

1994-2

YUKON UTILITIES BOARD

DECISION 1994-2

MARCH 17, 1994

RE

YUKON ENERGY CORPORATION AND  
THE YUKON ELECTRICAL COMPANY LIMITED

YUKON UTILITIES BOARD

DECISION 1994-2

THURSDAY, THE 17TH DAY OF MARCH, 1994.

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 applications 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

CONTENTS

	<u>Page</u>
1. APPLICATION	1
1.1 BACKGROUND	1
1.1.1 RATE SCHEDULE 40	2
1.1.2 RATE SCHEDULE 39	7
1.1.3 RATE SCHEDULE 33	9
1.1.4 RATE SCHEDULE 32	10
1.1.5 RIDER H	10
1.1.6 RIDER F	10
1.2 SURPLUS HYDRO GENERATING CAPACITY	10
1.3 INTERRUPTIBILITY	12
1.4 PROPOSED METHOD OF ACCOUNTING	12
1.5 INTERIM REFUNDABLE RATE SCHEDULE 39	13
2. BOARD FINDINGS	14
3. ORDER	17

SCHEDULE A: RATE SCHEDULES 33, 39 & 40 AND RIDERS F & H

## 1. APPLICATION

### 1.1 BACKGROUND

In a letter dated October 21, 1993, Yukon Energy Corporation ("YEC") and The Yukon Electrical Company Limited ("YECL") ("the Companies") notified the Yukon Utilities Board ("the Board") that as of October 14, 1993 the Companies reconnected service to the Faro mine site. The Companies proposed to introduce a Site Maintenance rate (Rate Schedule 40) to apply to industrial customers during prolonged shutdown periods. The Companies also considered it necessary to make certain amendments to Rate Schedules 33 and 39 and Rider H.

The Companies do not consider the proposed amendments to the Rate Schedules and Riders to be a new application. The Companies noted that the intention of their October 21, 1993 letter was to update the revised filing of June 2, 1993 by introducing Rate Schedule 40 and correcting errors which existed in other Rate Schedules previously submitted to the Board.

The Board reviewed the application and in a letter dated November 25, 1993 requested responses to ten Information Requests. On December 8, 1993 the Companies provided responses to those Information Requests. On December 22, 1993 the Board invited registered Intervenorors to provide any comments and submissions with respect to the Companies' application. Replies were received by the Board from Friends of Aishihik ("FOA"), Superior Indoor Climate Engineering ("SICE"), the City of Whitehorse ("the City") and Peat Marwick Thorne Inc. ("PMT") the interim receiver of certain assets of Curragh Inc. ("Curragh"). By letter of January 28, 1994 the Companies responded to Intervenor comments forwarded to the Board.

#### 1.1.1.1 RATE SCHEDULE 40

The shutdown of Curragh's operations during 1993 created conditions of surplus hydro generating capacity on the WAF system. Similarly, the shutdown of United Keno Hill Mine Limited's ("UKHM") operations in 1989 resulted in surplus hydro generating capacity on the Mayo system.

The Companies proposed to make Rate Schedule 40 available to industrial primary customers during extended shutdown periods under the following conditions:

1. Surplus hydro generating capacity is available on the system which serves the customer.
2. Delivery of power is subject to interruptibility on 24 hours notice.
3. Service will be delivered to customers who have the ability to meet their own power needs for Site Maintenance should service from the Companies be interrupted.
4. Rate Schedule 40 is not available for any manufacturing, processing or mining production.
5. Resumption of manufacturing, processing or mining production would require the customer to pay for energy and power under Rate Schedule 39.

The Companies proposed to set Rate Schedule 40 at:

"... two-thirds of the forecast equivalent variable cost of electric energy derived from diesel fuel at the Faro mine site, including provision for fuel and lubricants (about 9.2¢/kW.h) as well as reasonable provision for other operating and maintenance costs (at least 1.3¢/kW.h)." (YEC/YECL letter dated October 21, 1993, Page 2)

The rate would be calculated as follows:

$$(9.2¢/\text{kW.h} + 1.3¢/\text{kW.h}) \times 2/3 = 7.0¢/\text{kW.h}$$

The Companies proposed to offer Rate Schedule 40 to the operators of the Faro and UKHM Mayo mine sites.

