

December 20, 2024

Yukon Utilities Board
 Box 31728
 Whitehorse, YT Y1A 6L3

Attention: Mr. Richard Buchan
 Chair

Re: AEY-YEC 2025 Terms & Conditions of Service

Please find enclosed for filing with the Yukon Utilities Board (the Board), ATCO Electric Yukon’s (AEY) and Yukon Energy Corporation’s (YEC), together (the “Utilities”) joint Application for Terms and Conditions of Service (T&Cs), including an update to the Maximum Investment Levels (MILs), Fees and Service Charge Summary.

The Utilities are requesting approval from the Board on the following:

- 1) Updates focused on modernization of the T&Cs;
- 2) Updated MIL Levels based on the comprehensive MILs Cost Study, including an inflation mechanism for future years; and
- 3) Updated Fees and Service Charges to reflect changes in operations, including an inflation mechanism for future years.

Given the limited scope of the proceeding focused on the T&Cs, the Utilities submit that a written process would be sufficient and provide a fair opportunity for all parties to participate. Considering the holiday season, the following process schedule is proposed:

Table 1: Proposed Process Schedule

	Process Date
Application Filed	December 20, 2024
Intervener Registration	January 3, 2025
Information Requests to AEY & YEC	January 17, 2025
Information Responses from AEY & YEC	February 7, 2025
Intervener Evidence, if necessary	February 21, 2025
IRs on Evidence to Interveners	February 28, 2025

	Process Date
Responses on Evidence from Interveners	March 14, 2025
Rebuttal Evidence, if necessary	March 28, 2025
Written Argument	April 11, 2025
Written Reply Argument	April 25, 2025

Should you have any questions or require further information, please contact Greg Marghella at greg.marghella@atco.com or Jason Epp at jason.epp@yec.yk.ca.

Yours truly,

ATCO ELECTRIC YUKON

YUKON ENERGY CORPORATION



Greg Marghella
Senior Manager, Regulatory

Jason Epp
Vice President, Finance and Chief Financial Officer

ATCO ELECTRIC YUKON AND YUKON ELECTRICAL COMPANY

APPLICATION OF THE

2025 TERMS & CONDITIONS OF SERVICE & MAXIMUM INVESTMENT LEVELS

SECTION 1: INTRODUCTION

1. ATCO Electric Yukon (AEY) and Yukon Energy Corporation (YEC), together (the “Utilities”), in a letter¹ dated March 31, 2023, from the Yukon Utilities Board (the Board), have been directed to review their Terms & Conditions of Service (T&Cs), including Maximum Investment Levels (MILs) and Fees and Service Charge Summary (Fees Schedule). In response to that letter, AEY and YEC proposed addressing the changes to the T&Cs as a standalone limited scope filing. The Utilities have jointly prepared the enclosed revision to the T&Cs, while the MILs and the Fees Schedule have been prepared by AEY, as AEY serves most of the distribution customers in the Yukon. The Utilities submit that, given the direction from the Board, this is a limited scope submission and elements such as the General Rate Application (GRA) (also known as Phase 1) and rate design elements (also referred to as Phase 2) are not within scope of this proceeding.

2. The T&Cs, MILs and the Fees Schedule under which the Utilities provide service today were last amended effective July 1, 2011, as approved in Board Decision 2011-05. Prior to the 2011 update, minor revisions were approved in Decision 2005-12,² which focused on clarifying definitions. It has been over 10 years since the last update to the T&Cs, MILs and the Fees Schedule. As further detailed below, the proposed updates are comprised of three notable items:

- **Revised Terms and Conditions of Service** – Prepared by the Utilities. Changes focused on modernizing the T&Cs to address elements such as grid modernization efforts and different loads in Isolated Communities. Clarity in existing sections has also been proposed to better provide guidance to customers and the utilities.

¹ Letter referenced in [2023-2024 AEY GRA - Application.pdf, pages 2 and 3.](#)

² https://yukonutilitiesboard.yk.ca/pdf/Board%20Orders%202000/109_boardorder2005_12.pdf, and https://yukonutilitiesboard.yk.ca/pdf/Board%20Orders%202000/387_2005-12%20Appendix%20A.pdf.

Appendix 1 and 2 contains the proposed T&Cs to govern service under the approved Rate Schedules, including clean and blackline versions.

- **Changes to Schedule B: Maximum Company Investment** – Prepared by AEY. A detailed MILs Study (Appendix 3) has been conducted to better represent the actual costs for residential, general service and street lighting services. AEY has provided a comprehensive MILs Study which incorporates the use of 10 years of historical project data, trending of material costs, and a desktop case study. Approval is also requested for an annual inflation factor to be applied to the MILs for future years.
- **Changes to Schedule D: Fees and Service Charge Summary** – Prepared by AEY. Updates have been provided in the proposed T&Cs in Appendix 1 and 2. Section 4 below outlines the methodology used to update these charges. Similarly to MILs, approval is requested for an annual inflation factor to be applied to the supplementary charges for future years.

SECTION 2: MODERNIZATION OF TERMS AND CONDITIONS OF SERVICE

3. The proposed amendments to the T&Cs filed in this Application are intended to modernize the T&Cs, and enhance clarity, transparency and ease of understanding of the provisions under which electricity service is provided, including the rights and obligations of both the utility and the customer, and to reflect the Utilities' current practices and policies, legislation and regulations.

4. The proposed updated T&Cs are shown in Appendix 1, with a blacklined version in Appendix 2.

5. While the current T&Cs continue to provide the guidance needed between the customer and the utility, upon a detailed review of the T&Cs, the need to modernize the T&Cs to address different circumstances which were not present in 2011, when the T&Cs were last approved, was identified. In addition to necessary clarifications to existing sections, modernization of the following sections is also being proposed.

Customer Generation

6. The Utilities have expanded Section 3.6 Customer Generation to ensure safety, compliance, and clear communication between the Utilities and generating customers. By requiring all necessary permits, licenses, and authorizations before starting or changing service, the Utilities can ensure that all interconnections meet regulatory and technical standards.

Changes in Significant Load and Isolated Community

7. The Utilities have updated Section 4.5 to better manage service connections. The section name is now more encompassing, covering a broader range of scenarios, with subsections for significant load increases, like those from Electric Vehicles (EVs).

Cost Sharing

8. The Utilities have made changes to Section 4.8 Extension of Service to provide a clear and fair framework for cost sharing among customers requiring service extensions. By setting a cost-sharing limit of up to \$20,000 over a maximum term of five years and limiting it to three customers, the update ensures that the administrative burden is manageable and costs are equitably distributed.

Multiple Dwellings

9. The Utilities have updated Section 4.13 on Multiple Dwellings to include provisions for common use areas – such as hallways, lobbies, laundry rooms, elevators, and parkades – will be billed under the general service price schedule. If service to a multiple dwelling residence is delivered through a single point, the general service (non-residential) price schedule will apply. Additionally, the Utilities have reviewed the definition of a residential customer and accounted for situations where a single home is used for commercial purposes.

Company Facilities, Customer Liability, and Electric Codes

10. The Utilities have made changes to Sections 5.2, 5.4, 5.5, and 10.3 to enhance access to the Utilities' facilities to prioritize safety and ensure the integrity of the Utilities'

infrastructure and to ensure applicable requirements of the Canadian Electrical Code are met.

Standard Meter

11. The Utilities have modified Section 6.1 to allow customers more flexibility and control over their metering options. By enabling customers to request Non-Standard Meters, the Utilities can accommodate specific needs and preferences. This change also helps the Utilities comply with regulatory requirements, streamline operational processes, and manage costs effectively.

Termination of Service

12. The Utilities have made changes to Section 11.3, Company Termination Other Than for Safety, to ensure that the utilities can effectively manage and protect their infrastructure and service quality. Changing "current limiting device" to "load limiting functionality/capability" and including a reference to harmonic and interharmonic distortions, clarifies the technical requirements and addresses specific issues that can impact service quality.

SECTION 3: MAXIMUM INVESTMENT LEVELS (MILs)

13. The purpose of an investment policy is to establish rules and guidelines that govern the Utilities' investments in customer extensions.

14. As detailed in the MILs Study in Appendix 3, establishing an appropriate MIL involves a principled approach, considering factors like economic efficiency, intergenerational equity, and regulatory standards. This approach achieves several outcomes: 1) ensuring equity between new and existing customers, 2) allowing utilities to earn a fair return, 3) promoting orderly grid development and growth, and 4) sending appropriate price signals for new developments.

15. Appropriate MILs balance intergenerational equity, the utility's obligation to serve, and the opportunity to earn a return. An imbalanced MIL can lead to issues such as uneconomic bypass, intergenerational inequity (e.g., new customers subsidizing existing ones), and depriving the utility of a fair return on assets it owns and operates. An

appropriate MIL also contributes to the strength of the Yukon economy by providing a proper signal for upfront costs which may deter new connections if set too low.

16. Setting an appropriate MIL starts with establishing a cost per lot, which should be reviewed periodically to account for inflation and technical standards. This approach standardizes utility investments for varying connection circumstances, ensuring intergenerational equity and appropriate price signals. Factors such as location and development size are appropriately captured in the cost per lot analysis and best balances economic signals, intergenerational equity, and the regulatory compact.

17. Given the established principles and cost per lot methodology, AEY has conducted a detailed MILs study focused on the cost per lot methodology, including alternative analysis – i.e., desktop study – which supports the proposed MILs. The findings and approach of the detailed MILs study are summarized below. The study is provided in Appendix 3.

MIL Study Approach and Results - Summary

18. There are currently four MIL values approved, specifically for the service types: (1) Residential Single Family; (2) Residential Multiple Dwelling; (3) General Service; and (4) Street Lighting. AEY submits that the currently approved MIL service types continue to support the customer mix in the Yukon and continue to align with the customer rate classes currently approved by the Board.

19. As it has been over 10 years since the last review of the MILs, AEY has conducted a comprehensive MILs Study utilizing 10 years of historical data with a large sample size of projects to establish appropriate MILs. The results of the Study have also been supported by supplemental approaches to determining MILs including:

- (i) the use of the Handy-Whitman index to inflate the extension costs previously filed in *Appendix 5.4 Study on Maximum Investment Levels* from the 2009 Phase II Rate Application,
- (ii) a desktop study of a typical service utilizing today's costs, and
- (iii) historical cost pressure for material over the historical 10-year period.

20. Based on the findings of the MILs Study, approval is requested for the following MILs by service type:

Table 2: Proposed MIL Rate Class for 2025

MIL Service Type	2025 Proposed MILs
Residential Single Family	\$ 10,337/site
Residential Multiple Dwelling	\$ 2,645/site
General Service	\$ 1,801/kW
Street Lighting	\$ 6,649/light

21. As outlined in the MILs Study and above, the proposed MILs strike the balance between providing an economically efficient pricing signal, ensuring intergenerational equity between ratepayers (both new and existing), and aligning with the regulatory compact (obligation to serve in turn for the ability to earn a fair return).

22. With regard to implementation, the following two methodologies can be used:

- (1) Signal Bump – Set MILs effective the day after the Decision to the values determined by the MILs Study.
- (2) Gradual Increase – Set MILs over a five-year term that would gradually align with the MILs Study including inflation.

23. While both methodologies are aligned with ratemaking principles, AEY recommends a signal bump approach be taken. This will reduce administrative burden and ensure the best price signal is being sent to customers effective the date of the Decision. Regarding the application of the MIL rates, the updated MIL will apply to customers whom signed up after the date of the Decision.

24. Furthermore, approval is sought to use the Consumer Price Index (CPI) for Whitehorse, Yukon to apply annually (prior to January 1st of the following year) in years when the MILs are not being updated to keep up with inflation on an ongoing basis. In terms of procedures, updates to the MILs can be filed with the Board through a no-notice application in December to be effective January 1st of the following year.

SECTION 4: FEES AND SERVICE CHARGE SUMMARY

25. AEY has reviewed and updated the fees to reflect today's costs. The Schedule D - Fees Schedule outlines the proposed changes. Specifically, more substantive changes and new fees follow:

Connection and Reconnection Fees

26. For connection and reconnection fees, the fee is adjusted to reflect the actual work involved. The proposed connection and reconnection fees during normal business hours are set at \$87, which is an increase from the previous values of \$50 and \$60, respectively. The breakdown of the reconnection fee includes a 1-hour PLT³ rate of \$68, a truck roll fee of \$8, and a customer service rate of \$11 for 15 minutes.

Customer Usage Information Requests

27. Regarding customer usage information requests, the fee applies to historical usage information requests with written authorization from the customer. This is charged per hour at the customer service rate, inclusive of engineering and IT resources, with a minimum charge of one hour. The proposed minimum cost associated with these requests is \$75.

Supplementary Meter Reads

28. Driven by modernization efforts such as AMI meters, for supplementary meter reads, standard meter reads are charged per read per meter at the customer service rate of \$11. Non-standard meter reads are proposed at \$87, similar to the reconnection fee. These charges reflect the actual time and resources required for each meter read, ensuring that the service remains cost-effective and efficient.

Late Payment and Disconnection

29. In terms of late payment and disconnection, the collection fee is charged at the customer service rate proposed at \$45 compared to \$30 set previously, with a minimum charge of one hour. The late payment charge is 1.5 percent per month, which amounts to 19.56 percent per annum. Maintaining this charge encourages timely payments and

³ Power Line Technician.

helps manage the financial risk associated with late payments. The fee for dishonored payments is also charged at the customer service rate proposed at \$45 compared to \$25 set previously, with a minimum charge of one hour.

Meter Disputes

30. Finally, for meter disputes, the meter accuracy test handling fee applies to self-contained meters and instrument meters are handled by Measurement Canada to ensure standardization and accuracy. The new fees are proposed at \$250 and \$500 compared to the previous fees of \$100 and \$200, respectively. These charges reflect the actual time and resources required for each meter dispute.

31. Similar to the proposal for MILs, approval is also sought to use the CPI for Whitehorse, Yukon, which will be applied annually (prior to January 1st of the following year) in years when the Fees and Service Charges are not being updated via a regulatory filing, to keep up with inflation on an ongoing basis. Updates to the Fees and Service Charges can be filed with the Board through a no-notice application in December to be effective the following year.

SECTION 5: CONCLUSION

32. In summary, the Utilities respectfully request the following approvals from the Board:

- (a) Modernization of the T&C's as outlined in Appendix 2.
- (b) Updated MILs based on the detailed MILs Cost Study in Appendix 3.
- (c) Updated Fees and Service Charges with the proposed new fees to reflect changes in operations (e.g., standard meter).
- (d) Inflation index of CPI for Whitehorse, Yukon to be applied annually to the MILs and Fees and Service Charges when a rate case is not in front of the Board.



YUKON ENERGY CORPORATION

AND

**THE YUKON ELECTRICAL COMPANY LIMITED
o/a ATCO ELECTRIC YUKON**

TERMS AND CONDITIONS

OF

SERVICE

Effective: 2025-xx-xx
Supersedes: 2011-06-01

Table of Contents

1.	INTRODUCTION	1
2.	INTERPRETATION	2
	2.1 Definitions	2
	2.2 Conflicts	5
	2.3 Headings.....	5
	2.4 Schedules and Appendices	5
3.	GENERAL PROVISIONS	6
	3.1 Board Approval	6
	3.2 Terms and Conditions Prevail.....	6
	3.3 Ownership of Facilities.....	6
	3.4 Use of Energy	6
	3.5 Customer Extensions.....	7
	3.7 Frequency and Voltage Levels	7
	3.8 Fees and Other Charges	8
4.	APPLICATION FOR AND CONDITIONS OF SERVICE.....	9
	4.1 General Requirements.....	9
	4.2 Conditions of Service.....	9
	4.3 Connection Fee	9
	4.4 Application of Rate Schedules	9
	4.5 Change in Service Connections	10
	4.6 Security Deposit.....	10
	4.7 Delay in Taking Service -	11
	4.8 Extension of Service	12
	4.9 Underground Subdivision Extensions	12
	4.10 Conversion from Overhead to Underground Service	12
	4.11 Temporary Service	12
	4.12 Mobile Homes.....	13
	4.13 Multiple Dwellings	13
	4.14 Relocation of Company Facilities.....	13
	4.15 Reconnection.....	13
5.	RIGHTS OF WAY AND ACCESS TO FACILITIES.....	15
	5.1 Easements.....	15
	5.2 Right of Entry	15
	5.3 Vegetation Management.....	15
	5.4 Interference with Company's Facilities.....	16
	5.5 Customer Brushing	16
6.	METERS	17
	6.1 Installation.....	17
	6.2 Location	18
	6.3 Meter Tests and Adjustments	18
	6.4 Access to Meters	19

7.	METER READING AND BILLING	20
7.1	Reading and Estimates	20
7.2	Calculation of Bills	20
7.3	Payment.....	20
7.4	Late Payment Charge.....	21
7.5	Dishonoured Payments.....	21
7.6	Outstanding Charges.....	21
7.7	Totalized Metering	21
7.8	Combined Service	21
7.9	Consolidated Billing	21
7.10	Unauthorized Use	22
7.11	Billing Error	22
8.	SERVICE CHANGES	23
8.1	Notice by Customer	23
8.2	Responsibility for Damage	23
8.3	Changes to Company Facilities	23
9.	COMPANY RESPONSIBILITY AND LIABILITY	24
9.1	Continuous Supply	24
9.2	Interruption.....	24
9.3	Reasonable Efforts	24
9.4	Company Liability	24
9.5	Force Majeure.....	25
10.	CUSTOMER RESPONSIBILITY AND LIABILITY	26
10.1	Provide Permit	26
10.2	Customer Responsibility	26
10.3	Customer Liability	26
10.4	Protective Devices	27
10.5	Service Calls.....	27
11.	TERMINATION OF SERVICE	28
11.1	Termination by Customer	28
11.2	Company Termination for Safety Reasons	28
11.3	Company Termination Other Than For Safety	28
11.4	Removal of Facilities.....	29
	SCHEDULE A: STANDARD SUPPLY SPECIFICATIONS.....	30
	SCHEDULE B: MAXIMUM COMPANY INVESTMENT	32
	SCHEDULE C: CONDITIONS FOR UNDERGROUND SUBDIVISIONS	33



Effective: 2025-xx-xx
Supersedes: 2011-06-01

Page iv

SCHEDULE D: FEES AND SERVICE CHARGE SUMMARY 35

1. INTRODUCTION

The Yukon Electrical Company Limited, carrying on business as ATCO Electric Yukon (AEY), and Yukon Energy Corporation (YEC) each provide direct electrical Service to customers in the Yukon under a common Electric Service Tariff. The Electric Service Tariff is comprised of the Rate Schedules and these Terms and Conditions of Service (the “Terms and Conditions”, formerly known as the “Electric Service Regulations”). AEY and YEC conduct their business activities in compliance with these Terms and Conditions.

These Terms and Conditions are regulated by the Yukon Utilities Board (hereinafter referred to as the “Board”), in accordance with the Yukon *Public Utilities Act (PUA)*, and may not be changed without the approval of the Board. Parties having any inquiries or complaints regarding these Terms and Conditions may direct such inquiries or complaints directly to AEY, Yukon Energy or the Board.

The Electric Service Tariff is available for public inspection during normal business hours at the business offices of AEY and Yukon Energy and at the offices of the Board and can be accessed on the Companies’ respective websites at: www.atcoelectricityukon.com and www.yukonenergy.ca.

2. INTERPRETATION

2.1 Definitions

The following words or phrases, when used in these Terms and Conditions, the Electric Service Tariff or an application, contract or agreement for service, shall have the meaning set forth below.

"Billing Demand" - the demand upon which billing to a Customer is based as specified in a rate schedule or contract.

"Board" - the Yukon Utilities Board.

"Capital Cost" the cost of materials, labour, equipment, expenses and any other direct or indirect costs incurred by the Company in extending Service to a Point of Service.

"Company" - The Yukon Electrical Company Limited o/a ATCO Electric Yukon or Yukon Energy Corporation.

"Connected Load" - the sum of the capacities or ratings of the electric Energy consuming apparatus connected to a supplying system.

"Connection Fee" – a non-refundable fee charged when a new Service is connected or an existing Service is reconnected or a meter reading is required to add the Customer to the Company's system. (refer to Schedule D for fees).

