



September 19, 2012

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

Dear Mr. McLennan:

Re: John Maissan September 17, 2012 Letter

On September 17 Mr. Maissan sent a letter to the Board and to me (not copied to others) which I have now had a chance to review. In response to that letter, as I have done with Mr. Maissan, I would like to set the record straight about what I agreed to provide Mr. Maissan at the August 14th public meeting YEC held in relation to YEC's Draft Resource Plan.

At the Draft Resource Plan meeting on August 14 one of the topics discussed was YEC's evaluation of its near term supply options including wind. In response to inquiries regarding YEC's review of the wind supply alternative, more specifically the LCOE of that alternative, I agreed to have staff meet with Mr. Maissan to explain specifically the 40 c/kW.h LCOE estimated for the wind option. Even though Mr. Maissan is an experienced intervenor in YEC's regulatory proceedings, and is actively involved in the GRA process where the Draft Resource Plan has been filed, he forwarded to YEC numerous additional written questions on September 7 that went well beyond what was agreed to at the August 14th meeting.

These questions were also sent to YEC notwithstanding he and other intervenors asked questions on YEC's Draft Plan after our August 14th session during the second round of IRs that was ordered by the Board on August 22, with questions to be provided to YEC by August 31. YEC answered those second round questions on September 13.

Notwithstanding YEC's concerns regarding the two pronged approach Mr. Maissan had taken, YEC staff tried to answer his questions at the meeting with him on September 13 to address the topics arising from the August 14 meeting. However, it was made clear to him that many of his questions could not be answered due to a variety of factors, e.g., the modeling process does not account for the level of detail being requested, or his questions

go beyond levels of detail that inform the modeling process or the questions cannot be answered without extensive work being undertaken by YEC staff.

Today, Mr. Maissan sent another letter to the Board, copied to all participants in the current GRA hearing, asking for a third round of IRs related to the same issues raised in his September 17 letter. The questions included for his proposed 3rd round are in essence the same questions he sent to YEC on September 7 as referenced above.

YEC has undertaken extraordinary efforts to answer the very significant volume of IRs resulting from the two rounds ordered by the Board. The Draft Resource Plan was clearly placed on the record well before the second round of IRs. Mr. Maissan and all other intervenors had full opportunity to ask any relevant question regarding that information. YEC's hydro generation grid model has also been in evidence before the YUB in proceedings prior to the filing of the Draft Resource Plan in July, and parties have had (and continue to have) opportunities to test the results of this model.

Mr. Maissan -- a very experienced intervenor -- knows that he was fully entitled to ask questions in the second round of IRs on any of the information filed in response to the first round of IRs -and that the Draft Resource Plan release was provided in response to first round IRs in the current GRA hearing. He also knows that he is entitled to ask questions on relevant issues at the hearing.

Further, Mr. Maissan has been active in the extensive consultation efforts undertaken by YEC leading to the Draft Resource Plan, and he is fully aware he is entitled to provide comments as part of that process

Accordingly, YEC strongly objects to another unnecessary round of IRs to deal with questions that could easily have been asked as part of the extensive IR process established by the Board.

If the you have any questions regarding the above please do not hesitate to call me.

Yours truly,



for David Morrison
CEO & President

cc: John Maissan