

John Maissan IRs of Yukon Energy Corporation on the Victoria Gold Group PPA

Yukon Energy Corporation (YEC) – Victoria Gold Corporation Group (VGC) PPA

Information Requests of YEC
from
John Maissan

YEC-VGC PPA Application

JM-YEC-VGA-1	<p>Page 1: VGC on-site diesel generation less than 5 MW</p> <p>(a) What number and sizes of diesel generators does Victoria Gold plan to install?</p>
JM-YEC-VGA-2	<p>Page 2 and elsewhere:</p> <p>(a) Please explain why YEC is having VGC build the McQuesten substation – is it because VGC can do it at lower cost or faster than YEC, has fewer contracting constraints, has better access to capital, etc.?</p> <p>(b) The PPA Schedule B on page 5 (Appendix B1) indicates that VGC will be having ATCO tender the long lead equipment.</p> <ol style="list-style-type: none">i. Is the ATCO referred to here ATCO Electric Yukon, or ATCO Electric in Alberta?ii. Please explain the relationship between VGC and ATCO on this project.iii. Please explain the relationship between YEC and ATCO on this project.
JM-YEC-VGA-3	<p>Page 5: VGC approximate 90 day period of reduced electrical demand in winter between December 1 and March 31.</p> <p>(a) Is VGC to inform YEC of the dates for this reduced demand or will YEC set the dates?</p> <p>(b) A 90 day period could well run from January 1 to March 31 leaving YEC to meet peak system demands during November or December with the mine load at it high level. For the November 1 to December 31 period of each of the years 2012 to 2016 and November 2017 please provide:</p> <ol style="list-style-type: none">i. The peak load (in MW) each year, andii. The peak load in the November – December period. <p>(c) If the VGC mine runs at full load during November and much of December is there not a high probability that a substantial portion of their 10.4 to 13.3 MW normal load would contribute to peak system loads?</p> <p>(d) What are the peak system loads projected by YEC for the 2019-</p>

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	<p>2020 and 2020-2021 winters?</p> <p>(e) At these peak loads what would be the anticipated contributions of hydro, LNG, and diesel generation absent new renewable energy additions?</p>
JM-YEC-VGA-4	<p>Page 6 Section 4.2 1.:</p> <p>(a) The second paragraph contains a reference to Minto and Alexco paying rates under Rate Schedule 42, should this read Rate Schedule <u>39</u>?</p>
JM-YEC-VGA-5	<p>Page 11 top paragraph:</p> <p>(a) If YEC does not get the necessary approvals and cannot build the proposed transmission facilities how would electrical service to VGC be affected?</p>
JM-YEC-VGA-6	<p>Page 17 Table 1:</p> <p>(a) The footnote indicates that the losses are set at 8.8% (system average) yet the loss figures in the table appear to be about 8.08% of the generation figures, please explain.</p>
JM-YEC-VGA-7	<p>Page 21: Costs of future thermal generation:</p> <p>(a) What inflation factors were used for unit fuel costs beyond the 2018 test year?</p> <p>(b) When new renewable generation facilities are built would YEC expect the new energy supply costs to be lower or higher than the forecast thermal generation cost?</p>
JM-YEC-VGA-8	<p>Page 22: Projections on revenue requirements:</p> <p>(a) Will there be reductions in secondary sales as a result of the VGC mine load?</p> <p>(b) Assuming that there must be reductions, how were the reduced revenues from secondary sales factored into the calculations?</p>
JM-YEC-VGA-9	<p>Page 22: If it becomes necessary to add \$25 million to YEC rate base:</p> <p>(a) What would be the projected life of the transmission facilities?</p> <p>(b) The calculations show a net benefit to all ratepayers when the VGC mine is operating, however after the VGC mine has shut down in about 10 years would overall impact on all ratepayers still be positive?</p>
JM-YEC-VGA-10	<p>Page 23: Long term average thermal generation:</p> <p>(a) YEC's 2017-2018 GRA indicated 14.48 GWh of thermal generation in 2018. Table 3 in the PPA application indicated that absent the VGC load thermal generation in 2020 would be 32.2 GWh. The PPA figure appears to be inconsistent with GRA</p>

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	forecasted load growth (less than 1% for 2017 to 2018) and expected incremental thermal usage (Table 3.4-1). Please explain.
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Power Purchase Agreement (PPA)

JM-YEC-VGA-11	<p>Page 16 section 8.1:</p> <ul style="list-style-type: none"> (a) With respect to meters please explain the term “one hour integrating intervals”. (b) How is the above related to the “Electric Demand” definition which says that it is a “rolling 15 minute average”?
JM-YEC-VGA-12	<p>Schedule B page 5 No.4:</p> <ul style="list-style-type: none"> (a) Please explain the acronym “VIT”. (b) Please explain VIT’s role in the substation construction and their relationship with VGC, ATCO, and YEC.
JM-YEC-VGA-13	<p>Schedule C:</p> <ul style="list-style-type: none"> (a) This schedule contains what appears to be a comprehensive review of the integrated system protection schemes. Is there any part of the integrated system that was not reviewed? (b) Were YEC staff able to complete this review or was a third party required? If so who was that third party? (c) Will any of the protection schemes need to be changed from summer to winter as the loading on the hydro plants (Aishihik and Whitehorse Rapids in particular) vary significantly? If so how will this be accomplished?
JM-YEC-VGA-14	<p>Schedule D page 1:</p> <ul style="list-style-type: none"> (a) Noted that VGC has under frequency load shedding, will there be situations in which industrial loads such as VGC on the integrated system are shed in advance or in preference to Whitehorse area loads? Please explain.