In response to the Companies' proposal, FOA submitted that:

1. As long as the Faro mine consumption remains in the range of 200 to 800 MW.h per month, the Companies' proposal was acceptable. However, if monthly demands exceed 1,000 MW.h, FOA had "many related concerns". FOA, therefore, suggested that a cap of 1.0 GW.h per month be applied at the Faro mine for Rate Schedule 40.
2. Stripping of overburden should fall into the category of "manufacturing, processing or mining" as stated in proposed Rate Schedule 40.
3. The utilities defined "surplus hydro" in such a way that, FOA believes, could lead to partial or complete depletion of long-term storage at Aishihik to the detriment of other customers.
4. The criteria for interrupting power for the economic benefit of customers was not provided by the Companies.
5. More detailed information should be provided to justify the 7¢/kW.h rate.

SICE stated that Rate Schedule 40 should apply to the Faro mine only, since it would lead to increased charges to UKHM at Mayo.

The City did not oppose the introduction of Rate Schedule 40.



in particular for restricting the use of Aishihik generation as suggested by FOA.

4. Rate Schedule 40 allows eligible customers on parts of the WAF and Mayo systems to secure significant power savings during extended shut-down periods. The Companies submitted that it would be discriminatory, and therefore inappropriate, for the rate to name specific customers as the rate simply provides an option for eligible customers and this option should not be restricted to only the Faro mine.
5. The Companies noted that they have used the best information currently available to assess Faro mine fuel costs for on-site generation, and that such costs are reasonable in light of the information available to the Companies.
6. With respect to SICE's comments respecting the proposed rate to be charged to UKHM at Mayo, the Companies submitted that in Order 1993-7 the Board approved the closing of Rate Schedule 32 which resulted in UKHM being eligible for Rate Schedule 39 at an approximate cost of 9.5¢/kW.h. The Companies noted that the approval of Rate Schedule 40 would allow UKHM at Mayo the option to pay 7¢/kW.h inasmuch as it is an industrial primary customer experiencing an extended shut-down period.

In response to Intervenor submissions the Companies made the following comments:

1. The Companies were not aware of any basis for the Faro mine site operator to request average monthly consumption beyond the 200 to 800 MW.h range. The Companies submitted that it would be inappropriate for the Board to adopt the proposal of a specific cap on Rate Schedule 40 sales to the Faro mine as such an approach would be discriminatory, and further that no justification was provided as to the amount of the cap. The Companies stated that it is inappropriate to restrict Rate Schedule 40 sales provided that there is surplus hydro energy available for sale.
2. The Companies consider that stripping of overburden would fall within the meaning of "manufacturing, processing or mining production" as set forth in Rate Schedule 40.
3. The Companies noted that Rate Schedule 40 gives them latitude as to the basis for interruption, as well as to the determination of surplus hydro availability, and that surplus hydro will be determined for the purposes of Rate Schedules 32 and 40 taking into account any equipment breakdowns (planned or unplanned). The Companies could see no basis for any adjustments to Rate Schedule 40, and

1.1.2 RATE SCHEDULE 39

As a result of the shutdown of all mining operations with peak demand in excess of 1,000 kW, there are no customers currently being served in Yukon under Rate Schedule 39. However, as noted above, once customers being served under Rate Schedule 40 resume manufacturing, processing or mining production activities they will be required to pay for delivery of electricity under Rate Schedule 39.

Given that there are no established customers under Rate Schedule 39, the Companies proposed a generic energy charge of 4.0¢/kW.h which reflects:

"... previous assessments of the energy rate required to cover cost of service in 1994 if the Faro mine and mill resumed full operation." (YEC/YECL letter dated October 21, 1993, Page 3)

The monthly demand charge and the monthly fixed charge are currently based on service to the Faro mine site.

The Companies noted that they have undertaken to consult with the Board and Intervenors if either the Faro or Mayo mines resume production.

