

**IN THE MATTER OF the *Public Utilities Act*
Revised Statutes of Yukon, 2002, c. 186, as amended**

and

**General Rate Application for 2008 and 2009
by Yukon Energy Corporation**

BEFORE: W. Shanks, Chair) November 14, 2008
 R. Laking, Vice-Chair)
 R. Hancock)
 J. Woodland)
 K. Avery)

BOARD ORDER 2008-16

WHEREAS:

- A. On October 6, 2008, Yukon Energy Corporation (YEC) filed with the Yukon Utilities Board (Board) an application, pursuant to the *Public Utilities Act* and Order-In-Council 1995/90, requesting an order approving forecast revenue requirements for the 2008 and 2009 test years of \$29.217 million for 2008 and \$31.599 million for 2009 (General Rate Application or Application).
- B. The Application also requests approval of an Interim Refundable Rates for retail rate reductions (Rider U) commencing November 1, 2008, which was subsequently amended to December 1, 2008, applicable only to first block rates where feasible, without any rate rebalancing between customer classes. YEC also requests that an increase in residential runoff rates be approved as part of an Interim Refundable Rates Order (Interim Application).
- C. The Board issued a letter on October 17, 2008, asking for submissions from interested parties on YEC's request for interim refundable rates.
- D. Submissions were received from Leading Edge Projects Inc, Yukon Electrical Company Limited (YECL), the Utilities Consumers' Group and the City of Whitehorse. A reply was received by the Board from YEC on October 22, 2008.
- E. The Board has considered the Application, the submissions from Leading Edge Projects, the Utilities Consumers' Group, the City of Whitehorse, YECL and the reply from YEC. The Board notes that all interested parties support customers receiving the immediate benefits of higher sales arising from YEC's interconnection of Minto Explorations. The Board also notes that the interested parties support the position that it is more appropriate to consider rate restructuring within the context of a Phase II proceeding. The Board agrees with interested parties that alternative rate structures should be tested before

implementation and that on an interim basis, Rider J is the best vehicle to flow through the benefits to retail customers.

NOW THEREFORE, the Board orders as follows:

1. The Board denies the interim refundable rate as requested by YEC.
2. YEC is to implement an interim rate by amending Rider J and applying a 5.98%¹ decrease to the base rates of all rate classes, except Rates 39 and 32, effective December 1, 2008.

DATED at the City of Whitehorse, Yukon, this 14th day of November 2008.

BY ORDER



Wendy Shanks
Chair

¹ From Page 4-3 of YEC's 2008/2009 General Rate Application. The rate reduction is calculated as the 2009 Firm Rate Reduction Proposed/2009 Forecast Revenues from Table 2.2 of page 2-16 of the Application. The forecast revenues from Table 2.2 excludes industrial and secondary sales. The calculation = $\$1,334,000 / (\$1,335,000 + 2,637,000 + 71,000 + 3,000 + 18,258,000) = 5.98\%$