"Construction Contribution" – a specific payment by a Customer to offset Company costs incurred in extending Service that will primarily benefit that or group of Customers only and not the other ratepayers in the distribution system. The contribution will be the difference between the cost of extending the Company's Facilities to serve a Customer or group of Customers and the Maximum Available Company Investment specified in Schedule B.

"Cost Sharing" – the process whereby a new Customer or group of Customers who connect to an existing Facility for which another Customer or group of Customers has paid a Construction Contribution, is assessed their share of that Construction Contribution which must be paid to the Company to be refunded to the existing Customer(s).

"Current Limiting Device" – a device that limits the amount of Demand available to a specific Customer.

"Customer" - a person, firm, partnership, corporation, association or organization (including, without limitation, individual members of any unincorporated entity) to whom the Company provides any Service hereunder including all owners and occupants of a premises, whom normally reside at the premises during the time for which Service was provided to that premises whether or not such owner or occupant's name appears on the application for Service.

"Demand" - the maximum rate at which electric Energy is delivered by the Company (expressed in kilowatts, kilovolt amperes or other suitable unit) at a given instant or averaged over any designated period of time.

"Electric Service Regulations" – the former title of this document outlining the terms and conditions governing Service, which title has been replaced by Terms and Conditions of Service. Where reference is made to Electric Service Regulations it shall be deemed to be a reference to these Terms and Conditions of Service as amended from time to time.

"Electricity Purchase Agreement" - is a contract established between the Company and independent power producers that sets out the terms for purchasing electricity by the Company. EPAs are considered out of the scope of these Terms and Conditions. The terms and conditions of EPAs are treated independently and are confined to the contractual relationship between the customer and the electricity generator under the applicable EPA. Microgeneration customers are separate from the EPAs and referenced under "Generating Customer".

"EFT" - Electronic Funds Transfer

"EPA" – Electricity Purchase Agreement.

"Energy" - electric energy consumed expressed in kilowatthours.

"Estimated Capital Cost" – the estimated cost of materials, labour, equipment, expenses, and any other direct or indirect costs for extending Service to a Point of Service.

"Facilities" - a physical plant including, without limitation, generating plants, transmission and distribution lines, transformers, meters, equipment and machinery.

"Force Majeure" - circumstances not reasonably within the control of the Company, including acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, pandemics, epidemics, landslides, lightning, earthquakes, fires, storms, floods, high water, washouts, inclement weather, orders or acts of civil or military authorities, civil disturbances, explosions, breakdown or accident to equipment, mechanical breakdowns, the intervention of federal, territorial, or local government or from any of their agencies or boards (excluding Decisions and/or Orders made by the Board in the normal course of it exercising its authority to establish the revenue requirement of the

parties to this agreement), the order or direction of any court and any other cause, whether of the kind herein enumerated or otherwise.

“Generating Customer” – Customer with generation equipment on premises, including microgeneration entities, interconnected with the Company’s Facilities.

"In-Service Date" - the date on which the Customer specifies Service is to be available or the date the Service is actually available, whichever is later.

"Interconnected System" - those portions of the Company's Facilities which are connected to the YIS.

“YIS” - the Yukon Interconnected System

"Isolated System" - those portions of the Company's Facilities which do not form part of the Interconnected System.

"Load" - the Demand and Energy delivered to or required at any Point of Service.

“Maximum Company Investment” – the maximum Capital Cost which the Company will incur to extend Service to a Point of Service as set forth in Schedule B hereto.

"Multiple Dwelling" - a residential building containing more than one Single Family Dwelling unit.

"Point of Service" - the point at which the Company's service conductors are connected to the wires or apparatus of a Customer.

"Power Factor" - the ratio of the highest metered kilowatt Demand in a billing period to the highest metered kilovolt ampere Demand in that same billing period.

“Satisfactory Credit Rating” – determined subject to the discretion of the Company, and may include the Customer having paid all bills on an existing Company account in full on or before the due date of the said bill for 12 consecutive months or a similar payment record as established with another utility service provider within the past twelve months.

“Seasonal Service” – service between October 15 to April 15, or between April 16 to October 14 when the overnight temperature is forecast to drop below zero (0) degree Celsius.

“Security Deposit” – the amount determined in accordance with Article 4.6.

"Service" - the delivery of Energy by the Company at the Demand required by the Customer.

“Service Connection” the Facilities required to physically connect the Customer's

facilities to the Company's system.

"Single Family Dwelling" - a private residence which is not a Multiple Dwelling, consisting of single-family living quarters having, in one self-contained unit, at least sleeping quarters, and a kitchen.

"Standard Meter" means a meter that has the capability of remotely communicating with the Company's metering network, or any meter the Company deems appropriate in its sole discretion.

2.2 Conflicts

If there is any conflict between a provision expressly set out in an Order of the Board and these Terms and Conditions, the Order of the Board shall govern.

2.3 Headings

The division of these Terms and Conditions into sections, subsections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of these Terms and Conditions.

2.4 Schedules and Appendices

The following schedules and appendices are attached to and form part of these Terms and Conditions:

- Schedule A - Standard Supply Specifications
- Schedule B - Maximum Company Investment
- Schedule C - Conditions for Underground Subdivisions
- Schedule D - Fees and Service Charge Summary

3. GENERAL PROVISIONS

3.1 Board Approval

These Terms and Conditions have been approved by the Board. The Company may amend these Terms and Conditions by filing a notice of amendment with the Board and interested parties as part of General Rate Application or a separate proceeding. Included in the notice shall be notification of which Customer groups are affected by the amendment and an explanation of how affected Customers will be notified of the amendments. If the Board approves the notice of the amendment, the amendment will take effect upon the date set by the Board. If no specific date is set by the Board, then the amendment will take effect on the date of the Board's Order approving the notice of amendment.

3.2 Terms and Conditions Prevail

- (a) These Terms and Conditions, as amended from time to time, apply to the Company and to every Customer to which the Company provides a Service Connection.
- (b) The application for a Service Connection (whether verbal or written), the use by the Customer of a Service Connection to obtain Electricity Services or the payment by the Customer of an account rendered by the Company in relation to a Service Connection shall constitute acceptance by the Customer of these Terms and Conditions.
- (c) No agreement can provide for the waiver or alteration of any part of these Terms and Conditions unless such agreement is first filed with and approved by the Board.

3.3 Ownership of Facilities

Unless otherwise specifically provided in a contract with the Customer, notwithstanding the payment by a Customer of any costs incurred by the Company, the Company shall install, maintain and retain full title and ownership of all lines, equipment and other Facilities on its side of the Point of Service and of all meters and metering equipment provided and/or installed by it.

3.4 Use of Energy

Service is provided only for the purposes specified by contract or by the rate schedule applicable to such Service. A Customer shall not sell Energy provided by the Company unless otherwise provided by a contract with the Company, unless the Company has first given written consent, or unless otherwise permitted by legislation.

3.5 Customer Extensions

A Customer shall not extend or permit the extension of Facilities connected to the Company's facilities beyond property owned or occupied by the Customer for any Point of Service.

3.6 Customer Generation

- a) A Customer must notify the Company and sign an agreement with the Company if the Customer wishes to have service:
 - 1) in parallel operation with; or
 - 2) as supplementary, auxiliary or stand-by Service to any other source of electric Energy.

The following do not apply to supplementary, auxiliary or stand-by generation:

- b) A Generating Customer shall obtain and provide to the Company copies of all applicable required permits, licenses and authorizations prior to commencement of service or any change in service requirements at any point of interconnection, including technical specifications and operating requirements.
- c) The Generating Customer will be responsible for providing technical information to the Company as required. The Company will treat this information as confidential and will not release such information to any other parties without the express and written consent of the Generating Customer.
- d) The Generating Customer will be responsible for operating in compliance with accepted industry operating and maintenance standards as established, from time to time, by the Company, and as specified in the operating agreement between the Generating Customer and the Company. The Company shall have the right to inspect the Generating Customer's facilities for compliance.

3.7 Frequency and Voltage Levels

The Company will make every reasonable effort to supply energy at 60-Hertz alternating current. The voltage levels and variations will comply with the Canadian Standards Association standards and shall be in accordance with the Company's standard supply specifications as set out in Schedule A except in locations where the voltage levels set out in Schedule A are not available.

3.8 Fees and Other Charges

The Company will provide all standard services hereunder pursuant to the approved Electric Service Tariff. All additional and supplementary services provided by the Company to a Customer will be charged a separate rate or fee, such as those included, without limitation, in Schedule D herein. Payment for these services shall be in accordance with the provisions of these Terms and Conditions.

4. APPLICATION FOR AND CONDITIONS OF SERVICE

4.1 General Requirements

- (a) Any applicant for Service may be required to sign an application or a contract for Service, and shall supply information respecting Load, customer preferred supply conditions and the manner in which Energy will be utilized. An applicant may also be required to establish a Satisfactory Credit Rating with the Company and/or provide a Security Deposit prior to being connected for Service.
- (b) The Company reserves the right to verify the identity of the Customer, and the accuracy of the information provided and to require the Customer to sign an application in writing on forms provided by the Company. If a Customer is not of legal age, a Security Deposit may be required in order to obtain Services and, in addition, a person of legal age may be required to accept responsibility for the Services on that Customer's behalf.
- (c) Contracts for Service are not transferable. Persons taking over premises, where Energy has been used previously, must make a new application for Service and pay the necessary Connection Fee per Article 4.3 and Security Deposit per Article 4.6.

4.2 Conditions of Service

Upon receipt of an application or contract for Service, the Company shall notify the applicant of any conditions which must be satisfied before the application or contract will be accepted and Service may be commenced.

4.3 Connection Fee

Whenever a connection is made, the Customer will pay a non-refundable Connection Fee as specified in Schedule D, which shall be included in the Customer's first billing or paid with the Application for Service, (save and except that, where the Customer has paid a Construction Contribution for the Service, the Connection Fee shall be deemed to be included in the Construction Contribution).

4.4 Application of Rate Schedules

- (a) The Company will make Customers aware of the various price schedules under which the Company provides service to Customer rate classes and are approved by the Board.
- (b) Whether or not a Customer has signed an application or contract for Service, these Terms and Conditions and the Rate Schedule applicable to the Service supplied by the Company shall apply. In addition to payments for Service, the Customer is required to pay the Company the amount of any tax or assessment levied by any tax authority on Service delivered to the

Customers.

4.5 Change in Service Connections

- (a) A Customer shall give to the Company reasonable prior written notice of any change in service requirements, including any significant change in load, as per section 8.1, to enable the Company to determine whether or not it can supply such revised service without changes to its Facilities.
- (b) The Customer shall not change its requirement for a Service Connection without the Company's written permission. The Customer shall be responsible for all damage caused to the Company's facilities as the result of the Customer changing its requirements for a Service Connection without the Company's permission
- (c) On Isolated Systems, Service for electric space heating (permanent or temporary for construction) and electric vehicle charging purposes may be supplied to Customers only with the prior written permission of the Company.

4.6 Security Deposit

(a) Security Deposit Requirements

The Company may require payment of a Security Deposit by an applicant or Customer under the following circumstances:

- (i) the applicant has not established a Satisfactory Credit Rating with the Company;
- (ii) the Customer's Service has been disconnected or restricted by a Current-Limiting Device; or
- (iii) the Customer has not paid all past bills for Service.

If a Security Deposit is required and not been provided prior to connection, it will be added to the bill for Service and due in full on the due date identified on the bill.

(b) Amount of Security Deposits

The amount to be deposited with the Company shall be determined by the Company at the time of the Service application and shall be based on an estimate of the total amount billed over a period of three months in which Energy consumption by the Customer is expected to be the highest. The Security Deposit required may be adjusted accordingly based on the Customer's actual use of the Service or other information made available to the Company.

(c) Interest on Security Deposits

The Company will pay simple interest on the Security Deposit from the date the deposit is paid, at the rate of interest specified from time to time in the Yukon Landlord and Tenant Act and such interest will be credited to the Customer's account annually on the first bill following December 31 or when the deposit is refunded.

(d) Refunds of Security Deposit

A Security Deposit may be refunded or credited to the Customer's account with interest by the Company when:

- (i) the Customer's Service is disconnected, other than for default in payment of accounts, and the Customer has paid all amounts owing to the Company; or
- (ii) the Customer has established a Satisfactory Credit Rating.

(e) Use of Security Deposit

If a Customer fails to pay any amount billed, the Company may apply all or any portion of that Customer's Security Deposit to the unpaid amount including interest and any Late Payment charges as per Schedule D. The Customer will then be required to fully restore the Security Deposit before Service is reconnected or continued.

4.7 Delay in Taking Service -

(a) Subdivision or Multiple Dwelling Residence

In circumstances whereby the Company will install Facilities to serve a subdivision or a multiple dwelling residence, and it is determined that service will not be taken within 12 months of the In-Service date, the Customer shall pay for the entire cost of the new extension. For each Point of Service in the subdivision or multiple dwelling residence that is energized within five (5) years of the In-Service date, the Company will refund the payment for each Point of Service based on the Maximum Company Investment specified in the Schedule B. Otherwise, the Company shall be entitled to retain such payment as compensation for its costs incurred in respect of the Service Connection.

(b) Non-Subdivision or Non-Multiple Dwelling Residence

if Service is not taken within 30 days of the In Service Date, the Company may begin billing the Customer for the minimum amount specified in the appropriate rate schedule or as specified in the contract between the Company and the Customer, whichever is greater.

4.8 Extension of Service

(a) Customer's Construction Contribution

If the Company's estimated costs of extending Facilities at the request of a Customer are less than the Maximum Company Investment specified in Schedule B for the type of Service requested, the Customer will not be required to make any Construction Contribution. In all other cases, an agreement for payment of the Construction Contribution must be made between the Customer and the Company before any work on the extension is commenced.

(b) Cost Sharing

If a new Customer shares a portion or all of the costs of an existing extension, the existing Customers may be entitled to Cost Sharing of the Construction Contribution based on the amount of extension shared.

Cost Sharing will be administered for a maximum of five (5) years, commencing December 31 of the year of construction of the original extension. Cost share will not be administered for projects under \$20,000 and is up to a limit of three shares.

Cost sharing will not be eligible for any public services such as streetlights, heat tapes, and small technology services such as telecommunications power supplies.

4.9 Underground Subdivision Extensions

Underground subdivision extensions shall be undertaken subject to the conditions set out in Schedule C.

4.10 Conversion from Overhead to Underground Service

When a customer requests that existing Company Facilities be converted from overhead to underground, the Customer may be charged for all costs incurred by the Company in connection with the conversion, including the following:

- (a) the actual cost of removing the existing Facilities, less the estimated value of the salvaged material, plus
- (b) the actual cost of installing the new underground Facilities, less any available Company Investment as specified in Schedule B - Maximum Company Investments.

4.11 Temporary Service

Where the Company reasonably believes that a requested Service will be temporary, a Connection Fee as specified in Schedule D will be assessed and the Company may require the Customer requesting the Service to pay the Company's total

estimated cost of installation and removal of Facilities necessary for the desired Service less the estimated value of the salvaged material.

The Company may require that such payment be made before the temporary Service is installed.

4.12 Mobile Homes

- (a) Service shall normally be provided to mobile homes through separate Points of Service, based on the applicable residential rate.
- (b) Service provided to common use areas (e.g., laundry facilities) in a mobile home park shall be separately metered and billed at the applicable general service rate.
- (c) In mobile home parks or trailer courts where the Company reasonably believes homes are temporary, the Company may elect to provide Service only through the Point of Service billed to the mobile home park or trailer court.

4.13 Multiple Dwellings

- (a) Each individual unit within a Multiple Dwelling will be served as a separate Point of Service and billed individually on the applicable residential rate. The Company and a Customer may agree that one bill will be issued covering all individual units in a Multiple Dwelling and, in such case, the applicable general service (non-residential) rate will apply to the Service. Common use areas such as hallways, lobbies, laundry rooms, elevators, and parkades will be billed under the applicable general service price schedule.
- (b) Where the Company and a Customer have agreed that service to a Multiple Dwelling shall be delivered through a single Point of Service, the applicable general service (non-residential) price schedule will apply to the service.

4.14 Relocation of Company Facilities

The Company may require a Customer to pay all reasonable costs incurred by the Company in relocating any Company Facility at the Customer's request and may require payment of the estimated cost of the relocation in advance.

4.15 Reconnection

When the circumstances resulting in discontinuance of a Customer's Service or restriction of Service through the installation of a Current Limiting Device have been rectified to the satisfaction of the Company, or when a Customer has requested a reconnection after having requested a previous disconnection, the Company shall reconnect and continue the provision of Service upon payment by that Customer of:

- (a) any amount owing to the Company;

- (b) a Reconnection Fee as specified in Schedule D; and
- (c) the Security Deposit, if any, required under Article 4.6.

If Service is reconnected within 12 months of disconnection, with the exception of Seasonal Service:

- (a) For Major Industrial and General Service customers with peak demands greater than 500kW the Customer shall pay the minimum monthly bill for each month of disconnection.
- (b) For all other customers, the Company may request that the Customer pay the minimum monthly bill for each month of disconnection.

The Company may add a Collection Fee as specified in Schedule D if a site visit is required to attempt collection of overdue accounts and Service is not disconnected or for delivery of a notice of pending disconnection.

This section does not apply when a Customer's Service was disconnected for safety reasons. (Refer to Article 11.2).

5. RIGHTS OF WAY AND ACCESS TO FACILITIES

5.1 Easements

At the request of the Company, the Customer shall grant, or cause to be granted, to the Company, without cost to the Company, such easements or rights-of-way over, upon or under the property owned or controlled by the Customer as the Company reasonably requires for the construction, installation, maintenance, repair and operation of the Facilities required for a Service Connection to the Customer and the performance of all other obligations required to be performed by the Company hereunder.

5.2 Right of Entry

The Company's employees, agents or other representatives shall have the right to enter a Customer's property at all reasonable times for the purpose of installing, maintaining, repairing, replacing, testing, monitoring, meter reading, disconnecting, or removing the Company's Facilities and for any other purpose incidental to the provision of Service. The Customer shall not prevent, hinder, or charge a fee for allowing the Company's entry, including the use of roads on the Customer's property, or any adjacent or nearby property or Crown land over which the Customer has the right to grant access for the purposes listed in this section.. The Company will endeavour to provide reasonable notice to the Customer when the Company requires entry to the Customer's property for planned maintenance or repair to the Company's Facilities. The Company may charge a "No Access Fee" as set in Appendix D any time the Company's entry is attempted but terminated by the Company's employees, agents or other representatives for reasons of safety or where entry is otherwise prevented, hindered or refused.

5.3 Vegetation Management

The Customer shall permit the Company to manage vegetation on the property owned or controlled by the Customer. Access is required to maintain the proper clearances and reduce the risk of contact with the Company's overhead high and low voltage distribution equipment. The Company shall make reasonable efforts to notify the Customer before such work is performed.

Vegetation management in the vicinity of the high voltage distribution system (primary) is the responsibility of the Company. Vegetation will be maintained to established standards to reduce contact with the energized conductors or equipment.

Vegetation management in the vicinity of the low voltage (service drops or secondary) distribution on the Customer's property is the responsibility of the Customer. Where the Company determines that vegetation management is required to maintain the integrity of the Company's low voltage overhead distribution system, the Company may, at the Customer's expense, perform the work that is the responsibility of the Customer as set out herein. With respect to the low voltage overhead distribution system only, the Company shall make reasonable efforts to notify the Customer that such work is required, and shall provide the Customer a reasonable opportunity to

undertake the work required before such work is performed by the Company.

5.4 Interference with Company's Facilities

Customers shall not install, or allow to be installed, temporary or permanent structures that could interfere with the proper and safe operation of the Company's Facilities or result in non-compliance with applicable statutes, regulations, standards or codes. The Company, without notice, may terminate a Customer's Service for safety reasons as described in Section 11.2.

5.5 Customer Brushing

Customers requesting Service that requires the extension of Facilities to the Customer's property shall be responsible for brushing on the Customer's property in accordance with the Company's specifications. In addition, unobstructed access to each structure requiring Service must be provided. The Company, without notice, may terminate a Customer's Service for safety reasons as described in Section 11.2.

