

**CARCROSS AREA PROPERTY OWNERS ASSOCIATION
PO BOX 5
CARCROSS, YUKON Y0B 1B0**

17 September 2013

Yukon Utilities Board
Box 31728
Whitehorse, Yukon Y1A 6L3



Dear Sir:

RE: Yukon Electrical Company Limited 2013-2015 General Rate Application

Pursuant to section 25(1) of your revised Rules of Practice, we are pleased to provide our views regarding the above mentioned general rate application. Our comments are restricted to the proposed capital project entitled: "**Carcross 2MVA Standby Diesel Unit**".

On 05 November 2011 our Association sent a letter to Premier Darrell Pasloski cc'd to your Board recommending that backup power generation be provided in the Carcross area in the near future.

In the fall of 2012 we initiated a petition requesting a diesel backup generator for the Carcross - Tagish area. It was signed by approximately 330 residents and property owners in the Carcross -Tagish area with strong support from those in Little Atlin Lake, Tagish, Crag Lake, Carcross, Lewes Lake and points between, including a significant number of members of the Carcross/Tagish First Nation.

The Petition was tabled in the Yukon Legislative Assembly on 31 October 2012 by our MLA, Kevin Barr. (See Business case # 12, Attachment 1 in the GRA).

Our Association supports the proposed project and agrees with the rationale set forth in the application.

We put forward the following additional points.

1. Rapidly Growing Seasonal Tourism Industry in The Area

Over the past four years the Government of Yukon has spent more than 12 million dollars developing tourism infrastructure in Carcross. The rationale for this is the natural and historic attractiveness of the area and the fact that more tourists visit Carcross than any other Yukon community. Many visitors arrive on day trips by bus or train tours from Skagway.

A number of new food and retail shops have opened recently and more are expected. This year the Carcross/Tagish First Nation together with some partners opened the Carcross Commons a commercial center that includes the YG Visitor Center, a coffee shop, a pizza parlor, a fish and chip food/retail shop, a bistro, an art studio/shop and a native craft shop. At least two more outlets are planned for next summer.

Add these to Matthew Watson General Store, Montana Service's grocery store and restaurant, the Sourdough Bakery, and a jewelry store. Not to mention, the Caribou Crossing Trading Post

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and Museum, the White Pass gift shop and ticket office, Spirit Lake Lodge and RV Park and the Six Mile Resort in Tagish and you have a lot of businesses trying to make a profit in a less than 100 day tourist season.

A power outage shuts most of these businesses down causing losses that can be critical to the success or failure of the businesses. In addition, the public washroom facility in downtown Carcross shuts down causing many tourists to cut their visit short.

We believe that standby power infrastructure is essential to the success of our area's tourism initiatives.

2. Public Safety

Standby power is required for the safety of residents in our area particularly during the dark cold months of winter. Emergency medical services function much better when electrical services are available. Imagine the difficulty facing an ambulance crew when they respond to an emergency at someone's home at night. They must find the residence, diagnose and attend to the patient in the dark, losing time which could be critical. Police, fire services, and disaster response services are handicapped by power outages as well.

For many households an oil or propane fired electrical heater is the only source of heat. A significant number of these households are close to the poverty line or on welfare and can't afford to install a backup heat source such as a wood stove or fireplace.

Many of our seniors and elders are struggling to maintain an independent lifestyle, often living alone in their homes. They do not always have the capability to adequately deal with a power outage. Others have power dependant support equipment such as respirators and are constantly worried about the reliability of electrical service. Sometimes they have to be relocated to an emergency shelter especially during lengthy outages.

For these reasons, we believe that standby power is required for public safety.

3. Fairness

Most Yukon communities have enjoyed standby power for many years and rate payers in the Carcross - Tagish area have contributed to their service. Our area has a larger customer base than most of the other communities and we strongly believe that this service is long overdue in our area.

I am attaching several letters of support from local businesses. Thank you for considering our concerns.

Yours truly


Willard Phelps
President

**Attachment 1
Letters of Support**

Heike Graf	Caribou Crossing Coffee Carcross Commons
Anne Morgan and Jamie Toole	Caribou Hotel and Sourdough Bakery Carcross
Ron O'Connor	Matthew Watson General Store Carcross
Richard Tran	Spirit Lake Lodge and RV Park South Klondike Highway, Carcross

**Caribou Crossing Coffee
Carcross Commons
Carcross, Yukon
Y0B 1B0**

12 September 2013

Yukon Utilities Board
Box 31728
Whitehorse, Yukon Y1A 6L3

Dear Sir:

RE: Yukon Electrical Company Limited 2013-2015 General Rate Application

I am writing to express my support for the proposed Carcross Standby Diesel Unit in the General Rate Application.

I operate a small gourmet coffee shop at the Carcross Commons from spring to fall. This is a new retail village owned by the Carcross/Tagish First Nation located in downtown Carcross. Several tourist oriented businesses are located at the Commons which had its grand opening this spring.

Our tourism season is quite short lasting about 100 days from late May to mid September. Most of my customers are tourists on bus tours which make a brief stop in Carcross so people can get a cup of coffee or an ice cream cone as they check out the shops. I have to be ready and open every day during the tourist season in order to ensure the success of my business.

