

Yukon Utilities Board

September 22, 2017

To: All Parties
Yukon Energy Corporation GRA Proceeding

All Parties:

Request for Comments on Court of Appeal of Yukon judgement re Board Order 2015-06

On September 12, 2017 the Court of Appeal of Yukon released a judgement on an appeal by Yukon Energy Corporation related to certain aspects of Board Order 2015-06. That judgment set aside the order of the Yukon Utilities Board (Board) related to the issues of the Diesel Contingency Fund (DCF) and the wholesale rates provision in Section 7 of Rate Policy Directive, OIC 1995/090. The Court remitted the matter back to the Board with directions "to set a wholesale rate that enables Yukon Energy to recover all of its diesel generation costs, which costs include any net payment made by Yukon Energy attributable to Yukon Electrical's above-forecast wholesale purchases of electricity."

Parties are invited to review the decision of the Court which may be found at: <http://www.courts.gov.bc.ca/jdb-txt/ca/17/yk/2017YKCA0015.htm>.

The Board is seeking comments on what process should be established to address the Court's judgment and the scope of the issues that need to be addressed with respect to giving effect to the Court's directions to the Board.

The Board is further seeking comments from parties on the following specific issues with respect to the current Yukon Energy Corporation General Rate Application (GRA) that was filed with the Board on June 22, 2017.

- (1) Is there any effect of the judgment on the current GRA, the DCF mechanism contained in the current GRA, and the Energy Reconciliation Adjustment mechanism?
- (2) How should the Board proceed with respect to the GRA — for example, if amendments to the application are required, and any effects on the current oral hearing schedule from November 28 to 30, 2017?
- (3) Any comments parties may have regarding the impact of the judgment on the use of long-term averages for forecasting hydro generation.

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

Phone 867.667.5058 Fax 867.667.5059

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Parties are invited to provide their comments to the Board by no later than September 28, 2017.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Laking', with a stylized flourish at the end.

Robert Laking
Chair