6. METERS

6.1 Installation

(a) Provision and Ownership

The Company shall provide, install and seal all meters necessary for measuring the Energy and Demand supplied to a Customer, unless otherwise specifically provided in a contract with the Customer. Each meter shall remain the sole property of the Company.

If required, as determined in the Company's sole discretion, current and voltage transformers and metering test switches will be supplied to the Customer for installation by the Customer's qualified personnel or contractor. Current and voltage transformers shall be installed in accordance with the Company's specifications and all codes, legislation and reference to applicable metering standards.

(b) Responsibility of Customer

Each Customer shall provide and install a CSA-approved meter receptacle or other CSA-approved Facilities suitable to the Company for the installation of the Company's meter or metering equipment.

(c) Changes to Standard Metering

A Customer may decline the installation of a Standard Meter or a Customer may request that a Standard Meter be replaced with a Non-Standard Meter on written request to the Company provided that:

- 1) The Customer receives services at a Site that is not part of a Multiple Dwelling;
- 2) the Service rating is 200 amperes or less;
- 3) the Service is designated as a residential service;
- 4) the Service is not a Generating Customer;
- 5) the Company has regular and ongoing access to the meter;
- 6) the Customer is the owner of the premises where the Service is received; and
- 7) a Non-Standard Meter continues to be offered by suppliers for procurement.

Any Customer that is subject to the exceptions listed above shall be required to pay for meter reads as set out in Schedule D.

Any Customer that has requested installation of a Non-Standard Meter shall be required to pay the "Non-Standard Meter Installation Fee" as set out in Schedule D.

Where a Customer at a site that is metered by a Non-Standard Meter pursuant to this section discontinues Service, the Company will install a Standard Meter to be used to meter Energy to that site for its future Customers.

A Customer at a Site that is metered by a Non-Standard Meter that has declined the installation of a Standard Meter may at any time request that the Company install a Standard Meter at that Site.

6.2 Location

The location of any meter shall be subject to approval by the Company having regard to the type of Service being provided and so as to permit safe and convenient access to the meter by the Company. Where a meter is installed on a Customer owned pole, the pole shall be provided and maintained by the Customer as required by the Canadian Electric Code and any other applicable legislation.

Meter sockets for self-contained meters shall be mounted on the exterior of a building at an accessible location acceptable to the Company. The centerline of the meter socket must be 1.5 to 1.8 meters above the finished grade or permanent platform of the Customer's Facility and in an appropriately lighted area.

Metering instrument transformer enclosures shall contain only the Company's metering auxiliary equipment and shall not be used as a raceway, splitter box or cabinet for any other purpose.

6.3 Meter Tests and Adjustments

- (a) The Company may inspect and test a meter at any reasonable time. At the request of a Customer, and upon payment of a Meter Accuracy Test Handling Fee as specified in Schedule D, the Company shall arrange for a meter to be tested by an official designated for that purpose by Industry Canada or such other federal government agency as may, from time to time, be designated for that purpose.
- (b) If a test determines that the meter is not accurate within the limits set by government standards, the Customer's bill will be adjusted back to the time that the error can reasonably be determined to have commenced. Where the commencement of the error cannot reasonably be determined, it shall be deemed to have commenced three months before the test or on the date of the meter installation, whichever occurred later.
- (c) In the event that an adjustment is required, the Meter Accuracy Test Handling Fee shall be refunded.

6.4 Access to Meters

- (a) The Company may, at any reasonable time, read, inspect, remove and test a meter installed on property owned or controlled by the Customer.
- (b) Where the Customer's Service address or location is generally locked during normal business hours, the Customer shall provide the Company with a key to permit access to the meter.
- (c) If the Company provides notice to a Customer that reasonable access to metering equipment is not being provided, the Customer must take immediate action to remedy the situation. If the Customer fails to remedy the situation to the Company's satisfaction within a reasonable time:
 - (i) the Company may, at its sole discretion, estimate consumption until the situation has been remedied and the Customer shall be billed on the basis of the Company's estimate;
 - (ii) the Company may remedy the situation on behalf of the Customer and apply the costs to the Customer's next regular bill;
 - (iii) the Company may do both i) and ii); or
 - (iv) the Company may discontinue Service in accordance with Section 11 of these Terms and Conditions of Service.

7. METER READING AND BILLING

7.1 Reading and Estimates

Unless otherwise specifically provided in a contract with a Customer, meters shall be read monthly or bi-monthly or at such other intervals as are practical in the circumstances. Customers' bills will be based on meter readings made by the Company or on estimates for those billing periods when the meter is not read. Whenever a bill is based on an estimate, an adjustment to reflect actual Energy consumption and Demand (if applicable) used will be made when the meter is next read.

7.2 Calculation of Bills

- (a) The Company bills the Customer based on the charges set out in the Rate Schedules.
- (b) The amount of any initial and final charges will be prorated, based upon the ratio of the number of days that Service was provided to a Customer in the billing period to the total number of days in the billing period.
- (c) The Company may elect not to charge a Customer for the billing period if, during that period, Demand was five kilowatts or less, Service was provided for five days or less and Energy consumption was five kilowatt hours or less.
- (d) For all new accounts, the Company may add the charges for Service provided during the initial period to the bill for the following billing period.
- (e) The Company may elect to change a Customer's meter reading schedule.
- (f) Where a meter reading schedule is changed, any charges during the transition period between the old and new meter reading schedule, may be prorated based upon the ratio of the number of days that Service was provided to a Customer in the billing period to the total number of days in the billing period.

7.3 Payment

- (a) The amount billed is due and owing when the bill is rendered and payable by the date indicated on the bill.
 - (b) Bills shall be deemed rendered and other notices duly given when delivered to the Customer at the mailing address provided by the Customer. Failure to receive a bill does not entitle a Customer to any delay in payment or release a Customer from the obligation to pay the amount owing.
 - (c) Payment of a bill for Service may be requested by the Company from any or all of the Customers, on a joint and several basis, even if the Customer no longer resides in the same premises when payment is due.
-

- (d) The bills are payable by way of EFTs, cash, debit bank payments, credit cards, money order or certified cheque as noted in the bills. The customer is responsible for the additional charges that may result due to payment methods other than those noted in the bills.

7.4 Late Payment Charge

The Company may add a Late Payment Charge as specified in Schedule D on any overdue amount not received by the due date specified in the issued bill. A Collection Fee as specified in Schedule D will be charged if a personal visit is required to collect an overdue amount.

7.5 Dishonoured Payments

The Company may add a Dishonoured Payments Fee as specified in Schedule D to a Customer's bill in respect of any cheque, or other form of payment tendered by the Customer as payment of a bill, returned by the Customer's bank for any reason.

Following the receipt of two (2) dishonoured payments from the Customer, the Company may notify the Customer that only cash, a money order or certified cheque will be accepted for payment.

7.6 Outstanding Charges

The Company may add to the Customer's bill any outstanding charges due and owing to the Company (e.g., construction contribution, account receivable charges, former overdue accounts etc.).

7.7 Totalized Metering

When Service is provided through multiple Points of Service to a Customer's plant site consisting of centralized processing facilities or product transportation facilities located on lands leased or owned by the Customer, where such multiple Points of Service are located within a radius of half a mile of each other, the Customer and Company may agree that the Demand and Energy at each Point of Service be totalized and only one bill issued for each billing period. The Customer shall pay the incremental metering cost associated with totalized metering.

7.8 Combined Service

A residential Customer shall notify the Company when the Customer receives Service at their premises for the purposes of operating a business or commercial undertaking. The applicable General Service rate may be applied in those cases in which Service for both residential and non-residential purposes is received by a Customer through a single meter.

7.9 Consolidated Billing

The Company will issue a separate bill for each Point of Service. However, the

Customer and Company may agree that the Company will issue one bill totaling charges for Service delivered at more than one Point of Service.

7.10 Unauthorized Use

If, under any circumstances, a person prevents a meter from accurately recording the total Demand or Energy supplied, the Company may disconnect the Service, or take other appropriate actions.

Where the Company determines that there has been unauthorized use of the Service Connection including, but not limited to, meter tampering, unauthorized connection or reconnection, theft, fraud, intentional or unintentional use of energy whereby the Company is denied full compensation for services provided, the Company will bill the Customer for the Company's estimate of such unauthorized use, including repairs of damage or reconstruction of Company Facilities. Nothing in this section shall limit any other rights or remedies that the Company may have in connection with such unauthorized use.

7.11 Billing Error

The Customer must provide written notice to the Company in order to dispute any or all amounts owing on a bill. In the event the Customer disputes an amount owing, the Customer shall nonetheless pay such disputed amount. Following resolution of any such dispute, the Company will return any amount found owing to the Customer forthwith.

8. SERVICE CHANGES

8.1 Notice by Customer

A Customer shall give to the Company reasonable prior written notice of any change in Service requirements, including any material change in Connected Load, to enable the Company to determine whether or not it can supply such revised Service without changes to its Facilities. The Customer shall not change its Service requirements without the Company's written permission.

8.2 Responsibility for Damage

The Customer shall be responsible for and shall pay for all damage caused to the Company's Facilities as the result of the Customer changing the Connected Load without the Company's permission.

8.3 Changes to Company Facilities

If the Company must modify its Facilities to accommodate a Customer Load or Service change, the Customer shall pay for all costs in connection with such modification including the following costs:

- (a) the actual cost of removing the existing Facilities, less the estimated salvage value; less
- (b) any applicable adjustment required to the Company Investment as specified in Schedule B.

9. COMPANY RESPONSIBILITY AND LIABILITY

9.1 Continuous Supply

The Company shall make all reasonable efforts to maintain a continuous supply of Energy to its Customers, but the Company cannot guarantee an uninterrupted supply of Energy.

9.2 Interruption

Without liability of any kind to the Company, the Company shall have the right to disconnect or otherwise curtail, interrupt or reduce service to Customers:

- (a) whenever the Company reasonably determines that the Service must be interrupted, including to facilitate construction, installation, maintenance, repairs, replacement or inspection of any of the Company's Facilities, or to permit the connection or disconnection of other Customers;
- (b) to maintain the safety and reliability of the Company's Facilities; or
- (c) due to any other reason related to dangerous or hazardous circumstances including emergencies, forced outages, potential overloading of the Company's Facilities, insufficient supply or Force Majeure.

The Company may first interrupt industrial customers, and customers with their own generation.

9.3 Reasonable Efforts

The Company shall endeavor to give reasonable notice to Customers who will have Service interrupted and will endeavor to ensure that such interruptions are as short and infrequent as circumstances permit.

9.4 Company Liability

For the purpose of this clause, "direct physical loss, injury or damage" excludes loss of revenue, loss of profits, loss of earnings, loss of production, loss of contract, cost of purchased or replacement capacity and energy, cost of capital, and loss of use of any facilities or property, or any other similar damage or loss, arising out of or in any way connected with the failure, defect, fluctuation, reduction or interruption in the provision of Service by the Company to its Customers.

Except as described below in this clause, the Company shall not be liable for any loss, injury, damage, expense, charge, cost or liability of any kind, whether of direct, indirect, special or consequential nature, arising out of or in any way connected with the provision of Service by the Company to its Customers including any failure, defect, fluctuation, reduction or interruption in the provision of Service by the Company to its Customers.

The Company shall be liable for direct physical loss, injury or damage to a Customer or a Customer's property, resulting from the negligent acts or omissions of the Company, its employees or agents.

9.5 Force Majeure

Should the Company be unable to provide a continuous supply of Energy to a Customer because of an event of Force Majeure, the Company's responsibilities, so far as they are affected by the Force Majeure, shall be relieved and suspended during the duration of such circumstances and the Company shall not be liable for any failure to perform any term of these Terms and Conditions to the extent that and when such failure is due to, or is a consequence of, an event of Force Majeure. Where practical, the Company shall give notice to the affected Customers of such Force Majeure.

10. CUSTOMER RESPONSIBILITY AND LIABILITY

10.1 Provide Permit

The Customer shall be responsible for obtaining all permits, certificates, licenses, inspections, reports, and other authorizations necessary for the installation and operation of the Service Connection. The Company shall not be required to commence or continue installation or operation of a Service Connection unless and until the Customer has complied with the requirements of all permits, certificates, licenses, inspections, reports and other authorizations, and all right-of-way agreements, and all Company requirements applicable to the installation and operation of the Service Connection.

10.2 Customer Responsibility

The Customer shall be solely responsible for the use, installation, and condition of all Facilities on the Customer's side of the Point of Service, except Facilities owned by the Company. The Customer shall be responsible for and shall pay for any damage to the Company's Facilities located on the Customer's premises, which is caused by the negligent acts or omissions or willful misconduct of the Customer or of anyone permitted by the Customer to be on the Customer's premises.

10.3 Customer Liability

- (a) The Customer assumes full responsibility for the proper use of Facilities and for the condition, suitability and safety of any and all wires, cables, devices or equipment energized on the Customer's premises or on premises owned or controlled by the Customer that are not the Customer's property.
- (b) The Customer will ensure that its Facilities comply with the applicable requirements of the Canadian Electrical Code and with any other technical guidelines that may be issued from time to time by the Company. Where a Customer uses its Service Connection in a manner that causes interference with the operation of the Company's Facilities or with any Customer's use of a Service Connection, such as abnormal voltage levels, frequency levels or harmonic and interharmonic levels, at the Company's request, and at the Customer's own expense, the Customer shall take whatever action is required to correct the interference or disturbance. Alternatively, the Company may elect to correct the interference or disturbance at the Customer's sole expense.
- (c) A Customer shall design, install and operate the Customer's Facilities in such a manner as to maintain a Power Factor of not less than 90%. The Company may require any Customer not satisfying this Power Factor requirement to furnish, install, and maintain, at no cost to the Company, such corrective equipment as the Company may deem necessary under the circumstances assumed as per applicable rate schedule.

- (d) The Customer shall indemnify and save harmless the Company from and against any claim or demand for injury to persons or damage to property (including loss of use thereof and of any other property affected by the damage to property) arising out of or in any way connected with the use of the service so long as such injury or damage is not caused by the negligent acts or omissions or willful misconduct of the Company, its employees and agents.
- (e) The Customer releases the Company and its agents, directors, officers, employees, independent contractors, consultants, representatives, successors and assignees from any and all claims and liabilities whatsoever relating to or arising as a result of the Customer, or its agents, directors, officers, employees, independent contractors, consultants, representatives, successors and assignees carrying out any acts required by or related to these Terms and Conditions for the provision of Service, maintenance of Service, or any other act whatsoever arising out of or in any way connected with the existence or use of the Service so long as such injury or damage is not caused by the negligent acts or omissions or willful misconduct of the Company, its employees or agents.

10.4 Protective Devices

The Customer shall be responsible for determining whether any devices are required to protect the Customer's Facilities from damage that may result from the provision of Service by the Company. The Customer shall provide and install any such devices.

10.5 Service Calls

The Company may require a Customer to pay the actual costs of a Customer-requested service call if the source of the problem is the Customer's Facilities.

11. TERMINATION OF SERVICE

11.1 Termination by Customer

Except where otherwise provided in a written agreement between the Company and a Customer, a Customer may, at any time, give the Company reasonable notice to terminate Service. Upon receipt of such notice, the Company shall read the Customer's meter within a reasonable time, and, shall use its best efforts to read the Customer's meter at the time requested by the Customer. A Customer shall pay for all Service provided to the time of such reading.

11.2 Company Termination for Safety Reasons

The Company may, without notice, terminate a Customer's Service where, in the Company's opinion:

- (a) the Customer has permitted the wiring of their Facilities to become hazardous;
- (b) the wiring of the Customer's Facilities fails to comply with applicable law; or
- (c) the Customer has caused any other safety hazards, including, but not limited to, using their Service in such a way that causes damage to the Company's Facilities or interferes with or disturbs Service to any other Customer.
- (d) safety of the Company's employee is at risk because of facilities or animals located on the Customer's property and/or displayed behaviour or threats made by the Customer towards the Company or its employees.

The Company will reconnect the Service when the safety problem is resolved and when the Customer has provided, or paid the Company's costs of providing, such devices or equipment as may be necessary to resolve such safety problem and to prevent such damage, interference or disturbance. The Company may assess a Reconnection Fee, as specified in Schedule D.

11.3 Company Termination Other Than For Safety

The Company, or anyone acting under its authority, may, upon giving at least 48 hours' notice to the Customer, terminate the Customer's Service or use available Current-Limiting functionalities to restrict the Service to such Customer if the Customer:

- (a) fails to meet its obligation under these Terms and Conditions, the terms of a contract for Service, or of the Company's Rate Schedules;
 - (b) uses their Service Connection in such a way that causes interference with operation of the Company's Facilities or any other Customer's use of a Service Connection such as abnormal voltage levels, frequency levels, harmonic and interharmonic levels.
-

- (c) tampers with any Company Facilities;
- (d) neglects or refuses to pay the amount billed for Service due and owing to the Company by the date indicated on the bill for Service;
- (e) changes Service requirements without the permission of the Company; or
- (f) makes use of the Service for illegal purposes or in circumstances where the Company has evidence of Energy theft, or fraud by the Customer.

11.4 Removal of Facilities

Upon discontinuance of Service for whatsoever reason, the Company shall be entitled to remove any of its Facilities located upon the property of the Customer and to enter upon the Customer's property for that purpose.

SCHEDULE A: STANDARD SUPPLY SPECIFICATIONS

The Company's standard supply specifications, which are in accordance with Canadian Standards Association standard CAN-C235-83, are listed in the following section.

Upon request by the Customer, the Company may provide other supply voltages or supply arrangements. If this option is chosen, the Customer will be responsible for all incremental costs associated with the provision of service using non-standard supply arrangements or voltages as determined by the Company.

(a) Residential:

- | | |
|-------------|---|
| 240/120 V | <ul style="list-style-type: none">- single phase, three wire- secondary conductors are supplied by the Company- overhead or, in designated areas, underground conductors are supplied by the Company |
| 208 Y/120 V | <ul style="list-style-type: none">- single phase, three wire<ul style="list-style-type: none">• secondary conductors are supplied by the Company• overhead or, in designated areas, underground conductors are supplied by the Company |

(b) General Service:

- | | |
|-------------|--|
| 240/120 V | <ul style="list-style-type: none">- single phase, three wire- overhead secondary conductors are supplied by the Company- underground secondary conductors are supplied by the customer |
| 208 Y/120 V | <ul style="list-style-type: none">- single phase, three wire- secondary conductors are supplied by the Company- overhead- underground conductors are supplied by the Customer |
| 208 Y/120 V | <ul style="list-style-type: none">- three phase, four wire- overhead secondary conductors are supplied by the Company- underground secondary conductors are supplied by the customer |
| 480 Y/277 V | <ul style="list-style-type: none">- three phase, four wire- overhead secondary conductors are supplied by the Company for loads up to 150 kVA- underground secondary conductors are supplied by the customer |

- | | |
|---------------|--|
| 600 Y/347 V | <ul style="list-style-type: none">- three phase, four wire- overhead secondary conductors are supplied by the Company for loads up to 150 kVA- underground secondary conductors are supplied by the customer |
| 4160 Y/2400 V | <ul style="list-style-type: none">- three phase, four wire, 2,000 kVA to 10,000 kVA- overhead secondary conductors are supplied by the customer- underground secondary conductors are supplied by the customer |

SCHEDULE B: MAXIMUM COMPANY INVESTMENT

The Maximum Company Investment Levels set out in this Schedule are effective xxx xx, 20xx.

1. Subject to the provisions of paragraph 2 of this Schedule B, the maximum Capital Cost which the Company will incur to extend Service to a Point of Service (herein referred to as the "Maximum Company Investment") shall be determined as follows. Under no circumstances would the Maximum Company Investment exceed the Customer extension cost:
 - (a) **Residential Service:**

\$10,337 per single family dwelling; and
\$ 2,645 per Multiple Dwelling unit
 - (b) **General Service:**

\$1,801 per kW, which shall not be less than five kilowatts, provided that if the estimated service life is less than 25 years or seasonal, then the Maximum Company Investment shall be determined in the manner described in paragraph 2;

At the end of one year of Service the Company will re-assess whether the Customer's estimates of their Demand were accurate and, if the loads are significantly different than originally estimated, will collect from the Customer (or refund) any contributions, that are required based on the Maximum Company Investment rules in place when the contribution was originally paid.
 - (c) **Municipal Street Lighting:**

\$6,649 per light.
2. The Maximum Company Investment in any extension of service, whether or not specified in paragraph 1, the Load characteristic and service life of which are expected to vary materially from the average for that type of Service, shall be determined based on an analysis of the load characteristics and service life, as a pro-ration of the full Maximum Company Investment for that class of customer.
3. The maximum cost which the Corporation will incur to extend Service to a Point of Delivery shall be determined for Industrial Service in the manner specified in an agreement with the Industrial Customer and subject to approval by the Board.