Subsection 8.(1) of Order-in-Council 1991/62 ("OIC") states:

"The Board must ensure that the rates charged to major industrial power customers, whether pursuant to contracts or otherwise, are sufficient to recover the costs of service to that customer class; those costs must be determined by treating the whole Yukon as a single rate zone and the rates charged by both utilities must be the same."

In order to ensure compliance with that Subsection of the OIC the Companies noted that adjustments would be required to Rate Schedule 39 should either of the Faro or Mayo mining operations resume production. The Companies, therefore, proposed that Rate Schedule 39 should be considered interim refundable, and thus retroactively adjustable to the time an eligible customer commences service under Rate Schedule 39.

PMT opposed the publication of Rate Schedule 39 at this time and requested that the Board not approve it. PMT submitted that since the Faro mine is not operating, approval of the rate is unnecessary and its approval at this time would prejudice the chances of the mine reopening because Rate Schedule 39 as proposed would result in an average cost per kW.h for the Faro mine which would exceed the economic rate of approximately 5¢/kW.h.

The Companies noted that the Board has already approved Rate Schedule 39 in Board Order 1993-7. The Companies submitted that Rate Schedule 39 is required for other potential industrial customers in addition to the Faro mine, as well as for any customer (including the Faro mine) that elects to use Rate Schedule 40 and then fails to be interrupted and/or recommences production activities.

1.1.3 RATE SCHEDULE 33

In their application the Companies introduced a new Rate Schedule 33 to accommodate the UKHM Venus mine, which currently does not have a peak demand in excess of 1,000 kW and, therefore, would not be eligible for service under Rate Schedule 39. Rate Schedule 33 includes an energy charge for consumption and a monthly fixed charge for customer specific costs which would not be subject to Rider H.

SICE and FOA commented that the proposed rates would increase charges to UKHM at Venus, and that the imposition of this increase at this time is unfair.

The Companies noted that Rate Schedule 39, as approved by Board Order 1993-7, contemplates that UKHM at Venus is eligible for Rate Schedule 39. Subsequent to the issuance of Board Order 1993-7, the Companies became aware of the need to amend Rate Schedule 39 to remove reference to UKHM at Venus inasmuch as its demand was not in excess of 1,000 kW. The Companies stated that this customer probably should be charged at the applicable general service rate which is considerably higher than Rate Schedule 39. Therefore, the Companies proposed that Rate Schedule 33 be restored for UKHM at Venus with an energy charge of 9.8¢/kW.h, an increase equal to the average increase required by Board Order 1993-1-6 of 24%. The Companies indicated in BD-YEC/YECL-2 that the impact of their proposal is to increase the annual charge to UKHM at Venus by approximately \$550.

1.1.4 RATE SCHEDULE 32

The Companies did not apply to amend Rate Schedule 32. However, the customers who receive service based on this rate will be impacted by the introduction of Rate Schedule 40 (see Section 1.3, Interruptibility).

1.1.5 RIDER H

The Companies proposed to amend the wording in the Rider H schedule to specifically exclude Rate Schedule 40 due to the market-based nature of Rate Schedule 40.

1.1.6 RIDER F

As a result of the Board's Information Requests the Companies applied to amend the wording in Rider F to specifically exclude Rate Schedule 40.

1.2 SURPLUS HYDRO GENERATING CAPACITY

On their proposed Rate Schedule 40 the Companies indicated that:

"Site Maintenance Energy is available from time to time in parts of the WAF and Mayo system[s] as determined by YEC and YECL based on the availability of surplus hydro."

In response to a Board Information Request the Companies provided clarification of the definition of "surplus hydro" vis-a-vis its availability for delivery of power under Rate Schedules 32 and 40. The Companies provided the following definition:

"'Surplus hydro' means hydraulic electrical energy generation capability at the YEC Whitehorse Rapids, Aishihik, and Mayo hydraulic generation facilities that is unused and results in water being spilled at these facilities due to the firm load (before consideration of Site Maintenance or Secondary Energy) in the relevant system (WAF or Mayo) being less than the hydraulic generation capability then available at these facilities, with such capability that is unused being equated to the capability of such generation facilities and related transmission facilities to utilize such spilled water, taking into account any equipment breakdowns then affecting such facilities." (BD-YEC/YECL-5(a))

The Companies further explained that limited amounts of diesel generation would likely be used to serve customers under Rate Schedules 32 and 40 during periods of peak consumption on the system.

