

1993-3

YUKON UTILITIES BOARD

INTERIM DECISION 1993-3

MAY 28, 1993

RE

YUKON ENERGY CORPORATION AND
THE YUKON ELECTRICAL COMPANY LIMITED

YUKON UTILITIES BOARD
INTERIM DECISION 1993-3

FRIDAY, THE 28TH DAY OF MAY, 1993.

IN THE MATTER OF the Public Utilities Act,
being Chapter 143 of the Revised Statutes of
Yukon, 1986, as amended;

AND IN THE MATTER OF a joint application by
Yukon Energy Corporation and The Yukon
Electrical Company Limited to the Yukon
Utilities Board for Orders approving changes
in the existing rates, tolls or charges for
electric light, power or energy and related
services supplied to its customers within
Yukon.

BEFORE:

THE YUKON UTILITIES BOARD

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BOARD MEMBERS

Edith Walters

Chair

Doug Row

Vice-Chair

Vi Campbell

Robert Laking

Gordon Duncan

INTERIM DECISION

1. INTRODUCTION AND BACKGROUND

Yukon Energy Corporation ("YEC") and The Yukon Electrical Company Limited ("YECL") (jointly referred to as "the Companies") filed a joint application dated March 17, 1993 with the Yukon Utilities Board ("the Board") for Orders of the Board fixing and approving just and reasonable rates, charges or schedules thereof for electric light, power or energy and related services to be supplied by the Companies, including Terms and Conditions of Service with respect to the Test Years 1993 and 1994.

On December 22, 1992, YEC filed an application with the Board requesting that an interim refundable rate applicable to Curragh Resources Inc. effective April 1, 1993 be established. In its Decision 1993-1, the Board fixed and approved Rate Schedule YEC-39 - Industrial Primary on an interim refundable basis to be effective for consumption on and after April 1, 1993.

The joint application contained an application for the implementation of interim refundable rates effective May 1, 1993 for all bills issued on and after that date. The Companies proposed increases in the industrial rate of 33.3%, the amount required to recover the cost of service in accordance with Order-in-Council 1991/62. The Companies also proposed increases in rates to other customer classes averaging 8.4%.

The Companies further proposed varying run-out block rates to reflect more closely the differing incremental costs of energy supplied in each of the basic rate zones: hydro, large diesel, small diesel and Old Crow. Increases were also proposed to monthly service charges in order to move these rates closer to the fixed customer cost of service.

In accordance with Order-in-Council 1991/62, rates for government residential and general service classes were proposed to be increased by the same overall percentage in rates as the other retail classes.

The Board, following public notice, heard the Companies' joint application for interim refundable rates at a public hearing held in the City of Whitehorse on April 28, 1993.

In Interim Decision 1993-2 dated May 14, 1993 the Board stated that it was satisfied that the granting of rate increases to the Companies on an interim refundable basis is fair to both consumers and the utilities.

In Interim Decision 1993-2 the Board ordered the Companies to provide to the Board, for its approval, revised rate schedules to be effective June 1, 1993 reflecting the following:

- (a) a Rider of 20% on all rates and charges made by the Companies to customers served under Rate Schedule 39 - Industrial Primary;

- (b) a Rider of 6.75% on all rates and charges made by the Companies to all other customers served by the Companies, except for wholesale customers; and
- (c) a revised wholesale rate to reflect the impact of the Riders set forth in Items (a) and (b) above.

The Companies responded to Interim Decision 1993-2 by way of a letter dated May 20, 1993. The Companies attached proposed Riders G and H which they requested be approved effective June 1, 1993, without any specification as to effective consumption dates. The Companies also requested that the existing wholesale rate remain in place as the data required to make the adjustment is not available, the use of data from the existing application would yield an unrealistic transfer rate and a further adjustment to the rate will be required to give effect to the Board's final decision.

2. BOARD FINDINGS

Riders G and H attached hereto as Schedule "A" are hereby fixed and approved as interim refundable rates to be effective June 1, 1993 for all billings on and after June 1, 1993 until otherwise altered by the Board.

The Board does not consider that the removal of the effective date of consumption will have a material effect on customer rates.

The Board will defer approval of the wholesale rate until final rates arising from the general rate application are set.

The Board wishes to emphasize that the rates have been increased on an interim refundable basis. Final rates will not be set by the Board until the completion of the full hearing process, during which all Intervenors will be given an opportunity to examine the issues in which they are interested and to express their concerns to the Board.

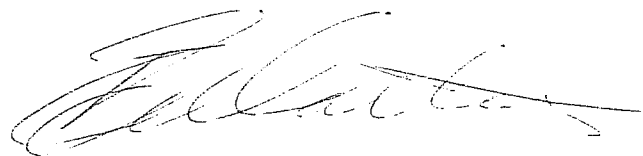
3. ORDER

THE BOARD HEREBY ORDERS THAT:

1. Riders G and H attached hereto as Schedule "A" are hereby fixed and approved as interim refundable rates to be effective June 1, 1993 for all billings on and after June 1, 1993 until final rates arising from the general rate application respecting 1993 and 1994 are set.
2. The interim refundable rates, tolls or charges herein approved are subject to further review by the Board and may be changed as the Board may direct.
3. Nothing in this Order shall bind, affect or prejudice the Board in any way in its consideration of any other matter or question relating to the Companies.

DATED AT WHITEHORSE, YUKON this 28th day of May, 1993.

YUKON UTILITIES BOARD



CHAIR

THE FOLLOWING ARE

RIDERS G AND H

REFERRED TO AS SCHEDULE "A"

(Consisting of 2 Pages)

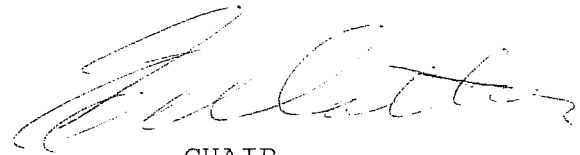
ATTACHED TO AND FORMING PART OF

YUKON UTILITIES BOARD

INTERIM DECISION 1993-3

DATED MAY 28, 1993

YUKON UTILITIES BOARD

A handwritten signature in cursive script, likely belonging to the Chair of the Yukon Utilities Board, positioned above the title 'CHAIR'.

CHAIR

RIDER G

INTERIM RATE INCREASE RIDER

APPLICABLE:

To all Customers served under Rate Schedule 39 - Industrial Primary.

RATE:

A Surcharge of 20.0% will be applied to all energy and demand charges for bills issued on or after June 1, 1993.

NOTE:

Rider G does not apply to Rider E.

Rider G does not apply to Rider F.

Rider G does not apply to Rider D.

Rider G does not apply to Rider H.

RIDER H

INTERIM RATE INCREASE RIDER

APPLICABLE:

To all electric service retail rates throughout the Yukon Territory except those customers served under Rate Schedule 39 - Industrial Primary.

RATE:

A Surcharge of 6.75% will be applied to all customer, energy and demand charges for bills issued on or after June 1, 1993.

NOTE:

Rider H does not apply to Rider E.

Rider H does not apply to Rider F.

Rider H does not apply to Rider D.

Rider H does not apply to Rider G.