SCHEDULE C: CONDITIONS FOR UNDERGROUND SUBDIVISIONS

“**Developer**” is defined as the person or party who has requested the underground service. The Company shall extend service by underground conductor lines upon and subject to the following terms and conditions

- (a) At the time of the request for underground Service no Service available in the area to be served by such extension, and not less than 25 single family dwellings (or such lesser number as may be agreed to by the Company) will be connected to such extension (the "underground service area"), each of which is situated upon said subdivision;
- (b) All permanent Service in the underground service area shall be provided exclusively through underground conductor lines;
- (c) The Developer shall provide, without cost to the Company, such rights-of-way, easements, utility corridors, lands for substation and transformer locations as the Company may require for the installation, operation and maintenance of such extension, which the Developer shall keep free and clear of any buildings, structures, fences, pavement, trees or any other obstructions which may hinder the Company in installing, maintaining or removing its Facilities;
- (d) The Company shall not be obligated to install such extension until it is reasonably satisfied that the extension will not thereafter be damaged or interfered with, and, in any event, any costs incurred by the Company in relation to the relocation, reinstallation or as a result of damage to such extension shall be paid by the Developer;
- (e) Service, for purposes other than residential use and street lighting, may be provided from such extension only with the consent of the Company;
- (f) In relation to the standard underground Service, the Developer shall provide a meter socket and service conductor protection from sixty centimeters below grade level to the line side of the meter socket and will ensure the installation of a service having a 200 ampere capacity. Non-standard Services will be subject to prior written approval by the Company;
- (g) The Developer shall provide to the Company a certified copy of the registered plan of subdivision and final construction plans showing the location and elevation of sidewalks, curbs and gutters, driveways (if known) and underground utilities together with such evidence as the Company may reasonably require to the effect that all rules and regulations applicable to the development have been or will be compiled with by the Developer;
- (h) Survey stakes indicating grades and property lines shall be installed and maintained by the Developer;

- (i) The surface of the ground for a distance of not less than one point five (1.5) meters on each side of the alignments for the underground conductor lines shall be graded by the developer to within eight (8) centimeters of a final grade;
- (j) Unless otherwise agreed to by the Company, the Developer shall provide a survey for the location of transformers, street light bases and cable routing, as required;
- (k) Sidewalks, curbs and gutters may be constructed by the Developer but no other permanent improvements shall be made until approved by the Company.
- (l) Costs related to the installation of distribution system infrastructure shall be the responsibility of the Developer; and
- (m) The Company investment will be applied toward the individual Customer Service connection in accordance with Schedule B.

In addition, the Service shall be subject to such other conditions as may be specified by the Company from time to time.

SCHEDULE D: FEES AND SERVICE CHARGE SUMMARY

CONNECTION, and RECONNECTION FEES

Connection Fee (4.3, 4.11):

During normal business hours: \$87.00

Outside of normal business hours: Company's actual cost (min. \$87.00)

Reconnection Fee (4.15, 11.2)

During normal business hours: \$87.00

Outside of normal business hours: Company's actual cost (min. \$87.00)

CUSTOMER USAGE INFORMATION REQUESTS

Applies to historical usage information requests with written authorization of the Customer (3.8) Company's actual cost (min \$75.00)

SUPPLEMENTARY METER READS

Standard Meter reads (3.8) \$11.00 (per read per meter)

Non-Standard Meter reads (in person) (3.8) \$87.00 (per read per meter)

LATE PAYMENT AND DISCONNECTION

Collection Fee (4.15, 7.4) \$45.00

Late Payment Charge (7.4): 1.5% per month (19.56% per annum)

Dishonoured Payments Fee (7.5): \$45.00

METER DISPUTES

Meter Accuracy Test Handling Fee (6.3)

Self Contained Meter \$250.00

Instrument Meter \$500.00



YUKON ENERGY CORPORATION

AND

THE YUKON ELECTRICAL COMPANY LIMITED
o/a ATCO ELECTRIC YUKON

TERMS AND CONDITIONS

OF

SERVICE

Effective: **2011-06-01**
Supersedes: **2005-10-06** ~~2011-06-01~~

Table of Contents

- 1. INTRODUCTION 1
- 2. INTERPRETATION 2
 - 2.1 Definitions 2
 - 2.2 Conflicts 5
 - 2.3 Headings 5
 - 2.4 Schedules and Appendices 5
- 3. GENERAL PROVISIONS 6
 - 3.1 Board Approval 6
 - 3.2 Terms and Conditions Prevail 6
 - 3.3 Ownership of Facilities 6
 - 3.4 Use of Energy 6
 - 3.5 Customer Extensions 7
 - 3.7 Frequency and Voltage Levels 7
 - 3.8 Fees and Other Charges 8
- 4. APPLICATION FOR AND CONDITIONS OF SERVICE 9
 - 4.1 General Requirements 9
 - 4.2 Conditions of Service 9
 - 4.3 Connection Fee 9
 - 4.4 Application of Rate Schedules 9
 - 4.5 Change in Service Connections 10
 - 4.6 Security Deposit 10
 - 4.7 Delay in Taking Service - 11
 - 4.8 Extension of Service 12
 - 4.9 Underground Subdivision Extensions 12
 - 4.10 Conversion from Overhead to Underground Service 12
 - 4.11 Temporary Service 13
 - 4.12 Mobile Homes 13
 - 4.13 Multiple Dwellings 13
 - 4.14 Relocation of Company Facilities 13
 - 4.15 Reconnection 14
- 5. RIGHTS OF WAY AND ACCESS TO FACILITIES 15
 - 5.1 Easements 15
 - 5.2 Right of Entry 15
 - 5.3 Vegetation Management 15
 - 5.4 Interference with Company's Facilities 16
 - 5.5 Customer Brushing 16
- 6. METERS 17
 - 6.1 Installation 17
 - 6.2 Location 18
 - 6.3 Meter Tests and Adjustments 18
 - 6.4 Access to Meters 19

7.	METER READING AND BILLING	20
7.1	Reading and Estimates	20
7.2	Calculation of Bills	20
7.3	Payment.....	20
7.4	Late Payment Charge.....	21
7.5	Dishonoured Payments.....	21
7.6	Outstanding Charges.....	21
7.7	Totalized Metering	21
7.8	Combined Service	21
7.9	Consolidated Billing	22
7.10	Unauthorized Use	22
7.11	Billing Error	22
8.	SERVICE CHANGES	23
8.1	Notice by Customer	23
8.2	Responsibility for Damage	23
8.3	Changes to Company Facilities	23
9.	COMPANY RESPONSIBILITY AND LIABILITY	24
9.1	Continuous Supply.....	24
9.2	Interruption.....	24
9.3	Reasonable Efforts	24
9.4	Company Liability	24
9.5	Force Majeure.....	25
10.	CUSTOMER RESPONSIBILITY AND LIABILITY	26
10.1	Provide Permit	26
10.2	Customer Responsibility	26
10.3	Customer Liability	26
10.4	Protective Devices	27
10.5	Service Calls.....	27
11.	TERMINATION OF SERVICE	28
11.1	Termination by Customer	28
11.2	Company Termination for Safety Reasons	28
11.3	Company Termination Other Than For Safety	28
11.4	Removal of Facilities.....	29
	SCHEDULE A: STANDARD SUPPLY SPECIFICATIONS.....	30
	SCHEDULE B: MAXIMUM COMPANY INVESTMENT	32
	SCHEDULE C: CONDITIONS FOR UNDERGROUND SUBDIVISIONS	33

SCHEDULE D: FEES AND SERVICE CHARGE SUMMARY	35
1. INTRODUCTION	1
2. INTERPRETATION	2
2.1 Definitions	2
2.2 Conflicts	6
2.3 Headings	6
2.4 Schedules and Appendices	6
3. GENERAL PROVISIONS	7
3.1 Board Approval	7
3.2 Terms and Conditions Prevail	7
3.3 Ownership of Facilities	7
3.4 Use of Energy	7
3.5 Customer Extensions	8
3.7 Frequency and Voltage Levels	8
3.8 Fees and Other Charges	8
4. APPLICATION FOR AND CONDITIONS OF SERVICE	10
4.1 General Requirements	10
4.2 Conditions of Service	10
4.3 Connection Fee	10
4.4 Application of Rate Schedules	10
4.5 Change in Service Connections	11
4.6 Security Deposit	11
4.7 Delay in Taking Service	13
4.8 Extension of Service	13
4.9 Underground Subdivision Extensions	14
4.10 Conversion from Overhead to Underground Service	14
4.11 Temporary Service	14
4.12 Mobile Homes	15
4.13 Multiple Dwellings	15
4.14 Relocation of Company Facilities	15
4.15 Reconnection	15
5. RIGHTS OF WAY AND ACCESS TO FACILITIES	17
5.1 Easements	17
5.2 Right of Entry	17
5.3 Vegetation Management	17
5.4 Interference with Company's Facilities	18
5.5 Customer Brushing	18

6.	METERS	19
6.1	Installation	19
6.2	Location	20
6.3	Meter Tests and Adjustments	20
6.4	Access to Meters	21
7.	METER READING AND BILLING	22
7.1	Reading and Estimates	22
7.2	Calculation of Bills	22
7.3	Payment	22
7.4	Late Payment Charge	23
7.5	Dishonoured Payments	23
7.6	Outstanding Charges	23
7.7	Totalized Metering	23
7.8	Combined Service	23
7.9	Consolidated Billing	23
7.10	Unauthorized Use	24
7.11	Billing Error	24
8.	SERVICE CHANGES	25
8.1	Notice by Customer	25
8.2	Responsibility for Damage	25
8.3	Changes to Company Facilities	25
9.	COMPANY RESPONSIBILITY AND LIABILITY	26
9.1	Continuous Supply	26
9.2	Interruption	26
9.3	Reasonable Efforts	26
9.4	Company Liability	26
9.5	Force Majeure	27
10.	CUSTOMER RESPONSIBILITY AND LIABILITY	28
10.1	Provide Permit	28
10.2	Customer Responsibility	28
10.3	Customer Liability	28
10.4	Protective Devices	29
10.5	Service Calls	29
11.	TERMINATION OF SERVICE	30
11.1	Termination by Customer	30
11.2	Company Termination for Safety Reasons	30
11.3	Company Termination Other Than For Safety	30



Page vi
Effective: 202115-06xx-01xx
Supersedes: 200511-4006-4801

~~11.4 Removal of Facilities..... 31~~
~~SCHEDULE A: STANDARD SUPPLY SPECIFICATIONS..... 32~~
~~SCHEDULE B: MAXIMUM COMPANY INVESTMENT..... 34~~
~~SCHEDULE C: CONDITIONS FOR UNDERGROUND SUBDIVISIONS..... 35~~
~~SCHEDULE D: FEES AND SERVICE CHARGE SUMMARY..... 37~~

1. INTRODUCTION

The Yukon Electrical Company Limited, carrying on business as ATCO Electric Yukon (~~Yukon Electrical~~AEY), and Yukon Energy Corporation (~~Yukon Energy~~YEC) each provide direct electrical Service to customers in the Yukon Territory ~~Customers~~ under a common Electric Service Tariff. The Electric Service Tariff is comprised of the Rate Schedules and these Terms and Conditions of Service (the “Terms and Conditions”, formerly known as the “Electric Service Regulations”). ~~Yukon Electrical~~AEY and ~~Yukon Energy~~YEC conduct their business activities in compliance with these Terms and Conditions.

These Terms and Conditions are regulated by the Yukon Utilities Board (hereinafter referred to as the “Board”), in accordance with the Yukon *Public Utilities Act* (PUA), and may not be changed without the approval of the Board. Parties having any inquiries or complaints regarding these Terms and Conditions may direct such inquiries or complaints directly to ~~Yukon Electrical~~AEY, Yukon Energy or the Board.

The Electric Service Tariff is available for public inspection during normal business hours at the business offices of ~~Yukon Electrical~~AEY and Yukon Energy and at the offices of the Board and can be accessed on the Companies’ respective websites at: www.atcoelectricityukon.com and www.yukonenergy.ca.

2. INTERPRETATION

2.1 Definitions

The following words or phrases, when used in these Terms and Conditions, the Electric Service Tariff or an application, contract or agreement for service, shall have the meaning set forth below.

"Billing Demand" - the demand upon which billing to a Customer is based as specified in a rate schedule or contract.

"Board" - the Yukon Utilities Board.

"Capital Cost" the cost of materials, labour, equipment, expenses and any other direct or indirect costs incurred by the Company in extending Service to a Point of Service.

"Company" - The Yukon Electrical Company Limited o/a ATCO Electric Yukon or Yukon Energy Corporation.

"Connected Load" - the sum of the capacities or ratings of the electric Energy consuming apparatus connected to a supplying system.

"Connection Fee" – a non-refundable fee charged when a new Service is connected or an existing Service is reconnected or a meter reading is required to add the Customer to the Company's system. (refer to Schedule D for fees).

"Construction Contribution" – a specific payment by a Customer to offset Company costs incurred in extending Service that will primarily benefit that or group of Customers only and not the other ratepayers in the distribution system. The contribution will be the difference between the cost of extending the Company's Facilities to serve a Customer or group of Customers and the Maximum Available Company Investment specified in Schedule B.

"Cost Sharing" – the process whereby a new Customer or group of Customers who connect to an existing Facility for which another Customer or group of Customers has paid a Construction Contribution, is assessed their share of that Construction Contribution which must be paid to the Company to be refunded to the existing Customer(s).

"Current Limiting Device" – a device that limits the amount of Demand available to a specific Customer.

"Customer" - a person, firm, partnership, corporation, association or organization (including, without limitation, individual members of any unincorporated entity) to whom the Company provides any Service hereunder including all owners and occupants of a premises, whom normally reside at the premises during the time for which Service was provided to that premises whether or not such owner or occupant's name appears on the application for Service.

"Demand" - the maximum rate at which electric Energy is delivered by the Company (expressed in kilowatts, kilovolt amperes or other suitable unit) at a given instant or averaged over any designated period of time.

"Electric Service Regulations" – the former title of this document outlining the terms and conditions governing Service, which title has been replaced by Terms and Conditions of Service. Where reference is made to Electric Service Regulations it shall be deemed to be a reference to these Terms and Conditions of Service as amended from time to time.

"Electricity Purchase Agreement" - is a contract established between the Company and independent power producers that sets out the terms for purchasing electricity by the Company. EPAs are considered out of the scope of these Terms and Conditions. The terms and conditions of EPAs are treated independently and are confined to the contractual relationship between the customer and the electricity generator under the applicable EPA. Microgeneration customers are separate from the EPAs and referenced under "Generating Customer".

"EFT" - Electronic Funds Transfer

"EPA" – Electricity Purchase Agreement.

"Energy" - electric energy consumed expressed in kilowatthours.

"Estimated Capital Cost" – the estimated cost of materials, labour, equipment, expenses, and any other direct or indirect costs for extending Service to a Point of Service.

"Facilities" - a physical plant including, without limitation, generating plants, transmission and distribution lines, transformers, meters, equipment and machinery.

"Force Majeure" - circumstances not reasonably within the control of the Company, including acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, pandemics, epidemics, landslides, lightning, earthquakes, fires, storms, floods, high water, washouts, inclement weather, orders or acts of civil or military authorities, civil disturbances, explosions, breakdown or accident to equipment, mechanical breakdowns, the intervention of federal, territorial, or local government or from any of their agencies or boards (excluding Decisions and/or Orders made by the Board in the normal

course of it exercising its authority to establish the revenue requirement of the parties to this agreement), the order or direction of any court and any other cause, whether of the kind herein enumerated or otherwise.

~~“Generating Customer” – Customer with generation equipment on premises, including microgeneration entities, interconnected with the Company’s Facilities.~~

"In-Service Date" - the date on which the Customer specifies Service is to be available or the date the Service is actually available, whichever is later.

"Interconnected System" - those portions of the Company's Facilities which are connected to the ~~YIS Whitehorse/Aishihik/Faro (WAF) power grid or to the Mayo-Dawson grid.~~

~~“YIS” - the Yukon Interconnected System~~

"Isolated System" - those portions of the Company's Facilities which do not form part of the Interconnected System.

"Load" - the Demand and Energy delivered to or required at any Point of Service.

~~**"Load Factor"** - the ratio of the average Demand (in kilowatts) supplied during a designated period to the peak or maximum Demand (in kilowatts) occurring in the period expressed as a percentage derived by:~~

- ~~(a) — multiplying the Energy used in the designated period by 100;~~
- ~~(b) — multiplying the maximum Demand by the number of hours in the designated period; and~~
- ~~(c) — dividing (a) by (b).~~

"Maximum Company Investment" – the maximum Capital Cost which the Company will incur to extend Service to a Point of Service as set forth in Schedule B hereto.

"Multiple Dwelling" - a residential building containing more than one Single Family Dwelling unit.

"Point of Service" - the point at which the Company's service conductors are connected to the wires or apparatus of a Customer.

"Power Factor" - the ratio of the highest metered kilowatt Demand in a billing period to the highest metered kilovolt ampere Demand in that same billing period.

"Satisfactory Credit Rating" – determined subject to the discretion of the Company, and may include the Customer having paid all bills on an existing Company account in full on or before the due date of the said bill for 12 consecutive

months or a similar payment record as established with another utility service provider within the past twelve months.

“Seasonal Service” – service between October 15 to April 15, or between April 16 to October 14 when the overnight temperature is forecast to drop below zero (0) degree Celsius.

“Security Deposit” – the amount determined in accordance with Article 4.6.

“Service” - the delivery of Energy by the Company at the Demand required by the Customer.

“Service Connection” the Facilities required to physically connect the Customer's facilities to the Company's system.

“Single Family Dwelling” - a private residence which is not a Multiple Dwelling, consisting of single-family living quarters having, in one self-contained unit, at least sleeping quarters, and a kitchen.

“Standard Meter” means a meter that has the capability of remotely communicating with the Company’s metering network, or any meter the Company deems appropriate in its sole discretion.

2.2 Conflicts

If there is any conflict between a provision expressly set out in an Order of the Board and these Terms and Conditions, the Order of the Board shall govern.

2.3 Headings

The division of these Terms and Conditions into sections, subsections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of these Terms and Conditions.

2.4 Schedules and Appendices

The following schedules and appendices are attached to and form part of these Terms and Conditions:

- Schedule A - Standard Supply Specifications
- Schedule B - Maximum Company Investment
- Schedule C - Conditions for Underground Subdivisions
- Schedule D - Fees and Service Charge Summary

~~XX04~~

3. GENERAL PROVISIONS

3.1 Board Approval

These Terms and Conditions have been approved by the Board. The Company may amend these Terms and Conditions by filing a notice of amendment with the Board and interested parties ~~as part of from the preceding~~ General Rate Application ~~or a separate proceeding~~. Included in the notice shall be notification of which Customer groups are affected by the amendment and an explanation of how affected Customers will be notified of the amendments. If the Board approves the notice of the amendment, the amendment will take effect upon the date set by the Board. If no specific date is set by the Board, then the amendment will take effect on the date of the Board's Order approving the notice of amendment.

3.2 Terms and Conditions Prevail

- (a) These Terms and Conditions, as amended from time to time, apply to the Company and to every Customer to which the Company provides a Service Connection.
- (b) The application for a Service Connection (whether verbal or written), the use by the Customer of a Service Connection to obtain Electricity Services or the payment by the Customer of an account rendered by the Company in relation to a Service Connection shall constitute acceptance by the Customer of these Terms and Conditions.
- (c) No agreement can provide for the waiver or alteration of any part of these Terms and Conditions unless such agreement is first filed with and approved by the Board.

