

October 20, 2015

Mr. Bruce McLennan, Chair
Yukon Utilities Board
Box 31728
Whitehorse, Yukon Y1A 6L3

Dear Mr. McLennan:

Re: Rate Change – Rider F - Fuel Adjustment Rider

On July 15, 2015 ATCO Electric Yukon and Yukon Energy Corporation (the “Companies”) notified the Board and interested parties of a change in the Diesel Fuel Price Variance Rider (“Rider F”) from a refund of 0.286 cents per kWh to a refund of 0.367 cents per kWh effective August 1, 2015.

Pursuant to the Rider F Policy, if the Companies’ Diesel Fuel Price Variance Account (“DFPVA”) is fluctuating over a broad range, the Companies must refine the forecast to reflect changing economic conditions to arrive at a new Rider F rate.

Since July, fuel prices have decreased and the Companies have determined the Rider F rate needs to decrease from a refund of 0.367 cents per kWh to a refund of 0.487 cents per kWh, effective November 1, 2015.

The Companies have enclosed an Excel spreadsheet to provide further detail regarding this rate change.

We trust that if the Board or any interested party has questions regarding this Rider F rate change, they will contact one of the undersigned.

Sincerely,

ATCO ELECTRIC YUKON



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YUKON ENERGY CORPORATION



Ed Mollard
Chief Financial Officer
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**ATCO Electric Yukon
Yukon Energy Corporation
Rider F Calculation
As At September 30, 2015
(Forecast Implementation Date in CIS = November 1, 2015)**

ATCO Electric Yukon

	Fuel Price in Rates	Forecast Fuel Price	Forecast Litres	Monthly Variance	Balance
Due From (To) Customers - as at September 30, 2015					(641,595)
Oct-15	<i>Estimated Net DFPV & Collections</i>				15,377
Nov-15	121.54	98.76	490,897	(111,847)	
Dec-15	118.90	95.83	625,395	(144,271)	
Jan-16	119.00	95.96	558,628	(128,687)	
Feb-16	119.98	97.03	528,978	(121,399)	
Mar-16	118.61	95.51	482,921	(111,555)	
Apr-16	121.98	99.59	469,455	(105,077)	
May-16	117.16	94.34	369,399	(84,310)	
Jun-16	117.58	95.77	422,186	(92,111)	
Jul-16	116.08	93.46	395,886	(89,532)	
Aug-16	117.67	96.96	409,474	(84,815)	
Sep-16	117.44	94.41	437,753	(100,802)	
Oct-16	116.67	94.17	463,121	(104,218)	
Subtotal			5,654,094	(1,278,624)	(1,278,624)
AEY Shortfall (Over-collection)					(1,904,842)

Yukon Energy Corporation

	Fuel Price in Rates	Forecast Fuel Price	Forecast Litres	Monthly Variance	Secondary Sales	Balance
Due From (To) Customers - as at September 30, 2015						16,538
Oct-15	<i>Estimated Net DFPV & Collections</i>					(4,319)
Nov-15	110.22	90.73	41,667	(8,122)	13,090	
Dec-15	110.22	90.73	141,667	(27,616)	11,390	
Jan-16	110.22	90.73	41,667	(8,122)	13,005	
Feb-16	110.22	90.73	141,667	(27,616)	17,255	
Mar-16	110.22	90.73	141,667	(27,616)	15,300	
Apr-16	110.22	90.73	41,667	(8,122)	13,430	
May-16	110.22	90.73	41,667	(8,122)	12,325	
Jun-16	110.22	90.73	41,667	(8,122)	10,625	
Jul-16	110.22	90.73	41,667	(8,122)	9,265	
Aug-16	110.22	90.73	41,667	(8,122)	13,770	
Sep-16	110.22	90.73	141,667	(27,616)	14,960	
Oct-16	110.22	90.73	41,667	(8,122)	14,705	
Subtotal			900,000	(175,446)	159,120	(16,326)
YEC Shortfall (Over-collection)						(4,106)

Combined YEC/AEY Shortfall (Over-collection)

(1,908,948)

Forecast Retail Sales (kWh) - Nov 1, 2015 - October 31, 2016

AEY	315,541,141
YEC - Retail	37,604,311
YEC - Industrial	38,706,110
Total	391,851,563

Rider F Rate (¢/kWh) to recover forecast shortfall by October 31, 2016

(0.487)