

**IN THE MATTER OF the *Public Utilities Act***

**and**

**An Application by Yukon Energy Corporation  
for Approval of Revenue Requirements for 2012 and 2013**

**BEFORE:**            B. McLennan, Chair     )     May 4, 2012  
                          R. Laking                    )       
                          R. Hancock                )       
                          N. Prasad                  )     

**BOARD ORDER 2012-03**

**WHEREAS:**

- A. On April 27, 2012, Yukon Energy Corporation (YEC or Company) filed with the Yukon Utilities Board (Board), pursuant to the *Public Utilities Act* (Act), and Order-In-Council 2012/68, an Application requesting an order approving a forecast revenue requirement for the 2012 and 2013 test years, an interim refundable rate rider effective July 1, 2012, and implementation of overall rate adjustments through implementation of Rider J and Rider R (General Rate Application).
- B. The General Rate Application proposes a revenue requirement of \$39,857,000 for 2012, representing an increase over revenues from existing rates and riders of \$3,455,000 or 9.5%. For 2013, YEC proposes a revenue requirement of \$45,641,000, representing an increase over the proposed 2012 revenue requirement of \$5,784,000, or 14.6%.
- C. More specifically, YEC seeks approval of:
- Rider J for 2012 of 6.4% applicable to all YEC and YECL retail firm rates and a Rider J of 2.9% applicable to all major industrial firm rates then in effect pursuant to Board Order 2011-14, including the fixed Rider F charge of 0.211 cents/kWh;
  - Rider R, 2013 Yukon Energy Revenue Shortfall Rider, starting January 1, 2013, applicable to all YEC and YECL retail firm rates and to all industrial firm rates, including Rider J;
  - Rate Schedule 42, to trigger the Energy Reconciliation Adjustment (ERA) provision of Rate Schedule 42 on an ongoing basis effective January 1, 2012, and to adjust the specific wording of the ERA as required to reflect updates to the DCF; and
  - Interim refundable rates effective July 1, 2012.

- D. The Board has reviewed the General Rate Application and has determined that a hearing process is needed to make a decision on the application.

**NOW THEREFORE** the Board orders as follows:

1. A workshop into the General Rate Application will commence at 1:00 p.m. on May 30, 2012, at a location to be determined by YEC in Whitehorse, Yukon.
2. Persons intending to participate in the proceeding must register in writing with the Board's Executive Secretary no later than May 18, 2012, indicating the nature of their interest and the issues they will address or that are of interest to them in relation to the General Rate application.
3. The following process schedule has been set by the Board:

<b>Action</b>	<b>Date (2012)</b>
Register with the Board	May 18
YEC Workshop	May 30
Information Requests to YEC	June 21
Information Responses from YEC	July 12
Intervenor Evidence	August 2
Information Requests to Intervenors	August 16
Information Responses from Intervenors	August 30
YEC Rebuttal Evidence (if necessary)	September 6
Hearing	September 17-19 inclusive
Final Argument	October 4
Reply Argument	October 18

4. The Board will determine a process pertaining to the interim refundable rate rider, Rider J.
5. YEC will arrange for publication in display-ad format, not later than May 9, 2012, of a Notice of Application and Workshop, in accordance with the attached copy, in such appropriate local news publications in the service area of the Company so as to provide adequate notice to the public.

6. The General Rate Application and supporting material are to made available for inspection at the head offices of the Company.
7. If requested by an Intervenor, YEC is to provide a copy of the Application and any supplemental information.

**DATED** at the City of Whitehorse, in the Yukon Territory, this 4<sup>th</sup> day of May 2012.

BY ORDER

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Bruce McLennan  
Chair

# YUKON UTILITIES BOARD

## Notice of Application Workshop and Hearing

Workshop  
Time: 1:00 p.m.  
Date: May 30, 2012  
Location: To be determined  
Whitehorse, Yukon

Hearing  
Time: 9:00 a.m.  
Date: September 17-19, 2012  
Location: To be determined  
Whitehorse, Yukon

### Summary of Application

The Yukon Energy Corporation (YEC) has filed an application with the Yukon Utilities Board (Board) for approval of its proposed revenue requirements for the years 2012 and 2013 (Application). YEC is the main generator and transmitter of electrical energy in the Yukon and provides electrical service directly to retail customers in and around Dawson City, Mayo and Faro, and indirectly to retail customers on the joined Whitehorse-Aishihik-Faro and Mayo-Dawson systems through wholesale sales.

YEC is seeking approval of revenue requirements of \$39,857,000 for 2012 and \$45,641,000 for 2013. These amounts represent an increase over revenues from existing rates and riders of \$3,455,000 (9.5%) for 2012. For 2013, the proposed revenue requirement represents an increase over the 2012 proposed revenue requirement by \$5,784,000, or 14.6%.

In addition the application addresses the following matters:

- Update of Diesel Contingency Fund and Related Matters
- Mayo B Flexible Note
- Planning Costs Accounting Policy
- Demand Side Management (DSM) Accounting Policy
- IFRS Changes
- General Overhead Allocation
- Interest During Construction

YEC is also requesting approval of interim refundable rate riders effective July 1, 2012.

### Workshop

YEC will hold a Workshop regarding the application commencing at 1:00 p.m. on **Wednesday, May 30, 2012**, at a location to be determined in Whitehorse, Yukon. The workshop is designed to assist the public in gaining a better understanding of the application.

### Hearing

An oral public hearing of the Application is tentatively scheduled to commence at 9:00 a.m. on **Monday, September 17, 2012**, at a location to be determined in Whitehorse, Yukon. The oral hearing is tentatively scheduled for three days.

### Schedule of Proceeding

Pending Ministerial approval, the Board has established the following schedule for this proceeding:

Action	Date (2012)
Register with the Board	May 18
YEC Workshop	May 30
Information Requests to YEC	June 21
Information Responses from YEC	July 12
Intervenor Evidence	August 2
Information Requests to Intervenors	August 16
Information Responses from Intervenors	August 30
YEC Rebuttal Evidence, if necessary	September 6
Hearing	September 17-19 inclusive
Final Argument	October 4
Reply Argument	October 18

### Interventions

Persons intending to participate in the Workshop, Hearing and other process steps are to register in writing with the Board's Executive Secretary no later than **Friday, May 18, 2012**, indicating the nature of their interest and the issues of interest in relation to the application. Registration for the Workshop is not required.

### Public Inspection of the Application

The Application and supporting documents are available for inspection at the following Yukon Energy Corporation locations:

- Head Office: 2 Miles Canyon Road, Whitehorse, Yukon; and
- District Offices in relevant Yukon communities.

A copy of the Application and supporting documents are also available on the Board's website at <http://yukonutilitiesboard.yk.ca/proceedings/yecgra2012/>

### Clarification and Board Contact

Persons intending to participate and who are uncertain as to the manner in which to proceed may contact the Board's Executive Secretary, Deana Lemke, by telephone at (867) 667-5058, in writing to Box 3178, Whitehorse, Yukon Y1A 6L3, by email to [yub@utilitiesboard.yk.ca](mailto:yub@utilitiesboard.yk.ca) or by fax at (867) 667-5059.