3.3 Ownership of Facilities

Unless otherwise specifically provided in a contract with the Customer, notwithstanding the payment by a Customer of any costs incurred by the Company, the Company shall install, maintain and retain full title and ownership of all lines, equipment and other Facilities on its side of the Point of Service and of all meters and metering equipment provided and/or installed by it.

3.4 Use of Energy

Service is provided only for the purposes specified by contract or by the rate schedule applicable to such Service. A Customer shall not sell Energy provided by the Company unless otherwise provided by a contract with the Company, ~~or~~ unless the Company has first given written consent, or unless otherwise permitted by legislation.

3.5 Customer Extensions

A Customer shall not extend or permit the extension service of Facilities connected to the Company's facilities distribution system beyond property owned or occupied by the Customer for any Point of Service.

3.6 Customer Generation

- a) A Customer must notify the Company and sign an agreement with the Company if the Customer wishes to have service:
- 1) in parallel operation with; or
 - 2) as supplementary, auxiliary or stand-by Service to any other source of electric Energy.

The following do not apply to supplementary, auxiliary or stand-by generation:

- b) A Generating Customer shall obtain and provide to the Company copies of all applicable required permits, licenses and authorizations prior to commencement of service or any change in service requirements at any point of interconnection, including technical specifications and operating requirements.
- c) The Generating Customer will be responsible for providing technical information to the Company as required. The Company will treat this information as confidential and will not release such information to any other parties without the express and written consent of the Generating Customer.
- b)d) The Generating Customer will be responsible for operating in compliance with accepted industry operating and maintenance standards as established, from time to time, by the Company, and as specified in the operating agreement between the Generating Customer and the Company. The Company shall have the right to inspect the Generating Customer's facilities for compliance.

3.7 Frequency and Voltage Levels

The Company will make every reasonable effort to supply energy at 60-Hertz alternating current. The voltage levels and variations will comply with the Canadian Standards Association standards and shall be in accordance with the Company's standard supply specifications as set out in Schedule A except in locations where the voltage levels set out in Schedule A are not available.

3.8 Fees and Other Charges

The Company will provide all standard services hereunder pursuant to the approved Electric Service Tariff. All additional and supplementary services provided by the Company to a Customer will be charged a separate rate or fee, such as those included, without limitation, in Schedule D herein. Payment for these services shall be in accordance with the provisions of these Terms and Conditions.

~~XX04~~

4. APPLICATION FOR AND CONDITIONS OF SERVICE

4.1 General Requirements

~~(d)~~(a) Any applicant for Service may be required to sign an application or a contract for Service, and shall supply information -respecting Load, customer preferred supply conditions and the manner in which Energy will be utilized. An applicant may also be required to establish a Satisfactory Credit Rating with the Company and/or provide a Security Deposit prior to being connected for Service.

~~(e)~~(b) The Company reserves the right to verify the identity of the Customer, and the accuracy of the information provided and to require the Customer to sign an application in writing on forms provided by the Company. If a Customer is not of legal age, a Security Deposit may be required in -order to obtain Services and, in addition, a person of legal age may be required to accept responsibility for the Services on that Customer's behalf.

~~(f)~~(c) Contracts for Service are not transferable. Persons taking over premises, where Energy has been used previously, must make a new application for Service and pay the necessary Connection Fee per Article 4.3 and Security Deposit per Article 4.6.

4.2 Conditions of Service

Upon receipt of an application or contract for Service, the Company shall notify the applicant of any conditions which must be satisfied before the application or contract will be accepted and Service may be commenced.

4.3 Connection Fee

Whenever a connection is made, the Customer will pay a non-refundable Connection Fee as specified in Schedule D, which shall be included in the Customer's first billing or paid with the aApplication for Service, (save and except that, where the Customer has paid a Construction Contribution for the Service, the Connection Fee shall be deemed to be included in the Construction Contribution).

4.4 Application of Rate Schedules

(a) The Company will make Customers aware of the various price schedules under which the Company provides service to Customer rate classes and are approved by the Board.

~~(a)~~(b) Whether or not a Customer has signed an application or contract for Service, these Terms and Conditions and the Rate Schedule applicable to the Service supplied by the Company shall apply. In addition to payments for Service, the Customer is required to pay the Company the amount of any

~~XX04~~

tax or assessment levied by any tax authority on Service delivered to the Customers.

4.5 Change in Service Connections ~~Extensions to Electric Heat Customers~~

- (a) A Customer shall give to the Company reasonable prior written notice of any change in service requirements, including any significant change in load, as per section 8.1, to enable the Company to determine whether or not it can supply such revised service without changes to its Facilities.
- (b) The Customer shall not change its requirement for a Service Connection without the Company's written permission. The Customer shall be responsible for all damage caused to the Company's facilities as the result of the Customer changing its requirements for a Service Connection without the Company's permission
- ~~(a)~~(c) On Isolated Systems, Service for electric space heating (permanent or temporary for construction) and electric vehicle charging purposes may be supplied to Customers only with the prior written permission of the Company.

4.6 Security Deposit

(a) Security Deposit Requirements

The Company may require payment of a Security Deposit by an applicant or Customer under the following circumstances:

- (i) the applicant has not established a Satisfactory Credit Rating with the Company;
- (ii) the Customer's Service has been disconnected or restricted by a Current-Limiting Device; or
- (iii) the Customer has not paid all past bills for Service.

If a Security Deposit is required and not been provided prior to connection, it will be added to the bill for Service and due in full on the due date identified on the bill.

(b) Amount of Security Deposits

The amount to be deposited with the Company shall be determined by the Company at the time of the Service application and shall be based on an estimate of the total amount billed over a period of three months in which Energy consumption by the Customer is expected to be the highest. The Security Deposit required may be adjusted accordingly based on the Customer's actual use of the Service or other information made available to the Company.

~~XX04~~

(c) Interest on Security Deposits

The Company will pay simple interest on the Security Deposit from the date the deposit is paid, at the rate of interest specified from time to time in the Yukon Landlord and Tenant Act and such interest will be credited to the Customer's account annually on the first bill following December 31 or when the deposit is refunded.

(d) Refunds of Security Deposit

A Security Deposit may be refunded or credited to the Customer's account with interest by the Company when:

- (i) the Customer's Service is disconnected, other than for default in payment of accounts, and the Customer has paid all amounts owing to the Company; or
- (ii) the Customer has established a Satisfactory Credit Rating.

(e) Use of Security Deposit

If a Customer fails to pay any amount billed, the Company may apply all or any portion of that Customer's Security Deposit to the unpaid amount including interest and any Late Payment charges as per Schedule D. The Customer will then be required to fully restore the Security Deposit before Service is reconnected or continued.

4.7 Delay in Taking Service - ~~Other than Subdivision~~

(a) Subdivision or Multiple Dwelling Residence

In circumstances whereby the Company will install Facilities to serve a subdivision or a multiple dwelling residence, and it is determined that service will not be taken within 12 months of the In-Service date, the Customer shall pay for the entire cost of the new extension. For each Point of Service in the subdivision or multiple dwelling residence that is energized within five (5) years of the In-Service date, the Company will refund the payment for each Point of Service based on the Maximum Available Company Investment specified in the Schedule of Available Company Investment. Otherwise, the Company shall be entitled to retain such payment as compensation for its costs incurred in respect of the Service Connection.

(b) Non-Subdivision or Non-Multiple Dwelling Residence

~~Except in the case of a Customer who requests service to a subdivision~~ if Service is not taken within 30 days of the In Service Date, the Company may begin billing the Customer for the minimum amount specified in the appropriate rate schedule or as specified in the contract between the Company and the Customer, whichever is greater.

4.8 Extension of Service

(a) Customer's Construction Contribution

If the Company's estimated costs of extending Facilities at the request of a Customer are less than the Maximum Company Investment specified in Schedule B for the type of Service requested, the Customer will not be required to make any Construction Contribution. In all other cases, an agreement for payment of the Construction Contribution must be made between the Customer and the Company before any work on the extension is commenced.

(b) Cost Sharing

If a new Customer shares a portion or all of the costs of an existing extension, the existing Customers may be entitled to Cost Sharing of the Construction Contribution based on the amount of extension shared.

Cost Sharing will be administered for a maximum of five (5) year term, as per the following table, commencing December 31 of the year of construction of the original extension. Cost share will not be administered for projects under \$20,000 and is up to a limit of three shares.

Original Customer Contribution	Cost Sharing Period
Less than \$10,000	5 Years
Greater than or Equal to \$10,000	10 Years

~~The Company will not administer refunds of less than \$50.00.~~

Cost sharing will not be eligible for non-metered, any public services such as street lights, and heat tapes, and small technology services such as telecommunications power supplies.

4.9 Underground Subdivision Extensions

Underground subdivision extensions shall be undertaken subject to the conditions set out in Schedule C.

4.10 Conversion from Overhead to Underground Service

When a ~~C~~customer requests that existing Company Facilities be converted from overhead to underground, the Customer may be charged for all costs incurred by the Company in connection with the conversion, including the following:

~~XX04~~

-
- (a) the actual cost of removing the existing Facilities, less the estimated value of the salvaged material, plus
 - (b) the actual cost of installing the new underground Facilities, less any available Company Investment as specified in Schedule B - Maximum Company Investments.

4.11 Temporary Service

Where the Company reasonably believes that a requested Service will be temporary, a Connection Fee as specified in Schedule D will be assessed and the Company may require the Customer requesting the Service to pay the Company's total estimated cost of installation and removal of Facilities necessary for the desired Service less the estimated value of the salvaged material.

The Company may require that such payment be made before the temporary Service is installed.

4.12 Mobile Homes

- (a) Service shall normally be provided to mobile homes through separate Points of Service, based on the applicable residential rate.
- (b) Service provided to common use areas (e.g., laundry facilities) in a mobile home park shall be separately metered and billed at the applicable general service rate.
- (c) In mobile home parks or trailer courts where the Company reasonably believes homes are temporary, the Company may elect to provide Service only through the Point of Service billed to the mobile home park or trailer court.

4.13 Multiple Dwellings

- (a) Each individual unit within a Multiple Dwelling will be served as a separate Point of Service and billed individually on the applicable residential rate. The Company and a Customer may agree that one bill will be issued covering all individual units in a Multiple Dwelling and, in such case, the applicable general service (non-residential) rate will apply to the Service. Common use areas such as hallways, lobbies, and laundry rooms, elevators, and parkades will be billed under the applicable general service price schedule.
- (b) Where the Company and a Customer have agreed that service to a Multiple Dwelling shall be delivered through a single Point of Service, the applicable general service (non-residential) price schedule will apply to the service.

4.14 Relocation of Company Facilities

The Company may require a Customer to pay all reasonable costs incurred by the Company in relocating any Company Facility at the Customer's request and may

require payment of the estimated cost of the relocation in advance.

4.15 Reconnection

When the circumstances resulting in discontinuance of a Customer's Service or restriction of Service through the installation of a Current Limiting Device have been rectified to the satisfaction of the Company, or when a Customer has requested a reconnection after having requested a previous disconnection, the Company shall reconnect and continue the provision of Service upon payment by that Customer of:

- (a) any amount owing to the Company;
- (b) a Reconnection Fee as specified in Schedule D; and
- (c) the Security Deposit, if any, required under Article 4.6.;

If Service is reconnected within 12 months of disconnection, with the exception of Seasonal Service:

- (a) For Major Industrial and ~~G~~general Service customers with peak demands greater than 500kW the Customer shall pay the minimum monthly bill for each month of disconnection.
- (b) For all other customers, the Company may request that the Customer pay the minimum monthly bill for each month of disconnection.

The Company may add a Collection Fee as specified in Schedule D if a site visit is required to attempt collection of overdue accounts and Service is not disconnected or for delivery of a notice of pending disconnection.

This section does not apply when a Customer's Service was disconnected for safety reasons. (Refer to Article 11.2).

5. RIGHTS OF WAY AND ACCESS TO FACILITIES

5.1 Easements

At the request of the Company, the Customer shall grant, or cause to be granted, to the Company, without cost to the Company, such easements or rights-of-way over, upon or under the property owned or controlled by the Customer as the Company reasonably requires for the construction, installation, maintenance, repair and operation of the Facilities required for a Service Connection to the Customer and the performance of all other obligations required to be performed by the Company hereunder.

5.2 Right of Entry

The Company's employees, agents or other representatives shall have the right to enter a Customer's property at all reasonable times for the purpose of installing, maintaining, repairing, replacing, testing, monitoring, meter reading, disconnecting, or removing the Company's Facilities and for any other purpose incidental to the provision of Service. The Customer shall not prevent, hinder, or charge a fee for allowing the Company's entry, including the use of roads on the Customer's property, or any adjacent or nearby property or Crown land over which the Customer has the right to grant access for the purposes listed in this section. The Customer shall provide the Company with reasonable access to the Company Facilities located on the Customer's property. The Company will endeavour to provide reasonable notice to the Customer when the Company requires entry to the Customer's property for planned maintenance or repair to the Company's Facilities. The Company may charge a "No Access Fee" as set in Appendix D any time the Company's entry is attempted but terminated by the Company's employees, agents or other representatives for reasons of safety or where entry is otherwise prevented, hindered or refused.

5.3 Vegetation Management

The Customer shall permit the Company to manage vegetation on the property owned or controlled by the Customer. Access is required to maintain the proper clearances and reduce the risk of contact with the Company's overhead high and low voltage distribution equipment. The Company shall make reasonable efforts to notify the Customer before such work is performed.

Vegetation management in the vicinity of the high voltage distribution system (primary) is the responsibility of the Company. Vegetation will be maintained to established standards to reduce contact with the energized conductors or equipment.

Vegetation management in the vicinity of the low voltage (service drops or secondary) distribution on the Customer's property is the responsibility of the Customer. Where the Company determines that vegetation management is required to maintain the integrity of the Company's low voltage overhead distribution system, the Company may, at the Customer's expense, perform the work that is the responsibility of the Customer as set out herein. With respect to the low voltage overhead distribution

system only, the Company shall make reasonable efforts to notify the Customer that such work is required, and shall provide the Customer a reasonable opportunity to undertake the work required, before such work is performed by the Company.

5.4 Interference with Company's Facilities

Customers shall not install, or allow to be installed, temporary or permanent structures that could interfere with the proper and safe operation of the Company's Facilities or result in non-compliance with applicable statutes, regulations, standards or codes. The Company, without notice, may terminate a Customer's Service for safety reasons as described in Section 11.2.

5.5 Customer Brushing

Customers requesting Service that requires the extension of Facilities to the Customer's property shall be responsible for brushing on the Customer's property in accordance with the Company's specifications. In addition, unobstructed access to each structure requiring Service must be provided. The Company, without notice, may terminate a Customer's Service for safety reasons as described in Section 11.2.

6. METERS

6.1 Installation

(a) Provision and Ownership

The Company shall provide, install and seal all meters necessary for measuring the Energy and Demand supplied to a Customer, unless otherwise specifically provided in a contract with the Customer. Each meter shall remain the sole property of the Company.

If required, as determined in the Company's sole discretion, current and voltage transformers and metering test switches will be supplied to the Customer for installation by the Customer's qualified personnel or contractor. Current and voltage transformers shall be installed in accordance with the Company's specifications and all codes, legislation and reference to applicable metering standards.

(b) Responsibility of Customer

Each Customer shall provide and install a CSA-approved meter receptacle or other CSA-approved Facilities suitable to the Company for the installation of the Company's meter or metering equipment.

(c) Changes to Standard Metering

A Customer may decline the installation of a Standard Meter or a Customer may request that a Standard Meter be replaced with a Non-Standard Meter on written request to the Company provided that:

- 1) The Customer receives services at a Site that is not part of a Multiple Dwelling;
- 2) the Service rating is 200 amperes or less;
- 3) the Service is designated as a residential service;
- 4) the Service is not a Generating Customer;
- 5) the Company has regular and ongoing access to the meter;
- 6) the Customer is the owner of the premises where the Service is received; and
- 7) a Non-Standard Meter continues to be offered by suppliers for procurement.

Any Customer that is subject to the exceptions listed above shall be required to pay for meter reads as set out in Schedule D.

Any Customer that has requested installation of a Non-Standard Meter shall be required to pay the "Non-Standard Meter Installation Fee" as set out in Schedule D.

Where a Customer at a site that is metered by a Non-Standard Meter pursuant to this section discontinues Service, the Company will install a Standard Meter to be used to meter Energy to that site for its future Customers.

A Customer at a Site that is metered by a Non-Standard Meter that has declined the installation of a Standard Meter may at any time request that the Company install a Standard Meter at that Site.

6.2 Location

The location of any meter shall be subject to ~~the~~ approval by the Company having regard to the type of Service being provided and so as to permit safe and convenient access to the meter by the Company. Where a meter is installed on a Customer owned pole, the pole shall be provided and maintained by the Customer as required by the Canadian Electric Code and any other applicable legislation.

Meter sockets for self-contained meters shall be mounted on the exterior of a building at an accessible location acceptable to the Company. The centerline of the meter socket must be 1.5 to 1.8 meters above the finished grade or permanent platform of the Customer's Facility and in an appropriately lighted area.

Metering instrument transformer enclosures shall contain only the Company's metering auxiliary equipment and shall not be used as a raceway, splitter box or cabinet for any other purpose.

6.3 Meter Tests and Adjustments

- (a) The Company may inspect and test a meter at any reasonable time. At the request of a Customer, and upon payment of a Meter Accuracy Test Handling Fee as specified in Schedule D, the Company shall arrange for a meter to be tested by an official designated for that purpose by Industry Canada or such other federal government agency as may, from time to time, be designated for that purpose.
- (b) If a test determines that the meter is not accurate within the limits set by government standards, the Customer's bill will be adjusted back to the time that the error can reasonably be determined to have commenced. Where the commencement of the error cannot reasonably be determined, it shall be deemed to have commenced three months before the test or on the date of the meter installation, whichever occurred later.

-
- (c) In the event that an adjustment is required, the Meter Accuracy Test Handling Fee shall be refunded.

6.4 Access to Meters

- (a) The Company may, at any reasonable time, read, inspect, remove and test a meter installed on property owned or controlled by the Customer.
- (b) Where the Customer's Service address or location is generally locked during normal business hours, the Customer shall provide the Company with a key to permit access to the meter.
- (c) If the Company provides notice to a Customer that reasonable access to metering equipment is not being provided, the Customer must take immediate action to remedy the situation. If the Customer fails to remedy the situation to the Company's satisfaction within a reasonable time:
- (i) the Company may, at its sole discretion, estimate consumption until the situation has been remedied and the Customer shall be billed on the basis of the Company's estimate;
 - (ii) the Company may remedy the situation on behalf of the Customer and apply the costs to the Customer's next regular bill;
 - (iii) the Company may do both i) and ii); or
 - (iv) the Company may discontinue Service in accordance with Section 11 of these Terms and Conditions of Service.

~~XX04~~

7. METER READING AND BILLING

7.1 Reading and Estimates

Unless otherwise specifically provided in a contract with a Customer, meters shall be read monthly or bi-monthly or at such other intervals as are practical in the circumstances. Customers' bills will be based on meter readings made by the Company or on estimates for those billing periods when the meter is not read. Whenever a bill is based on an estimate, an adjustment to reflect actual Energy consumption and Demand (if applicable) used will be made when the meter is next read.

7.2 Calculation of Bills

~~(a)~~ The Company bills the Customer based on the charges set out in the Rate ~~its~~ Price Schedules.

~~(a)(b)~~ The amount of any initial and final charges will be prorated, based upon the ratio of the number of days that Service was provided to a Customer in the billing period to the total number of days in the billing period.

~~(b)(c)~~ The Company may elect not to charge a Customer for the billing period if, during that period, Demand was five kilowatts or less, Service was provided for five days or less and Energy consumption was five kilowatt hours or less.

~~(e)(d)~~ For all new accounts, the Company may add the charges for Service provided during the initial period to the bill for the following billing period.

~~(d)(e)~~ The Company may elect to change a Customer's meter reading schedule.

~~(e)(f)~~ Where a meter reading schedule is changed, any charges during the transition period between the old and new meter reading schedule, may be prorated based upon the ratio of the number of days that Service was provided to a Customer in the billing period to the total number of days in the billing period.

7.3 Payment

(a) The amount billed is due and owing when the bill is rendered and payable by the date indicated on the bill.

