



**YUKON ENERGY
CORPORATION**
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WHITEHORSE
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File: 3305-02-04

November 17, 2015

Yukon Utilities Board
Box 31728
Whitehorse, YT
Y1A 6L3

Attention: Mr. Bruce McLennan, Chair

Re: Quarterly Adjustment to Secondary Sales Rates as of January 1, 2016

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 consumption on or after January 1, 2016.

January 1, 2016 Rate Determination

As outlined in Rate Schedule 32, the Secondary Energy rate for January 1, 2016 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 November 2015. The lowest value of the three (net of GST) is the “Oil Price Index”. The three reported values (including GST) are as follows:

October 14, 2015	= \$ 1.031 /litre
October 28, 2015	= \$ 1.019 /litre
November 12, 2015	= \$ 1.025 /litre

Consequently the Oil Price Index for the January 1, 2016 rate is 97.05 cents/litre (the October 28, 2015 value of 101.90 cents/litre less the GST included in that value). An Oil Price Index of 97.05 cents/litre equals a Secondary Energy price of 6.8 cents/kW.h (compared to the October 1, 2015 revised price of 7.0 cents/kW.h) and results in a Rate Schedule 43 Wholesale Secondary energy price of 5.7 cents/kW.h (compared to the October 1, 2015 revised price of 5.9 cents/kW.h).

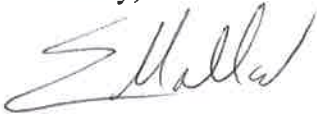
Notification of Interested Parties

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 notice to ATCO Electric Yukon (AEY) at the same time as this notice is sent to the Board. The updated Rate Schedule 32 rate sheet will also be posted on Yukon Energy's website. Secondary Retail customers will be notified by a billing advisory message on their monthly bill when their retail account is actively in service.

Current Status of Secondary Sales

Secondary Sales were made available effective July 27, 2015 and were terminated for non-SCADA connected customers effective September 1, 2015 due to insufficient surplus hydro. The shortened availability of secondary sales during 2015 was due to capital work taking place at Aishihik generation station from June through October.

Sincerely,



Ed Mollard
Chief Financial Officer

Email copy: ATCO Electric Yukon