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Our File No.: 12276-76

March 13, 2007

Yukon Utilities Board  
19 - 1114 1st Avenue  
Whitehorse, Yukon Y1A 1A3

Attention: Ms. Wendy Shanks  
Acting Chair

Dear Ms. Shanks:

Re: Carmacks–Stewart Transmission Line  
Letter from the Minister dated March 5, 2007

By letter dated March 9, 2007, the Yukon Utilities Board (the "Board") requested that parties provide comments on the impact the referenced Ministerial letter should have on the ongoing YEC/Minto Power Purchase Agreement ("PPA") proceeding. This letter expresses an intention to designate the Carmacks-Stewart Transmission line as a regulated project under Part 3 of the *Public Utilities Act*.

Consistent with positions previously advanced before the Board, YECL is a supporter of regulatory efficiency and the minimization of costs associated with regulatory processes. In the context of the current PPA review, YECL wishes to clarify its understanding that, regardless of the process undertaken by the Board pursuant to Part 3 of the *Public Utilities Act*, there will still be a need for the Board to render a Decision or Order, within its jurisdiction, which addresses matters arising from the rate related approvals requested by YEC. As such, even if a consolidated proceeding were held, there would be two aspects to the Board's disposition of the matters before it. If this understanding is correct, the Board may be able to consider the Part 3 issues independent of the rate related matters, given the current status of the proceeding.

YECL is also unsure of the current status of the timeframe established by the Board for the consideration of the YEC/Minto PPA, as a Notice of Motion filed on behalf of the Utilities Consumers Group, dated March 12, 2007, which seeks additional Responses to a significant number of Information Requests has not yet been addressed by the Board. Depending how the Board addresses this procedural matter, it appears that the current Schedule will have to be revised. Given the timing of Argument, clarification on this matter would be of assistance.

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Should you have any questions regarding the above, please do not hesitate to contact the undersigned.

Yours truly,

**BENNETT JONES LLP**



Loyola G. Keough

Counsel for The Yukon Electrical Company Limited

cc: Interested Parties