

UTILITIES CONSUMERS' GROUP  
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January 17, 2011

Yukon Utilities Board  
Box 31728  
Whitehorse, Yukon Y1A 6L3

Attention: Deana Lemke, Executive Secretary

**Re: Yukon Energy Corporation Application for Approval of Escalation of Rate Schedule 39  
Demand and Energy Charges per OIC 2007/94**

Dear Ms. Lemke:

The Utilities Consumers' Group, pursuant to Board Order 2010-12, hereby applies for intervenor status in the proceeding to review the above application.

UCG has actively participated in most proceedings before this Board since 1993 as well as other energy-related matters and consultations representing the interests of residential and small business ratepayers in the Yukon. We plan to fully participate in this process with the assistance of consultants by submitting information requests and written argument.

The following issues of concern will be the focus of the UCG's intervention:

- Has YEC followed the provisions of OIC 2007/94 in a full and transparent manner?
- What impact does the proposed rate change have on YEC's recovery of the revenue requirement established by the YUB?
- What mechanism is in place to credit non-industrial ratepayers for over-recovery of approved revenue requirement?
- Ongoing transparency of applications related to OIC-driven changes to Rate Schedule 39.

UCG has been copied on the January 14, 2011 letters to the Board from YEC and Leading Edge. UCG submits that if this was simply an "administrative" filing with no issues (as alleged by YEC), the Board would not have established a written hearing process to allow parties to more fully understand how the prescribed rate adjustments have been calculated and the impact that these rate adjustments have on the revenues that the YUB has already approved for recovery from all ratepayers. UCG submits that while it appears that Leading Edge will not have any information requests related to the application and its repercussions, the same cannot be said for UCG. UCG intends to follow the procedural schedule established under Board Order 2010-12 and has instructed its consultants to proceed in that manner.

#### Retainer of Pat McMahon

As has been the case in UCG's recent participation in YUB proceedings, we are fortunate to have retained the services of Pat McMahon as a consultant to assist with UCG's review of this application. With the retainer of Mr. McMahon, our need for a skilled consultant to assist with this proceeding has been filled with someone with not only the relevant general knowledge of the industry, but, as the

Board is no doubt aware, an extensive background in the history of the Yukon energy sector in particular. In these circumstances we would respectfully submit to the Board that Mr. McMahon's requested rate of \$60.00 per hour is more than justified.

Yours truly,

Roger Rondeau  
Utilities Consumers' Group