Based on the conditions expected to prevail in 1994, the Companies estimated that Site Maintenance Energy (Rate Schedule 40) sales would benefit other customers provided that surplus hydro generation is used to meet at least 25% of such sales. In addition, Secondary Energy (Rate Schedule 32) sales would benefit other customers provided that surplus hydro generation is used to meet at least 64% of such sales over any specified time period.

### 1.3 INTERRUPTIBILITY

The Companies indicated that interruption of supply to customers under Rate Schedules 32 and 40 would not be expected to be required unless there is a forecast net cost for at least one full week. The Companies also indicated that priority will be assigned to Site Maintenance Energy (Rate Schedule 40) sales over Secondary Energy (Rate Schedule 32) sales. The Whitehorse General Hospital ("**the Hospital**"), and any other Rate Schedule 32 customers, will have their priority reduced as a result of the introduction of Rate Schedule 40. The Companies noted that they expected to review the new circumstances with the Hospital to:

"... see if mutually acceptable restrictions could apply for that part of the peak demand days when diesel generation is required (since this approach would remove the need for the Company to interrupt service for the full day)." (BD-YEC/YECL-5(d))

### 1.4 PROPOSED METHOD OF ACCOUNTING

The Companies' response to the Board Information Request regarding their intended method of accounting for revenues derived under Rate Schedule 40 was not clear. However, the Companies did not include any revenues under Rate Schedule 40 in the forecast revenues filed in their 1993/94 General Rate Application.



The City and SICE proposed that actual net revenues collected from Faro under Rate Schedule 40 be credited to Rider H. The Companies stated that this approach would be acceptable as long as it is modified to cover any change (positive or negative) in secondary/industrial net revenue from the forecast used for the General Rate Application (\$279,662 for 1994).

1.5 INTERIM REFUNDABLE RATE SCHEDULE 39

In response to an Information Request regarding the proposed interim refundable nature of Rate Schedule 39, the Companies noted that:

"... the advent of a new industrial load will likely change utility costs, as well as cost of service allocated to the industrial class. The Board is therefore expected to ensure compliance with OIC 1991/62 by review of the situation. It is therefore apparent that any industrial customer should anticipate such a review, and should for this reason view Rate Schedule 39 as an 'interim rate' for the purpose of any planned operations covering many months." (BD-YEC/YECL-9)

The Companies consider that any amendments to the industrial rate arising out of such a review should be retroactive to the time of start-up of the new industrial customer.

## 2. BOARD FINDINGS

The Board finds the proposed introduction of Rate Schedule 40, and the proposed amendments to Rate Schedules 33 and 39 and Riders F and H, to be a continuation of the Companies' 1993/94 General Rate Application.

For the purposes of Rate Schedules 32 and 40, the Board accepts the Companies' definition of surplus hydro generation.

The Board recognizes that it is not currently possible to determine the annual sales to customers under Rate Schedule 40. However, no evidence was presented which indicates that such sales will be substantially in excess of the range forecast by the Companies. The Board does not consider it necessary or appropriate to impose a specific cap on Rate Schedule 40 sales to the Faro mine. Further, the Board does not consider it appropriate to restructure the use of Aishihik generation as suggested by FOA. The Board expects that the Companies will manage water resources to the optimum benefit of their firm customers.

The Board finds that the phrase "manufacturing, processing or mining" as stated in Rate Schedule 40 includes stripping of overburden.

The Board finds that Rate Schedule 40 should not be restricted to the Faro mine. As noted by the Companies, the Board approved the closing of Rate Schedule 32, Industrial Primary, in Board Order 1993-7. The Board considers that the public hearing process provided UKHM with ample opportunity to

express concerns to the Board respecting proposed changes to its rates. The Board notes that the rates currently being proposed for UKHM at Mayo are less than those approved in Board Order 1993-7 and the rates currently being proposed for UKHM at Venus are marginally higher.

