

ATCO Electric

YUKON

June 27, 2016

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

Attention: Mr. Robert Laking
Board Chair

Dear Sir:

**RE: 2016-2017 General Rate Application
Clarification on Board Order 2016-02 – Interim Rates**

ATCO Electric Yukon is seeking clarification regarding Board Order 2016-02.

Please confirm the interim refundable rate rider, Rider R, is approved to recover approximately half of the applied-for revenue requirement increase for 2016, per Board Order 2016-02. If confirmed, AEY respectfully submits that half of the applied-for revenue requirement increase for 2016 would require a Rider R of 11.62%, per Schedule 13.1. As shown by line 5, 50% of the requested increase is already accounted for in the application. In turn, AEY submits this would be consistent with past Board approvals of interim refundable rates, in orders 2013-05, 2012-5, and 2012-10.

AEY submits that the interim refundable rider of 9.41% included in Board Order 2016-02 would only recover approximately one quarter of the applied-for increase, potentially leading to a larger true-up of any final approved amounts in the future which may jeopardize the principle of rate gradualism.

Because rates need to be implemented in our billing system as soon as possible for an effective date of July 1, we appreciate your timely response to this matter.

Yours truly,

Original signed by Corinne Severson

Corinne Severson
Director, Regulatory (Distribution)

CS/by