Index for the October 1, 2012 rate is 115.05 cents/litre (the August 8, 2012 value of 120.80 cents/litre less the GST included in that value). An Oil Price Index of 115.05 cents/litre equals a Secondary Energy price of 8.0 cents/kW.h (compared to the July 1, 2012 revised price of 8.7 cents/kW.h) and results in a Rate Schedule 43 Wholesale Secondary energy price of 6.9 cents/kW.h (compared to the July 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. As with past notifications regarding the rate change Yukon Energy is providing Yukon Electrical Company Limited with notification of quarterly rate changes 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.

As the suspension of secondary sales imposed in September 2011 has been temporarily lifted (effective July 10, 2012 until approximately September 30th, 2012) retail customers will be notified by a billing advisory message which will appear on their monthly bills when the rate change takes effect.

Sincerely,



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

c: Yukon Electrical Company Limited