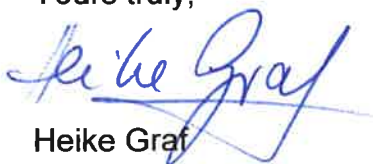
I note that our area is served by an aging transmission line with power outages occurring quite frequently. There were several this summer.

Such outages have a big impact on my business. Everything shuts down: my espresso coffee machine, fridge and cooler, ovens and washroom facility. I have lots of food that can spoil easily. Plus, I have no computer or credit card capability and Americans don't like to deal in cash.

Having backup power available during outages is critical to support the growing tourism industry here in Carcross.

Other Yukon communities with less electrical customers than Carcross have backup generation. I think we should too.

Yours truly,



Heike Graf

Anne Morgan and Jamie Toole
Box 102
Carcross, Yukon
Y0B 1B0

Yukon Utilities Board
Box 31728
Whitehorse, Yukon
Y1A 6L3

September 9th, 2013

To whom it may concern,

RE: Yukon Electrical Company Limited 2013-2015 General Rate Application

I am writing to express support for the proposed Carcross Standby Diesel Unit.

My partner and I own the Chilkoot Cabins, the historic Caribou Hotel and Chilkoot Trail Authentic Sourdough Bakery, located in downtown Carcross. During the short summer season we are pleased to serve residents and visitors in our historic Yukon community.

Serving guests who rent our cabins relies on power, which provides hot water, lighting, heat, internet, coffee pots, microwaves and televisions. Customers visiting the bakery are expecting hot coffee, fresh baking, clean facilities and a safe, well lit interior. We need reliable power to provide our guests with the level of service that they have come to expect.

Although the historic Caribou Hotel is not yet open to the public, we expect to protect this Yukon historic site with fire protection that relies on power. Our future customers will most certainly expect a reliable level of service and comfort, which is difficult to maintain without a reliable source of power.

Power outages in Carcross are frequent and long, and it can take quite some time before service can be restored. These outages make it impossible to provide banking services and the lack of adequate lighting makes it unsafe for visitors to enter our dimly lit historic bakery building.

The bakery (and eventually the hotel) stores a large inventory of both fresh foods that need to be kept chilled and frozen product that must be kept frozen. These goods are perishable and the long and frequent power outages can easily spoil a great deal of our costly inventory.

As in other Yukon towns, backup power is essential to community infrastructure. This basic service would contribute to the safety and comfort of the residents of the Carcross and Tagish area.

Sincerely,



Jamie Toole

Anne Morgan and Jamie Toole

06 September 2013

Yukon Utilities Board
Box 31728
Whitehorse, Yukon Y1A 6L3

Dear Sir:

RE: Yukon Electrical Company Limited 2013-2015 General Rate Application

I am writing to express our support for the proposed Carcross Standby Diesel Unit in the GRA. We own and operate a general store in downtown Carcross. We sell souvenirs and ice cream. Our season is short and lasts only about 100 days. Most of our customers arrive on bus tours and have a brief amount of time to spend in Carcross. On most days, we have a whirlwind of traffic through our store over a 6 to 8 hour period. In order for our business to be successful, we need to be stocked, staffed and powered up every day and when each group arrives. Our customers do not have time to wait; if we are not ready, they will not be back "later".

Power outages in Carcross are not rare and when they happen, they are not of short duration. These outages cause us to shut down as we do not have lights for people to see their way through our old store and we are not able to provide credit card services. Our biggest concern is for our ice cream. We keep a very large inventory of ice cream on our premises. The ice cream must be kept frozen and is extremely perishable. When ice cream has had time to thaw and is then re-frozen, it is not fit to serve to our customers. The long and frequent power outages cost us a lot of money in terms of product loss.

We believe that backup power is an essential infrastructure for the growing tourism industry in our area. Other communities in Yukon have backup generation and we believe that customers in the Carcross - Tagish area deserve equal treatment.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ron O'Connor', written in a cursive style.

Ron O'Connor
Matthew Watson General Store

**Spirit Lake Lodge and RV Park
PO Box 155
Carcross, Yukon
Y0B 1B0**

10 September 2013

Yukon Utilities Board
Box 31728
Whitehorse, Yukon Y1A 6L3

Dear Sir:

RE: Yukon Electrical Company Limited 2013-2015 General Rate Application

I am writing to express my support for the proposed Carcross Standby Diesel Unit in the General Rate Application.

I own and operate a motel, RV park and restaurant at Spirit Lake located approximately seven miles north of Carcross on the South Klondike Highway.

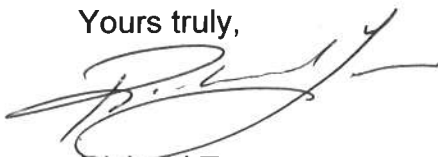
Our main tourist season lasts about 100 days. As such, we have to be open every day during this period in order to ensure the success of our business. A power outage causes us to pretty well shut down. Our refrigerators and freezers stop working, our kitchen has to close and our credit card machine does not function. Thousands of dollars of perishable inventory could be lost.

Our area is served by an aging transmission line and power outages occur quite frequently. In fact, there were several outages this summer during the height of the tourist season.

I believe that backup power is an essential infrastructure for the growing tourism industry in our area.

Other similar communities in Yukon have backup power generation and I believe that customers in the Carcross - Tagish area deserve equal treatment.

Yours truly,



Richard Tran