(b) Bills shall be deemed rendered and other notices duly given when delivered to the Customer at the mailing address provided by the Customer. Failure to receive a bill does not entitle a Customer to any delay in payment or release a Customer from the obligation to pay the amount owing.

(c) Payment of a bill for Service may be requested by the Company from any or all of the Customers, on a joint and several basis, even if the Customer no

longer resides in the same premises when payment is due.

~~(e)~~(d) The bills are payable by way of EFTs, cash, debit bank payments, credit cards, money order or certified cheque as noted in the bills. The customer is responsible for the additional charges that may result due to payment methods other than those noted in the bills.

7.4 Late Payment Charge

The Company may add a Late Payment Charge as specified in Schedule D on any overdue amount not received by the due date specified in the issued bill. A Collection Fee as specified in Schedule D -will be charged if a personal visit is required to collect an overdue amount.

7.5 Dishonoured Payments

The Company may add a Dishonoured Payments Fee as specified in Schedule D to a Customer's bill in respect of any cheque, or other form of payment tendered by the Customer as payment of a bill, returned by the Customer's bank for any reason.

Following the receipt of two (2) dishonoured payments from the Customer, the Company may notify the Customer that only cash, a money order or certified cheque will be accepted for payment.

7.6 Outstanding Charges

The Company may add to the Customer's bill any outstanding charges due and owing to the Company (e.g., construction contribution, account receivable charges, former overdue accounts etc.).

7.7 Totalized Metering

When Service is provided through multiple Points of Service to a Customer's plant site consisting of centralized processing facilities or product transportation facilities located on lands leased or owned by the Customer, where such multiple Points of Service are located within a radius of half a mile of each other, the Customer and Company may agree that the Demand and Energy at each Point of Service be totalized and only one bill issued for each billing period. The Customer shall pay the incremental metering cost associated with totalized metering.

7.8 Combined Service

A residential Customer shall notify the Company when the Customer receives Service at their premises for the purposes of operating a business or commercial undertaking. The applicable ~~G~~general ~~S~~service rate may be applied in those -cases in which Service for both residential and non-residential purposes is received by a Customer through a single meter.

XX04

7.9 Consolidated Billing

The Company will issue a separate bill for each Point of Service. However, the Customer and Company may agree that the Company will issue one bill totaling charges for Service delivered at more than one Point of Service.

7.10 Unauthorized Use

If, under any circumstances, a person prevents a meter from accurately recording the total Demand or Energy supplied, the Company may disconnect the Service, or take other appropriate actions.

Where the Company determines that there has been unauthorized use of the Service Connection including, but not limited to, meter tampering, unauthorized connection or reconnection, theft, fraud, intentional or unintentional use of energy whereby the Company is denied full compensation for services provided, the Company will bill the Customer for the Company's estimate of such unauthorized use, including repairs of damage or reconstruction of Company Facilities. Nothing in this section shall limit any other rights or remedies that the Company may have in connection with such unauthorized use.

~~The Company may then estimate the Demand and amount of Energy supplied but not registered, at the Point of Service. The Customer shall pay the cost of the estimated Demand and Energy consumption plus all costs related to the investigation and resolution of the diversion including repairs of damage or reconstruction of Facilities.~~

7.11 Billing Error

The Customer must provide written notice to the Company in order to dispute any or all amounts owing on a bill. In the event the Customer disputes an amount owing, the Customer shall nonetheless pay such disputed amount. Following resolution of any such dispute, the Company will return any amount found owing to the Customer forthwith.

8. SERVICE CHANGES

8.1 Notice by Customer

A Customer shall give to the Company reasonable prior written notice of any change in Service requirements, including any material change in Connected Load, to enable the Company to determine whether or not it can supply such revised Service without changes to its Facilities. The Customer shall not change its Service requirements without the Company's written permission.

8.2 Responsibility for Damage

The Customer shall be responsible for and shall pay for all damage caused to the Company's Facilities as the result of the Customer changing the Connected Load without the Company's permission.

8.3 Changes to Company Facilities

If the Company must modify its Facilities to accommodate a Customer Load or Service change, the Customer shall pay for all costs in connection with such modification including the following costs:

- (a) the actual cost of removing the existing Facilities, less the estimated salvage value~~;~~ less
- (b) any applicable adjustment required to the Company Investment as specified in Schedule B.

9. COMPANY RESPONSIBILITY AND LIABILITY

9.1 Continuous Supply

The Company shall make all reasonable efforts to maintain a continuous supply of Energy to its Customers, but the Company cannot guarantee an uninterrupted supply of Energy.

9.2 Interruption

Without liability of any kind to the Company, the Company shall have the right to disconnect or otherwise curtail, interrupt or reduce service to Customers:

- (a) whenever the Company reasonably determines that the Service must be interrupted, including to facilitate construction, installation, maintenance, repairs, replacement or inspection of any of the Company's Facilities, or to permit the connection or disconnection of other Customers;
- (b) to maintain the safety and reliability of the Company's Facilities; or
- (c) due to any other reason related to dangerous or hazardous circumstances including emergencies, forced outages, potential overloading of the Company's Facilities, insufficient supply or Force Majeure.

The Company may first interrupt industrial large customers, and customers with their own generation-capacity.

9.3 Reasonable Efforts

The Company shall endeavor to give reasonable notice to Customers who will have Service interrupted and will endeavor to ensure that such interruptions are as short and infrequent as circumstances permit.

9.4 Company Liability

For the purpose of this clause, "direct physical loss, injury or damage" excludes loss of revenue, loss of profits, loss of earnings, loss of production, loss of contract, cost of purchased or replacement capacity and energy, cost of capital, and loss of use of any facilities or property, or any other similar damage or loss, arising out of or in any way connected with the failure, defect, fluctuation, reduction or interruption in the provision of Service by the Company to its Customers.

Except as described below in this clause, the Company shall not be liable for any loss, injury, damage, expense, charge, cost or liability of any kind, whether of direct, indirect, special or consequential nature, arising out of or in any way connected with the provision of Service by the Company to its Customers including any failure, defect, fluctuation, reduction or interruption in the provision of Service by the Company to its Customers.

The Company shall be liable for direct physical loss, injury or damage to a Customer or a Customer's property, resulting from the negligent acts or omissions of the Company, its employees or agents.

9.5 Force Majeure

Should the Company be unable to provide a continuous supply of Energy to a Customer because of an event of Force Majeure, the Company's responsibilities, so far as they are affected by the Force Majeure, shall be relieved and suspended during the duration of such circumstances and the Company shall not be liable for any failure to perform any term of these Terms and Conditions to the extent that and when such failure is due to, or is a consequence of, an event of Force Majeure. Where practical, the Company shall give notice to the affected Customers of such Force Majeure.

10. CUSTOMER RESPONSIBILITY AND LIABILITY

10.1 Provide Permit

The Customer shall be responsible for obtaining all permits, certificates, licenses, inspections, reports, and other authorizations necessary for the installation and operation of the Service Connection. The Company shall not be required to commence or continue installation or operation of a Service Connection unless and until the Customer has complied with the requirements of all permits, certificates, licenses, inspections, reports and other authorizations, and all right-of-way agreements, and all Company requirements applicable to the installation and operation of the Service Connection.

10.2 Customer Responsibility

The Customer shall be solely responsible for the use, installation, and condition of all Facilities on the Customer's side of the Point of Service, except Facilities owned by the Company. The Customer shall be responsible for and shall pay for any damage to the Company's Facilities located on the Customer's premises, which is caused by the negligent acts or omissions or willful misconduct of the Customer or of anyone permitted by the Customer to be on the Customer's premises.

10.3 Customer Liability

(a) The Customer assumes full responsibility for the proper use of Facilities and for the condition, suitability and safety of any and all wires, cables, devices or equipment energized on the Customer's premises or on premises owned or controlled by the Customer that are not the Customer's property.

(b) The Customer will ensure that its Facilities comply with the applicable requirements of the Canadian Electrical Code and with any other technical guidelines that may be issued from time to time by the Company. Where a Customer uses its Service Connection in a manner that causes interference with the operation of the Company's Facilities or with any Customer's use of a Service Connection, such as abnormal voltage levels, frequency levels and-or harmonic and interharmonic- levels, at the Company's request, and at the Customer's own expense, the Customer shall take whatever action is required to correct the interference or disturbance. Alternatively, the Company may elect to correct the interference or disturbance at the Customer's sole expense.

(b)(c) A Customer shall design, install and operate the Customer's Facilities in such a manner as to maintain a Power Factor of not less than 90%. The Company may require any Customer not satisfying this Power Factor requirement to furnish, install, and maintain, at no cost to the Company, such corrective equipment as the Company may deem necessary under the circumstances assumed or a charge for deficient power factor may apply as per applicable

rate schedule.

~~(e)(d)~~ The Customer shall indemnify and save harmless the Company from and against any claim or demand for injury to persons or damage to property (including loss of use thereof and of any other property affected by the damage to property) arising out of or in any way connected with the use of the service so long as such injury or damage is not caused by the negligent acts or omissions or willful misconduct of the Company, its employees and agents.

(e) The Customer releases the Company and its agents, directors, officers, employees, independent contractors, consultants, representatives, successors and assignees from any and all claims and liabilities whatsoever relating to or arising as a result of the Customer, or its agents, directors, officers, employees, independent contractors, consultants, representatives, successors and assignees carrying out any acts required by or related to these Terms and Conditions for the provision of Service, maintenance of Service, or any other act whatsoever arising out of or in any way connected with the existence or use of the Service so long as such injury or damage is not caused by the negligent acts or omissions or willful misconduct of the Company, its employees or agents.

10.4 Protective Devices

The Customer shall be responsible for determining whether any devices are required to protect the Customer's Facilities from damage that may result from the provision of Service by the Company. The Customer shall provide and install any such devices.

10.5 Service Calls

The Company may require a Customer to pay the actual costs of a Customer-requested service call if the source of the problem is the Customer's Facilities.

~~XX04~~

11. TERMINATION OF SERVICE

11.1 Termination by Customer

Except where otherwise provided in a written agreement between the Company and a Customer, a Customer may, at any time, give the Company reasonable notice to terminate Service. Upon receipt of such notice, the Company shall read the Customer's meter within a reasonable time, and, shall use its best efforts to read the Customer's meter at the time requested by the Customer. A Customer shall pay for all Service provided to the time of such reading.

11.2 Company Termination for Safety Reasons

The Company may, without notice, terminate a Customer's Service where, in the Company's opinion:

- (a) the Customer has permitted the wiring of their Facilities to become hazardous;
- (b) the wiring of the Customer's Facilities fails to comply with applicable law; or

(c) the Customer has caused any other safety hazards, including, but not limited to, using their Service in such a way that causes damage to the Company's Facilities or interferes with or disturbs Service to any other Customer.

(e)(d) safety of the Company's employee is at risk because of facilities or animals located on the Customer's property and/or displayed behaviour or threats made by the Customer towards the Company or its employees.

The Company will reconnect the Service when the safety problem is resolved and when the Customer has provided, or paid the Company's costs of providing, such devices or equipment as may be necessary to resolve such safety problem and to prevent such damage, interference or disturbance. The Company may assess a Reconnection Fee, as specified in Schedule D.

11.3 Company Termination Other Than For Safety

The Company, or anyone acting under its authority, may, upon giving at least 48 hours' notice to the Customer, terminate the Customer's Service or install-use a-available Current-Limiting Device-functionalities to restrict the Service to such Customer if the Customer:

- (a) fails to meet its obligation under these Terms and Conditions, the terms of a contract for Service, or of the Company's Rate Schedules;
- (b) uses their Service Connection in such a way that causes interference with operation of the Company's Facilities or any other Customer's use of a Service Connection such as abnormal voltage levels, frequency levels.

harmonic and interharmonic levels.

- (c) tampers with any Company Facilities;
- (d) neglects or refuses to pay the amount billed for Service due and owing to the Company by the date indicated on the bill for Service;
- (e) changes Service requirements without the permission of the Company; or
- (f) makes use of the Service for illegal purposes or in circumstances where the Company has evidence of Energy theft, or fraud by the Customer.

11.4 Removal of Facilities

Upon discontinuance of Service for whatsoever reason, the Company shall be entitled to remove any of its Facilities located upon the property of the Customer and to enter upon the Customer's property for that purpose.

~~XX04~~

SCHEDULE A: STANDARD SUPPLY SPECIFICATIONS

The Company's standard supply specifications, which are in accordance with Canadian Standards Association standard CAN-C235-83, are ~~listed in the as~~ following section:

Upon request by the Customer, the Company may provide other supply voltages or supply arrangements. If this option is chosen, the Customer will be responsible for all incremental costs associated with the provision of service using non-standard supply arrangements or voltages as determined by the Company.

(a) Residential:

- | | |
|------------------------|---|
| 240/120 V | <ul style="list-style-type: none"> - single phase, three wire - secondary conductors are supplied by the Company - <u>overhead or, in designated areas, underground conductors are supplied by the Company</u> |
| 208 Y/120 V | <ul style="list-style-type: none"> - single phase, three wire - three phase, four wire - overhead secondary conductors are supplied by the Company - underground secondary conductors are supplied by the customer - <u>single phase, three wire</u> <ul style="list-style-type: none"> • <u>secondary conductors are supplied by the Company</u> - <u>overhead or, in designated areas, underground conductors are supplied by the Company</u> |

(b) General Service:

- | | |
|-------------|--|
| 240/120 V | <ul style="list-style-type: none"> - single phase, three wire - overhead secondary conductors are supplied by the Company - underground secondary conductors are supplied by the customer |
| 208 Y/120 V | <ul style="list-style-type: none"> - <u>single phase, three wire</u> - secondary conductors are supplied by the Company - <u>overhead or, in designated areas,</u> - <u>underground conductors are supplied by the Company Customer</u> |
| 208 Y/120 V | <ul style="list-style-type: none"> - <u>three phase, four wire</u> - overhead secondary conductors are supplied by the Company - <u>underground secondary conductors are supplied by</u> |

~~XX04~~

the customer

480 Y/277 V

- three phase, four wire
- overhead secondary conductors are supplied by the Company for loads ~~15 KVA up to 300~~ 150 kVA
- ~~overhead secondary conductors are supplied by the customer for loads 300 KVA to 1,500 KVA~~ underground secondary conductors are supplied by the customer

600 Y/347 V

- three phase, four wire
- overhead secondary conductors are supplied by the Company for loads up to 150 kVA
- underground secondary conductors are supplied by the customer ~~for loads 150 KVA to 2,500 KVA; and~~

4160 Y/2400 ~~V-Y~~

- three phase, four wire, 2,000 ~~kKVA~~ to 10,000 ~~kKVA~~
- overhead secondary conductors are supplied by the customer
- underground secondary conductors are supplied by the customer

SCHEDULE B: MAXIMUM COMPANY INVESTMENT

The Maximum Company Investment Levels set out in this Schedule are effective January ~~xxx 1xx, 2011xx.~~

1. Subject to the provisions of paragraph 2 of this Schedule B, the maximum Capital Cost which the Company will incur to extend Service to a Point of Service (herein referred to as the "Maximum Company Investment") shall be determined as follows. Under no circumstances would the Maximum Company Investment exceed the Customer extension cost:

(a) Residential Service:

\$~~1,500~~10,337 per single family dwelling; and
\$ ~~725~~2,645 per Multiple Dwelling unit

(b) General Service:

\$~~690~~1,801 per kW, which shall not be less than five kilowatts, provided that if the estimated service life is less than 25 years or seasonal, then the Maximum Company Investment shall be determined in the manner described in paragraph 2;

At the end of one year of Service the Company will re-assess whether the Customer's estimates of their Demand were accurate and, if the loads are significantly different than originally estimated, will collect from the Customer (or refund) any contributions, that are required based on the Maximum Company Investment rules in place when the contribution was originally paid.

(c) Municipal Street Lighting:

\$~~1,240~~6,649 per light.

2. The Maximum Company Investment in any extension of service, whether or not specified in paragraph 1, the Load characteristic and service life of which are expected to vary materially from the average for that type of Service, shall be determined based on an analysis of the load characteristics and service life, as a pro-ration of the full Maximum Company Investment for that class of customer.
3. The maximum cost which the Corporation will incur to extend Service to a Point of Delivery shall be determined for Industrial Service in the manner specified in an agreement with the Industrial Customer and subject to approval by the Board.

SCHEDULE C: CONDITIONS FOR UNDERGROUND SUBDIVISIONS

“Developer” is defined as the person or party who has requested the underground service. The Company shall extend service by underground conductor lines upon and subject to the following terms and conditions

- (a) At the time of the request for underground Service no Service available in the area to be served by such extension, and not less than 25 single family dwellings (or such lesser number as may be agreed to by the Company) will be connected to such extension (the "underground service area"), each of which is situated upon said subdivision;
- (b) All permanent Service in the underground service area shall be provided exclusively through underground conductor lines;
- (c) The Developer shall provide, without cost to the Company, such rights-of-way, easements, utility corridors, lands leased for substation and transformer locations as the Company may require for the installation, operation and maintenance of such extension, which the Developer shall keep free and clear of any buildings, structures, fences, pavement, trees or any other obstructions which may hinder the Company in installing, maintaining or removing its Facilities;
- (d) The Company shall not be obligated to install such extension until it is reasonably satisfied that the extension will not thereafter be damaged or interfered with, and, in any event, any costs incurred by the Company in relation to the relocation, reinstallation or as a result of damage to such extension shall be paid by the Developer;
- (e) Service, for purposes other than residential use and street lighting, may be provided from such extension only with the consent of the Company;
- (f) In relation to the standard underground Service, the Developer shall provide a meter socket and service conductor protection from sixty centimeters below grade level to the line side of the meter socket and will ensure the installation of a service having a 200 ampere capacity. Non-standard Services will be subject to prior written approval by the utility Company;
- (g) The Developer shall provide to the Company a certified copy of the registered plan of subdivision and final construction plans showing the location and elevation of sidewalks, curbs and gutters, driveways (if known) and underground utilities together with such evidence as the Company may reasonably require to the effect that all rules and regulations applicable to the development have been or will be compiled with by the Developer;
- (h) Survey stakes indicating grades and property lines shall be installed and maintained by the Developer;

- (i) The surface of the ground for a distance of not less than one point five (1.5) meters on each side of the alignments for the underground conductor lines shall be graded by the developer to within eight (8) centimeters of a final grade;
- (j) Unless otherwise agreed to by the Company, the Developer shall provide a survey for the location of transformers, street light bases and cable routing, as required;
- (k) Sidewalks, curbs and gutters may be constructed by the Developer but no other permanent improvements shall be made until approved by the Company.
- (l) Costs related to the installation of distribution system infrastructure shall be the responsibility of the Developer; and
- (m) The Company investment will be applied toward the individual Customer Service connection in accordance with Schedule B.

In addition, the Service shall be subject to such other conditions as may be specified by the Company from time to time.

~~XX04~~

SCHEDULE D-: FEES AND SERVICE CHARGE SUMMARY

CONNECTION, and RECONNECTION FEES

Connection Fee (4.3, 4.11):

During normal business hours:

~~\$50.00~~87.00 Outside of normal

business hours:

Company's actual cost (min.

~~\$50.00~~87.00)

Reconnection Fee (4.15, 11.2)

During normal business hours:

~~\$60.00~~87.00 Outside of normal

business hours:

Company's actual cost (min.