The Board finds that it is appropriate for the Companies to publish Rate Schedule 39 for the reasons advanced by them.

The Board finds that, based on the conditions provided by the Companies and as set out in this Decision, Rate Schedule 40 is appropriate. Rate Schedule 40 is approved effective October 14, 1993, the date when service was reconnected to the Faro mine site.

The Board finds that all revenues derived from the Faro mine site under Rate Schedule 40 by the Companies after October 14, 1993, less:

- (a) reasonable costs of associated incremental diesel generation to supply the Faro mine site under Rate Schedule 40 and
  - (b) forecast revenues from sales to the Hospital to the extent such sales are displaced by sales to customers served under Rate Schedule 40,
- are to be included in a deferral account for subsequent application to the benefit of customers as directed by the Board.

The Board directs the Companies to provide it with monthly reports showing the following:

1. revenues by customer from sales under Rate Schedules 32 and 40,
2. incremental diesel generating costs associated with sales to the Faro mine site,
3. details of interruptions by customer, and
4. details of sales to Rate Schedule 40 customers which displaced sales to Rate Schedule 32 customers.

The reports shall be filed for each month commencing in October 1993 within fifteen (15) days of the month end. Reports respecting the months of October 1993 to February 1994 shall be filed with the Board within thirty (30) days of the date of this Decision.

The Board finds that the proposed amendments to Rate Schedule 39 are appropriate. Further, the Board finds that the rate shall be interim refundable and retroactively adjustable to the time when a customer commences service under this Rate Schedule.

The Board finds that the proposed amendments to Rate Schedule 33 and Riders F and H in the filing of October 21, 1993 are appropriate.

3. ORDER

WHEREAS Yukon Energy Corporation and The Yukon Electrical Company Limited have applied to the Board for approval of amendments to Rate Schedule 39 and Riders F and H, and for approval of the introduction of Rate Schedules 33 and 40;

NOW THEREFORE IT IS ORDERED THAT:

1. The rates, tolls and charges of Yukon Energy Corporation and The Yukon Electrical Company Limited set out in Schedule "A" attached hereto be and the same are hereby fixed and approved as interim refundable rates to be effective for billings issued on and after November 1, 1993.
2. Interim Rate Schedule 39 and Interim Riders F and H fixed and approved in Board Order 1993-7 are hereby replaced by the rates, tolls and charges approved in this Order.
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 the City of Whitehorse in the Yukon Territory  
this 17th day of March, 1994.



Edith Walters, Chair  
Yukon Utilities Board

SCHEDULE "A"

THE FOLLOWING ARE  
RATE SCHEDULES 33, 39 & 40 AND RIDERS F & H

FOR

YUKON ENERGY CORPORATION AND  
THE YUKON ELECTRICAL COMPANY LIMITED

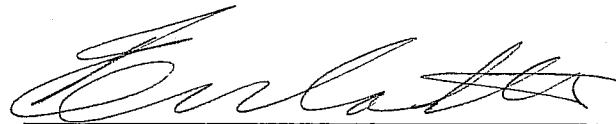
(Consisting of 9 Pages)

ATTACHED TO AND FORMING PART OF

YUKON UTILITIES BOARD

DECISION 1994-2

DATED MARCH 17, 1994

A handwritten signature in cursive script, appearing to read 'Edith Walters', is written over a horizontal line.

Edith Walters, Chair  
Yukon Utilities Board

**RATE SCHEDULE - 33**

**UNITED KENO HILL MINES**

**AVAILABLE:** To the United Keno Hill Mines Limited operations.

**APPLICABLE:** Old Venus Mine site in Yukon  
Pooley Point - office and shop in Yukon  
Mill site in British Columbia

**RATE:** For service rendered in any one billing month as follows:

(a) **Energy Charge**

The bill for the energy charge shall be rendered monthly as follows:

For all energy used 9.80¢/kW.h

(b) **Fixed Charge**

A fixed charge of \$1,240.00 per month until commencement of production and \$4,330.00 per month thereafter.

