

1998-1

AN ORDER IN THE MATTER OF the Public Utilities Act
Revised Statutes, 1986, c. 143, as amended

and

Application by the Yukon Energy Corporation
and the Yukon Electrical Company Limited

BEFORE: B. Morris, Chair)
 G. Duncan, Vice Chair)
 G. Leslie, Member) January 29, 1998

ORDER 1998-1

WHEREAS:

- A. On December 16, 1997, Yukon Energy Corporation ("YEC") and Yukon Electrical Company Limited ("YECL") (the "Companies"), in accordance with Board Orders, filed an application to finalize 1997 rates (the "Final Rates Application") made interim by Board Order 1997-6, requesting the following Board Orders:
 - (a) an interim refundable Rider of 3% to non-Anvil customers to collect that portion of YEC's 1997 revenue shortfall to be collected from those ratepayers;
 - (b) an interim refundable rider of \$118,000 per month to Anvil Range Mining Corporation ("Anvil") to recover the 1997 Cost of Service shortfall relating to Anvil; and
 - (c) an Order directing Rider G charges and Rider G rebates be extended after December 31, 1997, until they are fully collected/rebated; and
- B. Citing "Ongoing Uncertainties and Ratepayer Risks Related to Faro Mine", the Final Rates Application included a request for the following Board orders:
 - (a) starting January 1, 1998 and until the long-term Anvil financing is established, Anvil be required to pay 80% of its forecast bill at the beginning of the month, the balance being paid at the end of the month;
 - (b) starting January 1, 1998 Rate Schedule 39 be amended to reflect winter/summer rate variation; and
 - (c) the Electric Service Regulations be amended to address concerns related to gaming noted in Order 1997-6.

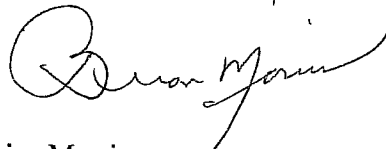
- C. On December 24, 1997 Board order 1997-13 approved the extension of Rider G charges and Rider G rebates and directed that written submissions be made regarding the proposals to require Anvil to prepay 80% of forecast bills and to amend Electric Service Regulations with respect to gaming.
- D. Anvil subsequently announced that the Faro operations would be shut down and obtained a Court Order on January 16, 1998 granting court protection under the *Companies' Creditors Protection Act* ("CCAA").
- E. The Board has reviewed the submissions.

THE BOARD THEREFORE orders as follows:

- 1. The application for the Board to require 80% prepayment by Anvil of its forecast monthly bill is stayed and suspended at this time.
- 2. The Board directs that the payment of Rider G rebates to Territorial and Federal Government General Service customers pursuant to Board Order 1996-8 and 1997-13 be suspended until such time as the Faro mill resumes normal operations as a Rate Schedule 39 customer of YEC without court protection under the terms of the *CCAA*, or until the Board determines final rates for 1997.
- 3. Electric Service Regulation 4.18 Reconnection or Restoration of Service is amended, effective the date of this Order, to add as follows:
 - "d. the minimum monthly bill for each month of disconnection, if service is reconnected within 12 months of disconnection for all rate schedules and service except for seasonal service."

Dated at the City of Whitehorse, in the Yukon Territory, this 29 day of January, 1998.

BY ORDER



Brian Morris
Chair

YUKON UTILITIES BOARD

P.O. Box 6070, 19 - 1114 First Avenue,

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Our file no.: 2200

Your file no.:

January 30, 1998

By fax

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Y1A 3T4

R. McWilliam
Yukon Energy Corporation
P.O. Box 5920
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Dear Sirs:

Re: YEC/YECL 1997 Final Rate Application

I enclose a copy of Board Order #1998-1 with respect to selected matters in your application to finalize 1997 rates.

Yours truly,



Jim Slater

Enclosure

cc	K. Forgaard	Anvil	Fax	668 6518	
	I. Blue	Anvil	Fax	(416) 369 8877	350-6921
	Larry Bagnell	AYC	Fax	668 7574	
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