~~\$60.00~~87.00)

CUSTOMER USAGE INFORMATION REQUESTS

Applies to historical usage information requests with written authorization of the Customer (3.8) Company's actual cost (min \$75.00)

SUPPLEMENTARY METER READS

Standard Meter reads (3.8) \$11.00 (per read per meter)

Non-Standard Meter reads (in person) (3.8) \$87.00 (per read per meter)

LATE PAYMENT AND DISCONNECTION

Collection Fee (4.15, 7.4)

~~\$30.00~~45.00

~~(personal visit)~~ Late Payment Charge (7.4): 1.5% per month (19.56% per annum)

Dishonoured Payments Fee (7.5):

~~\$25.00~~45.00

METER DISPUTES

Meter Accuracy Test Handling Fee (6.3)

Self Contained Meter

<u>50.00</u>		\$ 100.002
Instrument Meter		
<u>00.00</u>		\$ 200.005



ATCO Electric Yukon (AEY)
Study On Maximum Investment Levels (MILs)

December 2024

Introduction

1. As referenced in Section 3 of the Application, ATCO Electric Yukon (AEY) has prepared a study to determine an appropriate Maximum Investment Levels (MILs) in response to the Yukon Utilities Board's (YUB) Direction.¹ Given that implementation of the proposed MILs is anticipated to occur in 2025, upon receipt of the Board's Decision on the Application, this Study outlines the derivation of the MILs for 2025 and onward.
2. AEY has conducted a study for each of the MIL classes: 1) Residential Single Family, 2) Residential Multiple Dwelling, 3) General Service, and 4) Street Lighting. It has been over ten years since the last MIL Study, which was conducted in 2009² and effective in 2011. From now on, the previous study will be referenced as "2009 Study". At that time, the 2009 Study proposed the following investment levels:

Table 1: MILs Estimated Costs in 2011

Service Type	2009 Study Cost Estimate (2011\$)
Residential Single Family (per site)	\$4,373
Residential Multiple Dwelling (per site)	\$2,187
General Service (fixed+variable)	\$5,545 fixed and \$285/kW
Street Lighting (per light)	\$2,772

3. Establishing appropriate MILs involves a principled approach, considering factors such as economic efficiency, intergenerational equity, and ensuring the regulatory compact is maintained (e.g., obligation to serve in turn for a fair return). This approach achieves several outcomes: 1) ensuring equity between new and existing customers; 2) allowing utilities to earn a fair return; 3) promoting orderly grid development and growth; and 4) sending appropriate price signals for new developments. Other guidelines that govern investments in customer extensions have been considered by AEY in this study and are outlined in Appendix A – Guiding Principles
4. Appropriate MILs balance intergenerational equity, the utility's obligation to serve, and the opportunity to earn a return. Imbalanced MILs can lead to issues like the

¹ Yukon Utilities Board's letter, dated March 31, 2023.

² YEC & YECL 2009 Phase II Rate Application. Available at <https://yukonutilitiesboard.yk.ca/proceedings/yec-and-yecl-phase-ii-application/>

uneconomic bypass, intergenerational inequity (e.g., new customers subsidizing existing ones or vice versa), and depriving the utility of a fair return on assets it operates and maintains. Furthermore, imbalanced MILs can impact the strength of the Yukon economy by providing an improper signal for upfront costs which may deter investment if set too low. For example, investment opportunities that require heavy cash outlays are less likely to move forward due to cash availability or high cost of debt, impacting the prosperity of the Yukon economy.

5. Below, AEY outlines the approach, general assumptions and analysis conducted, by MIL class, in proposing updated MILs for 2025.

Approach and General Assumptions

Methodology Applied to MIL Rate Classes

Cost Per-Lot Methodology

6. AEY utilized the well-established cost per-lot methodology to determine appropriate MILs for Residential and Multi-dwelling classes. This approach looks back at actual projects over the last 10 years (2014-2023), inflating to 2025 dollars in determining appropriate MILs for 2025 and onward. Analyzing actual cost per lot data enables an update to MILs, which factor in changes in customer behaviors, standards and lot designs.

Per kW Methodology

7. For the General Service MIL class, AEY conducted its analysis on a per kW basis. This approach has been taken due to the characteristics of this MIL class which focuses on: 1) reflecting infrastructure upgrades to handle peak demand; and 2) ensuring that the MILs incorporate the higher demands on the system from this MIL class.

Cost per Fixture Methodology

8. AEY developed a cost per-fixture methodology to derive MILs for Street Lighting sites. Similar to the cost per lot methodology for Residential and Multi Dwellings, this approach provides an appropriate way to reflect the infrastructure cost required.

Statistical Data Sample

9. As mentioned above, this Study is based on available project actual cost data in the last 10 years, corresponding to the period 2014-2023. Table 2 provides the sample size in number of sites/kW for each service type over the ten-year period.

Table 2: Number of Sites/kW

Service Type	2014 - 2023
Residential Single Family	1,437
Residential Multiple Dwelling	254
General Service (kW)	4,258
Street Lighting	439

10. To ensure the integrity of the sample size, projects with mixed service types (e.g., one Residential customer and one Streetlight) were not considered in the analysis, as the total cost would not fairly reflect the split between the two distinct services.

Use of Median

11. AEY used the median calculation to determine typical costing. Compared to an average, the median better represents data given the 10 years of data being assessed, as the median provides the middle value for the data set and is more central to the population distribution. Throughout the MILs study below, AEY presents both the median and the average for comparison purposes; however, given the large historical sample size, AEY considers that the median provides a robust and reliable measure of central tendency, with clear and simple calculation.

Escalation of Costs

12. With the anticipated implementation of the proposed MILs occurring in 2025, historical actual costs have been inflated to 2025 dollars using the Handy-Whitman Index (HWI).³

³ Handy-Whitman Electric Utility Construction Cost Indexes (HWIs) are calculated and marketed by Whitman, Requardt, and Associates. HWI was adopted for a better representation of the electric utility business, including, for example, impacts of supply costs specific to the utility industry. AEY used the distribution specific index for the Plateau Region.

Table 3: Handy-Whitman Index

**HANDY-WHITMAN - ANNUAL AVERAGE COST INDEX (1973=100)
Cost Trends of Electric Utility Construction
Distribution Plant Costs - Plateau Region**

Year	Index	Change
2011	585.5	-
2012	608.8	4.0%
2013	630.4	3.6%
2014	649.5	3.0%
2015	668.1	2.9%
2016	674.3	0.9%
2017	696.3	3.3%
2018	726.3	4.3%
2019	756.0	4.1%
2020	793.8	5.0%
2021	832.3	4.9%
2022	974.8	17.1%
2023	1,215.0	24.6%
2024 ⁴	1,297.4	6.8%
2025 ⁴	1,385.4	6.8%

Supplementary Approaches to Determining MILs

13. In assessing appropriate MILs and having regard to the length of time that has passed since the last review of MILs. AEY has also conducted supplementary analyses as a secondary test to the methodologies discussed above. Supplementary analyses included:

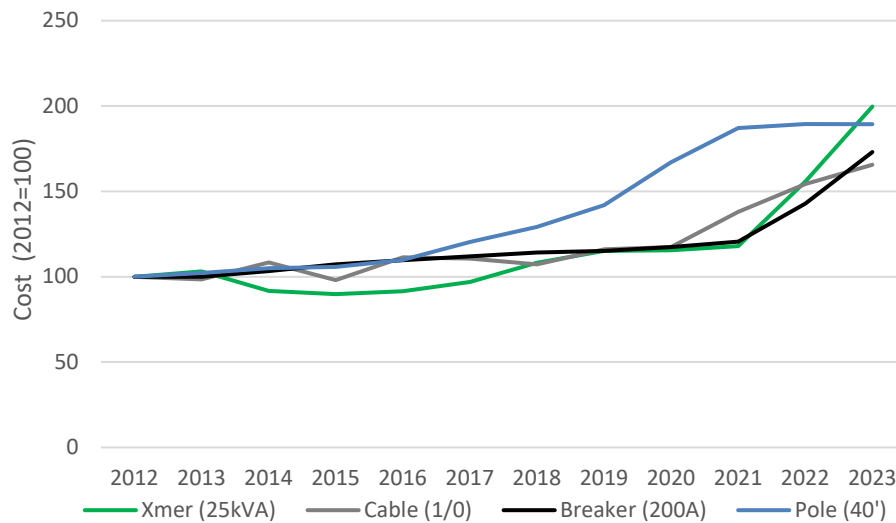
- **Inflating 2009 Study** – AEY has inflated the values from its last MIL Study completed in 2009, outlined in Table 1, to 2025 dollars using Handy-Whitman as a reference point and comparison to the detailed cost per lot study.
- **Using 5- and 3- year Median** – As a reference point, AEY also analyzed the sample size using 5- and 3- year historical median.
- **Desktop study of typical extension costs** – AEY conducted a desktop study using 2025 dollars based on the minimum costs of an extension to supply a new customer, considering AEY’s standards of service without cost sharing.

⁴ 2024 and 2025 estimated, based on the 10-year average rate.

Cost Per Materials Trending

14. As an anchor and a starting point for the updated MILs Study, AEY performed a historical cost analysis of the major components / materials typically used in new extensions. AEY considered the trend in costs over the last ten years, including materials costs for major components such as transformers, poles and breakers. As depicted in Figure 1 below, costs for materials such as transformers, pools and breakers have nearly doubled over that period. It is anticipated that these costs will continue to be elevated and to rise due to a number of factors such as the high demand during the energy transition resulting in a lack of supply. This analysis informed AEY as to the direction of the MILs Study and acted as an anchoring reference for AEY’s analysis of the four MIL classes.

Figure 1: Typical Material Costs



Excel Working Papers (Appendix B)

15. AEY also provided an Excel workbook in Appendix B for supporting tables and data used.

Residential MIL – Single Family

Description

16. The Residential Single Family service type is defined as a detached standalone residential building with a single service connection.

Analysis and Results

17. As outlined in the approach above, in determining the cost per lot AEY has utilized 10 years of known actual data, inflating the costs to 2025 dollars and determining the median. The robust sample size used in the Residential Single Family MIL study, over 10 years of data, provides a good representation of projects for both underground and overhead services, including different extension lengths and number of sites. The calculated MIL for Residential Single Family service type has been determined to be \$10,337/site. Below are the results of AEY's analysis.

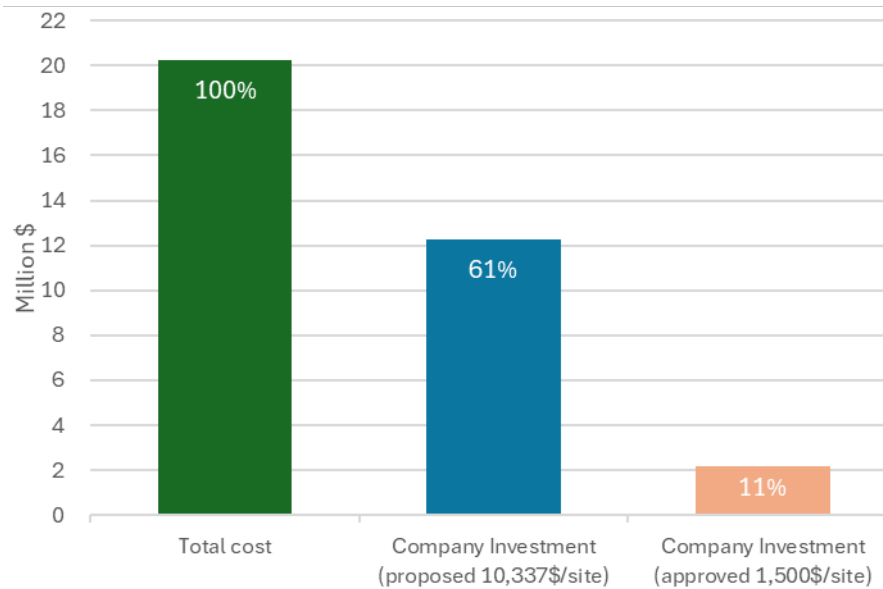
Table 4: Historical Expansion Costs – Residential Single Family

	2014-2023
Number of Sites	1,437
Total Cost - Not Inflated (\$000)	11,470
Total Cost - Inflated (\$000, 2025\$)	20,226
Average Cost, Inflated (\$/site, 2025\$)	14,075
Median Cost, Inflated (\$/site, 2025\$)	10,337

18. AEY then tested its proposed \$10,337 Residential MIL per lot to the number of sites over the last ten years and compared the historical total cost (inflated to 2025 dollars) versus the currently approved MIL (approved in 2011). Figure 2 shows the company investments in these two scenarios with respect to total investment.

19. Based on the test, the proposed 2025 MIL would cover 61 percent of the total cost being invested by the utility, whereas the 2011 approved MIL would cover only 11 percent of the average connection's total costs. The currently approved MIL leads to an improper price signal and an undue economic discipline being imposed on customers, who are currently contributing 89 percent of project costs on average, with the utility contributing 11 percent. The proposed MIL will better equalize the balance between customer versus utility investment and provide better price signals to customers who are making choices to invest in the Yukon.

Figure 2: Residential Single Family - Company Investment: Proposed vs. Approved MILs (2025 dollars)



Supplementary Approaches to Determining MILs

20. As part of AEY’s analysis, as indicated above, AEY conducted three supplemental analyses to test the cost per lot proposal.

Inflating 2009 Study

21. AEY inflated the 2009 Study figure outlined in Table 1 to 2025 dollars by applying the Handy-Whitman index as a reference point and compared this figure to the detailed cost per lot study. As seen in Table 5 below, the inflated 2011 cost per lot is consistent with the 10-year median cost per lot of \$10,337.

Table 5: 2009 Study Residential Single-Family MIL

2009 Study	
(2011\$/site)	(inflated, 2025\$/site)
4,373	10,347

Three and Five-year Medians

22. While AEY considers that the 10-year median is more appropriately used because it is based on a larger, and therefore, more representative, sample size, AEY also conducted a median analysis utilizing periods of the most recent three and five years to

investigate the behavior of the costs over time. Table 6 shows that the median cost for the five-year period is similar to the median value derived using the 10-year period, while the median cost for the three-year period is not. AEY considers that the three-year median may be less reliable due to the less representative sample size.

Table 6: Residential Single-Family MIL – Three and Five-Year Medians

Period	3-years (2021-2023)	5-years (2019-2023)
Number of Sites	334	920
Average Cost (2025\$/site)	11,347	14,102
Median Cost (2025\$/site)	6,347	9,943

Desktop Study of Typical Extension Costs

23. AEY conducted a desktop study that considered the current minimum costs of an extension to supply a new customer, based on AEY’s standards of service, in Whitehorse. The typical extension cost for a new Residential customer considers a single-phase overhead connection, with one transformer, one pole, and 30 meters of cable. Table 7 shows that the calculated Residential Single-Family MIL is consistent with the typical extension costs. The value is slightly higher than the median value derived using the cost per lot methodology (\$10,337).

Table 7: Residential Single-Family MIL – Desktop Study

Components	Cost (2025 \$/site)
Material, Equipment Rental	5,995
Labour	3,600
Overhead (Travel, Supervision, Warehousing, etc.)	1,419
Total	11,014

Residential Single-Family MIL Conclusion and Recommendation

24. As outlined above, AEY conducted a comprehensive study using a well-established cost per lot methodology, as well as supplementing this methodology with other analyses to ensure consistency and reaffirm AEY’s recommendation. Below is a summary of the results of various analyses.

Table 8: Residential Single Family MIL Recommendation

	10-Year Median (Recommended)	2009 Study	3-Year Median	5-Year Median	Desktop Study
MIL (2025\$/site)	10,337	10,347	6,347	9,943	11,014

25. AEY recommends the approval of the 10-year median extension cost of \$10,337/site as the Maximum Investment Level for Residential – Single-Family service type. Based on the historical analysis, the proposed 2025 MIL would represent 61 percent of the total cost being invested by the utility, which would strike the right balance between sending an appropriate price signal and enforcing economic discipline on customers choosing to invest in the Yukon.

Residential MIL – Multi-Dwelling

Description

26. The Residential Multi-Dwelling service type is defined as a residential building containing more than one Single-Family Dwelling unit.

Analysis and Results

27. As outlined above, in determining the cost per lot AEY utilized ten years of known actual data, inflated the costs to 2025 dollars and determined the median. The sample size used in the Residential Multi-Dwelling MIL Study provides a good representation of projects, including different extension lengths and number of customers, for both underground and overhead services. The calculated MIL for the Residential Multi-Dwelling service type is \$2,645/site. Below are the results of this analysis.

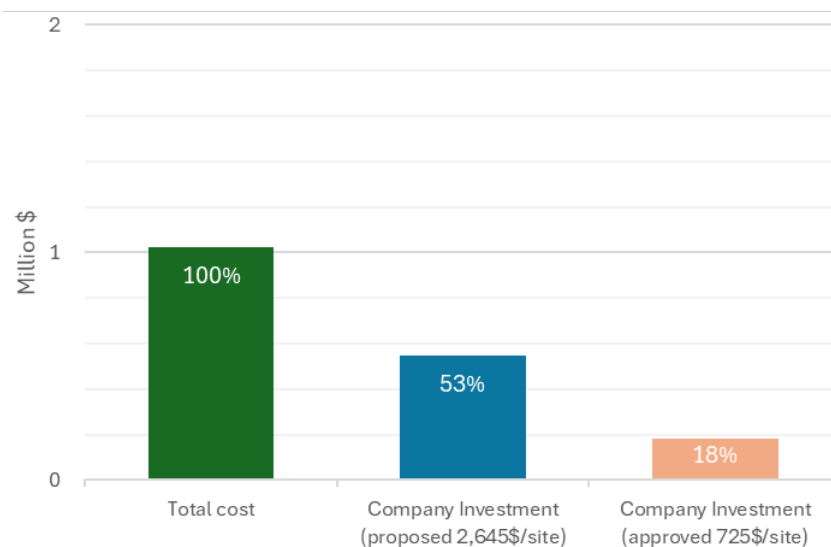
Table 9: Historical Expansion Costs – Residential Multi-Dwelling

	2014-2023
Number of Sites	254
Total Cost - Not Inflated (\$000)	561
Total Cost - Inflated (\$000, 2025\$)	1,022
Average Cost, Inflated (\$/site, 2025\$)	4,023
Median Cost, Inflated (\$/site, 2025\$)	2,645

28. AEY then tested its proposed \$2,645 MIL per lot to the number of sites over the last ten years and compared the historical total cost (inflated to 2025 dollars) versus the currently approved MIL (approved in 2011). Figure 3 shows the company investments in these two scenarios with respect to total investment.

29. The 2025 proposed MIL would cover 53 percent of the total cost being invested by the utility, whereas the 2011 approved MIL would cover only 18 percent of the average connection’s total costs. The currently approved MIL leads to an improper price signal and an undue economic discipline being imposed on customers, who are currently contributing 82 percent of project costs on average, with the utility contributing 18 percent. The proposed MIL will better equalize the balance between customer versus utility investment and provide better price signals to customers who are making choices to invest in the Yukon.

Figure 3: Residential Multi-Dwelling - Company Investment: Proposed vs. Approved MILs (2025 dollars)



Supplementary Approaches to Determining MILs

30. As part of AEY’s analysis, as indicated above, AEY conducted three supplemental analyses to test the cost per lot findings.

Inflating 2009 Study

31. AEY inflated the 2009 Study figure outlined in Table 1 to 2025 dollars (by applying the Handy-Whitman index) and compared this value to the detailed cost per lot study.

Table 10: 2009 Study Residential Multi-Dwelling MIL

2009 Study	
(2011\$/site)	(inflated, 2025\$/site)
2,187	5,175

32. The median Residential Multi-Dwelling extension cost calculated in the present study using the cost per lot method (\$2,645, shown in Table 9) is approximately half of the 2009 Study (inflated) shown in Table 10. AEY considers that this result is mainly due to the change in the methodology, as the currently proposed value was derived from a cost-based approach rather than simply taking 50 percent of the Single-Family value in the 2009 Study. AEY considers that the 10-year median better aligns with the City of Whitehorse bylaw⁵ issued in 2012, that allows up to four multi-residential units on existing single-family lots. Due to the change in the bylaw, simply taking 50 percent of the Single-Family value as done in the 2009 Study is no longer viable.

Three and Five-year Medians

33. While AEY considers that the 10-year median is more appropriately used because it is based on a larger, and therefore more representative, sample size, AEY also conducted a median analysis utilizing periods of the most recent three and five years to investigate the behavior of the costs over time. Table 11 shows that the median costs for the three and five-year periods are higher than the median value derived using the 10-year period. While the value derived from the 10-year cost per lot study is

⁵ City of Whitehorse Zoning Bylaw 2012-20, section 9.6.6 (a) updated with Bylaw 2024-16 passed April 22, 2024.

approximately half of the three- and five-year figures, AEY continues to believe the application of the 10-year median to be more representative.