(c) **Minimum Monthly Bill**

Shall be the energy charge plus the monthly Fixed Charge.

**RATE  
MODIFICATIONS  
APPLICABLE:**

For fuel adjustment Rider, see Rider F. Revenue catch-up riders, such as Rider H, do not apply to the Fixed Charge.

**RATE SCHEDULE - 33 (Continued)**

**ELECTRIC  
SERVICE  
REGULATIONS:**

The Company's Electric Service Regulations approved by the Yukon Utilities Board form part of this rate schedule and apply to the Company and every customer supplied with electric service by the Company in the Yukon and British Columbia. Copies of the Electric Service Regulations are available for inspection in the offices of the Company during normal working hours.



**RATE SCHEDULE - 39**

**INDUSTRIAL PRIMARY**

**AVAILABLE:** Throughout the service areas of YEC and YECL served by the WAF and Mayo systems.

**APPLICABLE:** To all major Industrial customers engaged in manufacturing, processing or mining with an electric service capacity in excess of 1,000 kW, except those customers served under Rate Schedule 40 Site Maintenance Energy.

**RATE:** Charges in any one billing month shall be the sum of the following:

(a) **Demand Charge** \$18.60/KVA of billing demand

(b) **Energy Charge**

For customers without a specified Base Load Energy amount, an energy charge of 4.00¢/kW.h for all energy used.

For all other customers, Base Load Energy charge of 3.351¢/kW.h for energy that does not exceed the Base Load, plus 9.84¢/kW.h for all energy consumed in excess of the Base Load.

(c) **Fixed Charge**

A fixed monthly charge as determined for each customer, based on fixed customer-specific costs of service. To date, the following amount has been determined:

For service to Faro mine site, Fixed Charge of \$21,446 per month.

**Rate Schedule - 39 (Continued)**

**MINIMUM  
MONTHLY  
BILL:**

The minimum monthly bill will be the sum of the Demand Charge and the monthly Fixed Charge.

**BILLING  
DEMAND:**

The billing demand shall be the greater of:

- (a) the highest metered KVA demand recorded in the current billing month or
- (b) the highest metered KVA demand recorded in the previous 12 month period including the current billing month or
- (c) the contract minimum demand.

If no metered KVA demand is recorded under (a) or (b), the billing demand shall equal two times the average hourly energy used in the current billing month. A customer shall maintain metered KVA demand records for each month that there is any manufacturing, processing or mining production from the facilities.

**BASE LOAD  
ENERGY:**

A Base Load Energy amount per month may be established for a customer at 90% of forecast use when the Company expects to require diesel fuel generation to service use in excess of such a Base Load Energy amount.

**RATE  
MODIFICATIONS  
APPLICABLE:**

For fuel adjustment rider, see Rider F. Rider F applies to energy charges only.

**Rate Schedule - 39 (Continued)**

**ELECTRIC  
SERVICE  
REGULATIONS:**

The Company's Electric Service Regulations approved by the Yukon Utilities Board form part of this rate schedule and apply to the Company and every customer supplied with electric service by the Company in the Yukon and British Columbia. Copies of the Electric Service Regulations are available for inspection in the offices of the Company during normal working hours.

**OTHER  
CONDITIONS:**

The provisions affecting maximum KVA demand that the Company may be obligated to deliver to a customer requesting service for the Faro mine will be as specified in Section 6 of the Amending Agreement to Supply Agreement made between Curragh Inc. and YEC dated June 1, 1992 ("Previous Amending Agreement"), and the same form part of this Rate Schedule and apply to the Company and any customer requesting service for the Faro mine. In addition, the provisions set out in Section 6 (Remedy for Non-Payment), Section 7 (Remedy for Default), and the General Agreement Conditions as specified in an Agreement dated February 20, 1986 (the "Supply Agreement") initially entered into between Northern Canada Power Commission (the "Commission") and Curragh Resources, a partnership, form part of this rate schedule and apply to the Company and any customer requesting service for the Faro mine. Copies of the Previous Amending Agreement and the Supply Agreement are available for inspection in the offices of the Company during normal business hours.

