

**IN THE MATTER OF the *Public Utilities Act*
Revised Statutes of Yukon, 2002, c.186, as amended**

and

**An Application by Yukon Energy Corporation (YEC)
for approval of the Power Purchase Agreement (PPA)
between YEC and Minto Exploration Ltd.**

BEFORE: W. Shanks Chair) April 30, 2007
 R. Hancock)
 M. Phillips)

BOARD ORDER 2007-5

WHEREAS:

- A. On June 1, 2006, Yukon Energy Corporation (YEC, or the Company) filed an application with the Yukon Utilities Board (the Board) to review its 20-Year Resource Plan: 2006-2025 (Resource Plan) to address Yukon's major electrical generation and transmission needs;
- B. The Resource Plan sets out YEC's expected near-term and longer-term requirements. Four near-term projects are proposed in the Resource Plan. Four alternatives, based on various scenarios to meet the needs of industrial customers, are set out to meet longer-term requirements. Certain near-term planning activities are proposed to protect longer-term options to address new load requirements;
- C. The Minister of Justice of the Government of Yukon requested that the Board review and hold a hearing on the Resource Plan. The Board forwarded its report with its recommendations on YEC's Resource Plan to the Commissioner in Executive Council on January 15, 2007;
- D. In accordance with YEC's commitment and the recommendations in the January 15, 2007, report, on February 9, 2007, YEC filed the finalized PPA for review and approval by the Board;

- E. In Board Order 2007-01, dated February 9, 2007, the Board established a procedural schedule for the PPA proceeding;
- F. Through Board correspondence dated March 5, 2007, the Board granted the Utilities Consumers' Group's (UCG) request for a second round of Information Requests (IRs) pertaining to the Macquarrie Bank Financing (MBF). The Board directed that IRs were to be submitted to YEC by March 7, 2007, and responses were to be received from YEC by March 9, 2007;
- G. On March 12, 2007, the Board received a Notice of Motion from UCG listing responses to its IRs that UCG deemed as deficient. UCG requested the Board direct YEC to provide "all materials requested by the Board and intervenors by way of information requests that it has not provided based in part on claims that the requested material is not currently in its possession or is confidential in nature";
- H. On March 15, 2007, the Board received a Notice of Motion from Mr. P. Percival listing Information Responses that Mr. Percival identified as deficient responses to some of his IRs. Mr. Percival requested that the Board direct YEC to provide the information requested in his correspondence of that date;
- I. On March 26, 2007, the Board issued Board Order 2007-03 in response to Notices of Motion from UCG and Mr. Percival for better IR Responses from YEC. Board Order 2007-03 directed YEC to respond to UCG-YEC-2-6 and UCG-YEC-2-10 and amended the remainder of the PPA proceeding schedule as follows:

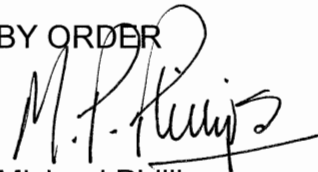
Further IR Responses from YEC	March 28, 2007
Argument	April 4, 2007
Reply	April 10, 2007
- J. The Board has considered the application, the evidence provided, and the arguments filed by YEC and the Intervenors and has made determinations on the Application.

NOW THEREFORE the Board orders as follows, with Reasons attached in Appendix A:

The Board denies the PPA as applied for. In order to approve the PPA, certain changes are required as discussed in the attached Reasons for Decision. The Board directs YEC to revise the PPA based on the foregoing and file the revision with the Board by May 31, 2007. However, given the upcoming Board hearing directed by the Government of Yukon on the CSTP that is scheduled to commence May 15, 2007, the Board requests that YEC endeavor, by May 9, 2007, to reach an agreement in principle with Minto on the changes required by the Board in order for the Board to approve the PPA, and advise the Board of the status by that date.

DATED at the City of Whitehorse, in the Yukon Territory, the 30th day of April, 2007.

BY ORDER

A handwritten signature in black ink, appearing to read "M. Phillips", written over a horizontal line.

Michael Phillips
Board Member