



B R O W N L E E
L L P
B a r r i s t e r s & S o l i c i t o r s

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Your File#:
Our File#: 71310-0022

June 17, 2016

Yukon Utilities Board
Box 31728
Whitehorse, Yukon, Canada
Y1A 6L3

Attention: Deana Lemke, Executive Secretary

Dear Madam:

Re: Yukon Energy Corporation Limited (YECL) 2016-17 GRA - Phase I Application

Further to Board Order 2016-01 dated May 27, 2016, we wish to advise that the City of Whitehorse (the "City") intends to participate in YECL 2016-17 GRA Phase I Application, filed on May 11, 2016 before the Yukon Utilities Board (the "Board"). Due to changes in personnel, it appears that there was a delay in this application coming to the City's attention.

However based on the amount of review it has been able to conduct thus far, the City understands that the approval of this application as filed would lead to substantial increased rates. The City considers it is prudent to conduct considerable further due diligence in evaluating the application and any forecasted increases in specific costs or rates to ensure that they are reasonable and warranted. If specific issues are identified, the City intends to proceed through the various processes in an attempt to ensure that its interests and those of its residents are protected with respect to those issues.

The City of Whitehorse represents the interests of its residents which include all classes of customer of YECL taking service within the City and it intends to take the steps necessary to analyze the impact on the interests of those customers and to advocate appropriately on their behalf. The City is itself a customer of YECL and thus is interested in ensuring that forecasts of both costs and revenues are reasonable. The City considers that both it and its residents have an interest in ensuring that rates that are approved are the lowest possible consistent with good quality and reliable service.

We would ask that the following individuals be provided with all information and notices with respect to this matter:

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<p>Peter O’Blenes, Director, Infrastructure & Operations City of Whitehorse 2121 Second Avenue Whitehorse, Yukon Y1A 1C2 Telephone : (867) 689-2970 Email: Peter.O’Blenes@whitehorse.ca</p>	<p>Wayne Tuck, City Engineer (Department Manager) City of Whitehorse 2121 Second Avenue Whitehorse, Yukon Y1A 1C2 Telephone : (867) 668-8305 Email : Wayne.Tuck@whitehorse.ca</p>

Request for Interim Refundable Rate Rider

Pursuant to Board Order 2016-1, parties were invited to provide comments on YECL’s request for interim refundable rate rider. The City notes that in somewhat similar circumstances, the Board noted on Appendix A to Order 2013-05 as follows:

The Board considers it important that the interim rates would only be collected for approximately one-half of the applied-for revenue requirement increase for 2013. The Board is of the view that, until the merits of the GRA are determined, these interim refundable rates promote rate stability and are just and reasonable to both the utility and consumers. As a result, the Board finds that it is just and reasonable and in the public interest to approve interim refundable rates for YECL as applied for....

However, as noted above, on a practical basis, the City appears to have received late notice of this application, and has not yet had time for a detailed review of the forecasts and rationale underpinning the requested increases in revenue requirement. Accordingly, in this specific instance, the City takes no position on the request for an interim refundable increase in Rate Rider R.

We trust that the above is satisfactory. Should you have any questions or concerns, please do not hesitate to contact the writer.

Yours truly,

BROWNLEE LLP

PER:

A handwritten signature in black ink, appearing to read 'THOMAS D. MARRIOTT', is enclosed within a large, hand-drawn oval. The signature is somewhat stylized and overlaps itself.

THOMAS D. MARRIOTT, Q.C.

/rnd

**Signed in the absence
of the writer to avoid delay**