**RATE SCHEDULE - 40**

**SITE MAINTENANCE ENERGY**

**AVAILABLE:**

Site Maintenance Energy is available from time to time in parts of the WAF and Mayo system as determined by YEC and YECL based on the availability of surplus hydro. Qualified, potential customers will be notified by the Company whenever site maintenance energy is available for periods in excess of one month.

**APPLICABLE:**

Site Maintenance Energy is applicable only to major industrial customers engaged in manufacturing, processing or mining, with an electric service capacity in excess of 1000 kW, which satisfy all of the following conditions:

1. The Site Maintenance Energy is fully interruptible at 24 hours notice at the request of the Utility.
2. YEC and YECL are satisfied that the customer's facility has not had any manufacturing, processing or mining activity for a period of at least six consecutive months, and that this non-productive status is expected to continue at the facility for at least a further six consecutive months after Site Maintenance Energy is first provided.
3. YEC and YECL are satisfied that the Site Maintenance Energy is used only for activities required to ensure that the customer's facilities remain capable of resuming production, fit for resale, or to avoid environmental hazards during an extended shutdown period, and such energy shall not be used for any manufacturing, processing or mining production.

**Rate Schedule - 40 - (Continued)**

4. YEC and YECL are satisfied that alternative electric power or other services are available on 24 hours notice to maintain the facility's productive capacity and to avoid environmental problems in the event of electric power interruptions of unlimited duration.

**RESUMPTION OF PRODUCTION:**

Immediately upon the resumption of any level of production from the facilities, all energy (kW.h) and power (KVA) recorded at the customer's facilities will be billed under the standard industrial Rate Schedule 39 including all fixed charges or any applicable contract in effect at that time.

**RATE:**

**Energy Charge**

All Energy Consumption

7.00 ¢ per kW.h

**BILLING:**

Payment of a bill for service is due and payable on the date indicated on the bill. Payment must be received within one working day of the billing date, or service under this rate schedule will be discontinued and the customer will not be eligible for future service under this rate schedule.

**ELECTRIC SERVICE REGULATIONS:**

The Company's Electric Service Regulations approved by the Yukon Utilities Board, except as amended by this rate schedule, form part of this rate schedule and apply to the Company and every customer supplied with electric service by the Company in the Yukon and British Columbia. Copies of the Electric Service Regulations are available for inspection in the offices of the Company during normal working hours.

Effective: 1993 11 01  
Supersedes: 1992 12 01

**RIDER F**

**FUEL ADJUSTMENT RIDER**

**AVAILABLE:** To all electric service throughout the Yukon Territory.

**APPLICABLE:** To all classes of service.

**RATE:** Service will be rendered at the applicable rates with the following surcharge/(refund) to cover changes in the unit cost of fuel.

An adjustment of 0.0 cents per kW.h will be applied to all kW.h consumed.

**NOTE:** The change in this Rider will change in accordance with changes in the Companies' fuel costs calculated on a unit basis by reference to kW.h sales. Such changes to the change in this Rider shall be implemented coincident with changes in the Companies' costs of fuel or at such time as is practical.

Rider F does not apply to Rate Schedule 32 Secondary Energy and Rate Schedule 40 Site Maintenance Energy.

**RIDER H**

**1993 REVENUE CATCH-UP RIDER**

**APPLICABLE:**

To all electric service retail rates throughout the Yukon Territory except those customers served under Rate Schedule 32, Rate Schedule 39, and Rate Schedule 40.

**RATE:**

A Surcharge of 5.263% will be applied to all customer energy and demand charges for bills issued from November 1, 1993 until an amount of \$2,045,000 has been collected.

**NOTE:**

Rider H does not apply to Rider F.

Rider H does not apply to Rate Schedule 32 Secondary Energy, Rate Schedule 39 Industrial Primary, and Rate Schedule 40 Site Maintenance Energy.