Table 11: Residential Multi Dwelling MIL – Three and Five-year Medians

Period	3-years (2021-2023)	5-years (2019-2023)
Number of sites	27	133
Average cost (2025\$/site)	3,994	4,271
Median cost (2025\$/site)	4,046	4,046

Desktop Study of Typical Extension Costs

34. AEY conducted a desktop study that considered the current minimum costs of an extension to supply a new customer, based on AEY’s standards of service, in Whitehorse, and shared connections by four customers. The result of the desktop study is consistent with the median value derived for the Residential – Multi-Dwelling type using the cost per lot study methodology (\$2,645).

Table 12: Residential Multi Dwelling MIL – Desktop Study

Components	Cost (2025\$/site)
Material, Equipment Rental	1,499
Labour	900
Overhead (travel, supervision, warehousing, etc.)	355
Total	2,754

Residential Multi Dwelling MIL Conclusion and Recommendation

35. As outlined above AEY conducted a comprehensive study using a well-established cost per lot methodology, as well as supplementing this methodology with other analyses to ensure consistency and reaffirm AEY’s recommendation. Below is a summary of the results of the various analyses.

Table 13. Residential Multi-Dwelling MIL Recommendation

	10-Year Median (Recommended)	2009 Study	3-Year Median	5-Year Median	Desktop Study
MIL (2025\$/site)	2,645	5,175	4,046	4,046	2,754

36. AEY recommends the approval of the 10-year median extension cost of \$2,645/site as the MIL for Residential – Multi-Dwelling service type. Based on the historical analysis, the proposed 2025 MIL would represent 53 percent of the total cost being invested by the utility, which would strike the right balance between sending an appropriate price signal and enforcing economic discipline on customers choosing to invest in the Yukon.

General Service

Description

37. The General Service type refers to commercial customers and other non-residential units.

Analysis and Results

38. As outlined above, in determining the cost per kW AEY utilized ten years of known actual data, inflated the costs to 2025 dollars and determined the median. Given the unique nature of the General Service MIL class, AEY incorporated the capacity of the service as a factor in the MIL calculation. For example, projects with higher capacities benefit from economy of scale and, although more expensive, typically have lower costs per unit of capacity. On the other hand, smaller projects are more frequent (5 kW connection alone is almost 50 percent of the new extensions) and more diverse in nature, presenting a large range of costs. This is addressed as outlined below.

39. To preserve the diversity of demands and properly conduct the median calculation without unduly disregarding outliers, AEY used project capacity ranges when considering data. AEY determined a median value for different capacity ranges, which are assumed to be representative costs for each range. AEY then consolidated the medians into a single value by calculating their weighted average. Figure 4 shows the per unit costs of the projects built during the historical 10-year period from 2014-2023 and the calculated MIL. The capacity ranges are shown in different colors. Table 14 presents the medians per capacity range and the total weighted average. The resulting MIL for General Service is \$1,801 per kW.

Figure 4: General Service – Projects’ Costs 2014-2023

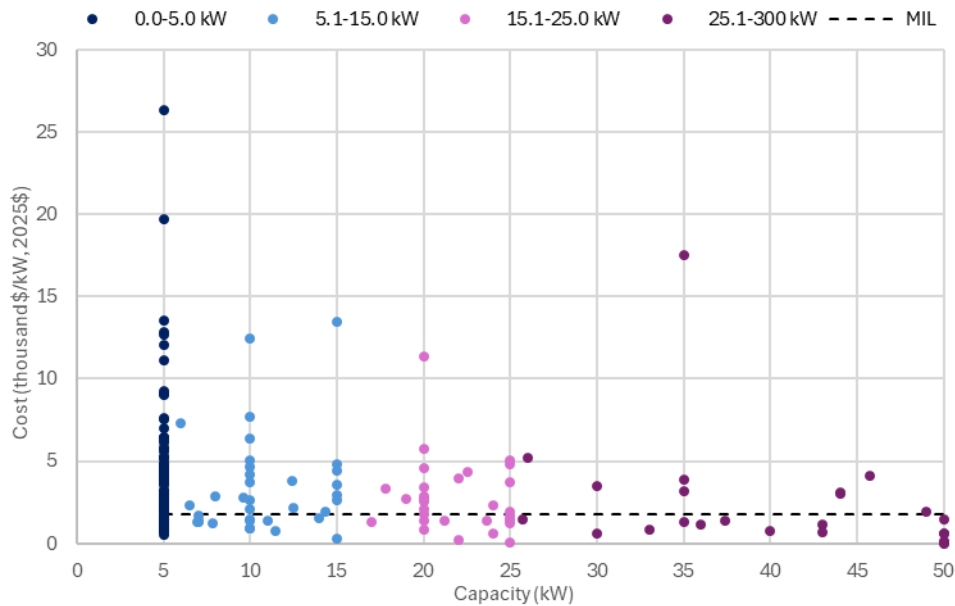


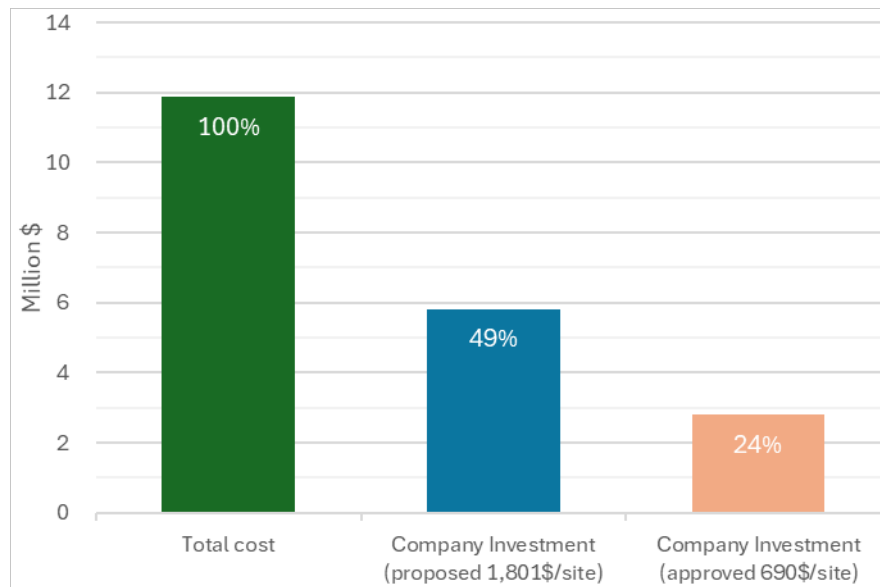
Table 14: Historical Expansion Costs – General Service

Capacity Range (kW)	0-5	5.1-15.0	15.1-25.0	25.0-300	Total
Total Capacity (kW)	465	387	658	2,748	4,258
Total Cost, not inflated (\$000)	1,760	1,058	989	2,708	6,514
Total Cost, inflated (\$000, 2025\$)	3,274	1,997	1,776	4,827	11,875
Average Cost, inflated (\$/kW, 2025\$)	7,041	5,166	2,699	1,756	2,789
Median Cost, inflated (\$/kW, 2025\$)	3,190	2,625	2,206	1,354	1,801

40. AEY then tested its proposed \$1,801/kW MIL to the number of sites over the last ten years and compared the historical total cost (inflated to 2025 dollars) versus the currently approved MIL (approved in 2011). Figure 5 shows the company investments in these two scenarios with respect to total investment.

41. The 2025 proposed MIL would cover 49 percent of the total cost being invested by the utility, whereas the 2011 approved MIL would cover only 24 percent of the average connection’s total costs. The currently approved MIL leads to an improper price signal and an undue economic discipline being imposed on customers, who are currently contributing 76 percent of project costs on average, with the utility contributing 24 percent. The proposed MIL will better equalize the balance between customer versus utility investment and provide better price signals to customers who are making choices to invest in the Yukon.

Figure 5: General Service - Company Investment: Proposed vs. Approved MILs (2025 dollars)



Supplementary Approaches to Determining MILs

42. As part of AEY’s analysis, as indicated above, AEY conducted three supplemental analyses to test the cost per kW findings.

Inflating 2009 Study

43. AEY inflated the 2009 Study figure outlined in Table 1 to 2025 dollars by applying the Handy-Whitman index as a reference point to compare this value to the detailed cost per kW study. AEY notes that the 2009 Study proposed a different approach for the General Service MIL than for the other service types, applying fixed and variable values for each new project MIL calculation, this comparison assumed the equivalent MIL per kW of a typical customer capacity.⁶ While the MIL value derived from the cost per KW study, above, is lower than the inflated cost based on the 2009 Study, AEY considers that the value derived using the cost per KW methodology better reflects the range of possible capacities.

⁶ The most common general service capacity is 5kW, representing 47.5% of the service type dataset. The proposed MIL of \$5,545+\$285/kW results in a total cost of \$6,970, or 1,394\$/kW (in 2011\$).

Table 15: 2009 Study General Service MIL

2009 Study	
(2011 \$/kW)	(inflated, 2025 \$/kW)
1,394	3,298

Three and Five-year Medians

44. While AEY considers that the 10-year median is more appropriately used because it is based on a larger, and therefore more representative, sample size, AEY also conducted a median analysis utilizing the same “per range” median calculation for periods of the most recent three and five years to investigate the behavior of the costs over time. Table 16 shows that the median cost for the five-year period is consistent to the median value derived using the 10-year period, while the three-year period is less reliable due to the less representative sample size, however, continues to be consistent to the cost per kW study.

Table 16. General Service MIL – Three and Five-year Medians

Period	3-years (2021-2023)	5-years (2019-2023)
Total Capacity (kW)	1,010	1,935
Average Cost (2025\$/kW)	2,595	3,102
Median Cost (2025\$/kW)	1,617	2,039

Desktop Study of Typical Extension Costs

45. AEY conducted a desktop study that the current minimum costs of an extension to supply a new customer, based on the AEY’s standards of service, in Whitehorse, and without cost sharing. The typical extension cost for a new General Service customer includes costs for a three-phase overhead connection, with one transformer, one pole, and nine meters of cable. This solution can supply a customer with up to 25 kW at the same cost.⁷ Table 17 shows that the calculated General Service MIL is about 60 percent lower than the typical extension costs for the typical customer. This difference is expected, as General Service projects have a range of possible costs per kW due to

⁷ The cost per kW depends on the capacity. The typical project total cost to supply customers in the range 5-25 kW is \$22,666/site. The typical customer 5kW would have the typical cost of \$4,533/kW.

(i) shared costs (up to the 25 kW mentioned above), and (ii) the extensions being commonly requested by 5 kW customers (almost 50 percent of the new connections).

Table 17: General Service MIL – Desktop Study

Components	Cost (2025\$/kW)
Material, Equipment Rental	2,697
Labour	1,360
Overhead (Travel, Supervision, Warehousing, etc.)	476
Total	4,533

General Service MIL Conclusion and Recommendation

46. As outlined above, AEY conducted a comprehensive study using a cost per kW methodology, as well as supplementing this methodology with other analyses to ensure consistency and reaffirm AEY’s recommendation. Below is a summary of the results of the various analyses.

Table 18: General Service MIL Recommendation

	10-Year Median (Recommended)	2009 Study	3-Year Median	5-Year Median	Desktop Study
MIL (2025\$/kW)	1,801	3,298	1,617	2,039	4,533

47. AEY recommends the approval of the 10-year median extension cost of \$1,801/kW as the MIL for General Service type. Based on the historical analysis, the proposed 2025 MIL would represent 49 percent of the total cost being invested by the utility, which would strike the right balance between sending an appropriate price signal and enforcing economic discipline.

Street Lighting

Description

48. The Street Lighting service type refers to municipal street lighting services.

Analysis and Results

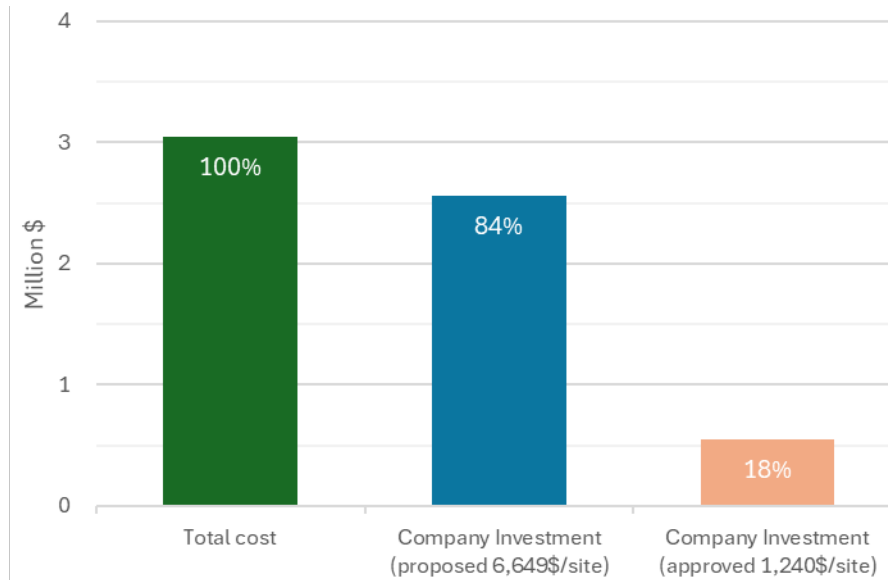
49. As outlined above, in determining the cost per light AEY has utilized ten years of known actual data, inflated the costs to 2025 dollars and determined the median. The sample size used in the Street Lighting MIL Study provides a good representation of projects, including different extension lengths and number of customers, for both underground and overhead services. The calculated MIL for the Street Lighting service type is \$6,649 per light. Below are the results of this analysis.

Table 19: Historical Expansion Costs – Street Lighting

	2014-2023
Number of Sites	439
Total Cost - Not Inflated (\$000)	1,904
Total Cost - inflated (\$000, 2025\$)	3,043
Average Cost, inflated (\$/light, 2025\$)	6,933
Median Cost, inflated (\$/light, 2025\$)	6,649

50. AEY then tested its proposed \$6,649 MIL per light to the number of sites over the last ten years and compared the historical total cost (inflated to 2025 dollars) versus the currently approved MIL (approved in 2011). Figure 6 shows the company investments in these two scenarios with respect to total investment. The 2025 proposed MIL would cover 84 percent of the total cost being invested by the company, whereas the 2011 approved MIL would cover only 18 percent of the average connection's total costs. The currently approved MIL leads to an improper price signal and an undue economic discipline being imposed on customers, who are currently contributing 82 percent of project costs on average, with the utility contributing 18 percent. The proposed MIL will better equalize the balance between customer versus utility investment and provide better price signals to customers who are making choices to invest in the Yukon.

Figure 6: Street Lighting - Company Investment: Proposed vs. Approved MILs (2025 dollars)



Supplementary Approaches to Determining MILs

51. As part of AEY’s analysis, as indicated above, AEY conducted three supplemental analyses to test the cost per fixture findings.

Inflating 2009 Study

52. AEY inflated the 2009 Study figure outlined in Table 1 to 2025 dollars (by applying the Handy-Whitman index as a reference point) and compared to the detailed cost per fixture study. As seen in Table 20 below, the inflated 2011 cost per lot is consistent to the 10-year median cost per light of \$6,649.

Table 20: 2009 Study Street Lighting MIL

2009 Study	
(2011\$/light)	(inflated, 2025\$/light)
2,772	6,559

Three and Five-year Medians

53. While AEY considers that the 10-year median is more appropriately used because it is based on a larger, and therefore more representative, sample size, AEY also conducted a median analysis utilizing periods of the most recent three and five years to

investigate the behavior of the costs over time. Table 21 shows that the median cost for a five-year period is consistent with the 10-year median, while the three-year period might be less reliable due to the less representative sample size.

Table 21: Street Lighting MIL – Three And Five-year Medians

Period	3-years (2021-2023)	5-years (2019-2023)
Number of Lights	187	428
Average Cost (2025\$/light)	5,083	6,925
Median Cost (2025\$/light)	3,834	6,649

Desktop Study of Typical Extension Costs

54. AEY conducted a desktop study that considered the current minimum costs of an extension to supply one new streetlight, based on AEY’s standards of service, in Whitehorse. The typical extension cost for a new Streetlight considers a single-phase underground connection, with one 32 W LED light, one pole, 30 meters of cable, and contractors. The desktop study is directionally aligned with the cost per light study of the last 10-years of available data, which incorporates different scales of projects such as new subdivisions.

Table 22: Street Lighting MIL – Desktop Study

Components	Cost (2025\$/light)
Material, Equipment Rental	2,160
Labour, Contractor	1,800
Overhead (Travel, Supervision, Warehousing, etc.)	611
Total	4,571

Street Lighting MIL Conclusion and Recommendation

55. As outlined above, AEY conducted a comprehensive study using a well-established cost per fixture methodology, as well as supplementing this methodology with other analyses to ensure consistency and reaffirm AEY’s recommendation. Below is a summary of the results of the various analysis.

Table 23: Street Lighting MIL Recommendation

	10-Year Median (Recommended)	2009 Study	3-Year Median	5-Year Median	Desktop Study
MIL (2025\$/light)	6,649	6,559	3,834	6,649	4,571

56. AEY recommends the approval of the 10-year median extension cost of \$6,649/light as the MIL for the Street Lighting service type. Based on the historical analysis the proposed 2025 MIL would have represented 84 percent of the total cost being invested by the utility, which would strike the right balance between sending an appropriate price signal and enforcing economic discipline.

Request - Maximum Investment Levels (MILs)

57. AEY requests that the MILs be increased according to the results of this study, detailed above and summarized in Table 24:

Table 24: Maximum Investment Levels, to be Effective in 2025

Service Type	MIL
Residential Single Family (\$/site)	10,337
Residential Multiple Dwelling (\$/site)	2,645
General Service (\$/kW)	1,801
Street Lighting (\$/light)	6,649

58. AEY considers that an annual inflation factor should be applied for each year in which a MILs study is not conducted to ensure that the annual MILs continue to be reflective of, or approximately reflective of, changes in cost pressures with respect to material and labour. As such AEY also requests that the Board approve the use of the CPI for Whitehorse, Yukon index to annually inflate MILs until AEY’s next MIL Study is conducted. While AEY believes the Handy-Whitman index is more relevant to use, since it is utility-specific, it will not be available in the timelines needed,⁸ so it is not proposed to be used. Further, AEY requests that the Board direct AEY to provide annual updates to the MILs via a no-notice application filed in in December of each year, to be applied in the following year.

⁸ The Handy-Whitman index is published only twice a year and may not be available at the time the updates are required.

Appendix A – Guiding Principles

Further Guiding Principles Considered:⁹

- (1) MILs should be set to achieve a reasonable balance of what an individual Customer pays upfront through a Customer contribution versus what all Customers in a particular rate class pay through ongoing rates;*
- (2) MILs should provide economic discipline and price signals to new Customers;*
- (3) The maximum amount that the Company invests in a new extension on behalf of all customers should consider the expected longevity or any other risks associated with the new service;*
- (4) The current cost to connect new Customers is the appropriate starting point for establishing MILs;*
- (5) Setting of MILs needs to respect the utility's standards of service, while recognizing that these standards and the associated costs will change over time;*
- (6) Changes to MILs should balance the need to attain the target MILs over a reasonable timeframe, while ensuring there is not undue upward pressure on tariff rates;*
- (7) Adjustments to MILs should consider minimizing intergenerational inequity and cross-subsidy, whereby the portion of the cost of an extension that the Company invests in should be in similar proportion with previously established investment levels. Both new and existing Customers should be treated similarly to the extent possible and should see similar price signal when the system is or was extended to provide service;*
- (8) To the extent practical, the structure of MILs should generally align with cost causation and the rate structure which is applied to the Customer;*
- (9) MILs should be simple to administer and applied in a consistent and transparent manner; and*
- (10) Utilities should take into consideration the approaches of neighboring utilities when developing MILs.*

⁹ These Guiding Principles were a result of the Alberta Utilities Commission (AUC) Decision 2008-011, that oriented Fortis Alberta (FAI) to discuss with other utilities and stakeholders a common approach to MILs. The resulting Guiding Principles were first included in FAI's 2010/2011 Distribution Tariff Application, Section 9 – Appendix O: Common 12 Approach to Maximum Investment Levels.



ATCO Electric Yukon (AEY)
Study On Maximum Investment Levels (MILs)

APPENDIX B – MILS STUDY EXCEL
FILED SEPARATELY