

April 30, 2021

Ms. Deana Lemke
Executive Assistant
Yukon Utilities Board
P.O. Box 31728
Whitehorse, Yukon Y1A 6L3

Dear Ms. Lemke:

**Re: ATCO Electric Yukon (AEY)
2020 Annual Filing and Financial Statements**

In accordance with Sections 25 and 84 of the Public Utilities Act, please find the following information attached:

- a. Utility Income and Rate of Return
- b. Computation of Net Rate Base
- c. Schedule of Allowance for Working Capital
- d. Reconciliation of Utility Income to Net Earnings
- e. Analysis of Depreciation Reserve
- f. Cost of Debt Capital Employed
- g. Property, Plant and Equipment
- h. Signed Affidavit
- i. List of Officers and Directors
- j. Audited Financial Statements
- k. Key Performance Indicators

If you have any questions, please contact me at chris.cullingham@atco.com.

Yours truly,

Chris Cullingham
Manager, Regulatory

THE YUKON ELECTRICAL COMPANY LIMITED
(O/A ATCO ELECTRIC YUKON)
UTILITY INCOME AND RATE OF RETURN
For The Year Ended December 31, 2020
(\$000s)

Revenue		78,644
Less:	Non-Utility Revenue	-
		78,644
Costs and Expenses		63,837
Less:	Non Allowables	35
	Non-Utility O&M	-
	Non Utility Income Taxes	(61)
		(26)
Add:	Depreciation	6,707
	Income Taxes	910
	Amortization of Contribution for Extensions	(1,754)
	Amortization of Deferred Costs	335
		6,197
UTILITY EXPENSE		70,060
UTILITY INCOME		8,584
NET RATE BASE		107,486
RATE OF RETURN		7.99%

THE YUKON ELECTRICAL COMPANY LIMITED
(O/A ATCO ELECTRIC YUKON)
COMPUTATION OF NET RATE BASE
For The Year Ended December 31, 2020
(\$000s)

PROPERTY PLANT AND EQUIPMENT		
BALANCE AT December 31, 2020		258,109
Add:	Regulatory Assets	719
Less:	Accumulated Depreciation	99,163
	Construction Work-in-Progress	9,146
		<u>108,309</u>
NET BALANCE AT YEAR END		150,519
Add:	Previous Year's Balance	144,886
TOTAL		<u>295,405</u>
MID-YEAR BALANCE		147,702
Add:	Allowance for Working Capital	3,435
Less:	Mid-Year Contribution for Extensions	42,902
Add:	Mid-year Deferred Charges/Credits	(749)
		<u>107,486</u>
NET RATE BASE		<u>107,486</u>

**THE YUKON ELECTRICAL COMPANY LIMITED
(O/A ATCO ELECTRIC YUKON)
SCHEDULE OF ALLOWANCE FOR WORKING CAPITAL**

For The Year Ended December 31, 2020

(\$000s)

Operations and Maintenance	63,561
Add: Other Taxes	277
Less: Non-Allowables and Non-Utility O&M	35
Net O&M	<u>63,802</u>
O&M Lag Days	4
Operating Expenses Working Capital	<u>727</u>
Tax installments	(257)
Income Tax Installment Lag Days	22
Tax Installments Working Capital	<u>(15)</u>
Income taxes receivable (payable)	(776)
Tax Receivable Lag Days	204
Taxes Payable Working Capital	<u>(434)</u>
Inventory (Three year average)	<u>2,565</u>
GST Impact on working capital	<u>159</u>
Return - Long Term Debt	3,002
Combined Long Term Debt Lag Days	(52)
Long Term Debt Working Capital	<u>(428)</u>
Return - 50% of Common Equity	2,791
Dividend Lag Days	(4)
Common Equity (Dividend) Working Capital	<u>(31)</u>
Return - 50% of Common Equity	2,791
Depreciation Lag Days	42
Common Equity (Retained Earnings) Working Capital	<u>321</u>
Net Depreciation	4,953
Depreciation Lag Days	42
Depreciation Working Capital	<u>570</u>
TOTAL WORKING CAPITAL	<u>3,435</u>

THE YUKON ELECTRICAL COMPANY LIMITED
(O/A ATCO ELECTRIC YUKON)
RECONCILIATION OF UTILITY INCOME TO NET EARNINGS
For The Year Ended December 31, 2020
(\$000s)

UTILITY INCOME	8,584
Add: Non-Utility Income:	
Allowance for Funds Used During Construction	509
Short Term Interest from Parent	59
MDL Fair Value Adjustment	24
Non-Regulated Revenues	-
	<hr/> 592
Sub-Total	9,176
Less: Non-Utility Expenses:	
Interest to Parent	3,264
Non Regulated Expenses	-
Other Interest	13
Non Allowables	35
	<hr/> 5,863
Sub-Total	5,863
Add: Income Tax Adjustment:	
Income Tax Adjustments	61
ADJUSTED EARNINGS	<hr/> <hr/> 5,924

THE YUKON ELECTRICAL COMPANY LIMITED
(O/A ATCO ELECTRIC YUKON)
ANALYSIS OF DEPRECIATION RESERVE
For The Year Ended December 31, 2020
(\$000s)

BALANCE - DECEMBER 31, 2019	95,012
Add: Depreciation - Operating Expense	6,707
Depreciation - Other	138
	<hr/>
	101,857
Less: Retirements	2,287
Other	497
	<hr/>
BALANCE - December 31, 2020	<hr/> <u>99,073</u>

THE YUKON ELECTRICAL COMPANY LIMITED
(O/A ATCO ELECTRIC YUKON)
COST OF CAPITAL CALCULATION
For The Year Ended December 31, 2020
 (%)

	<u>CAPITAL RATIO</u>	<u>COST</u>	<u>RETURN COMPONENT</u>
LONG TERM DEBT	59.78	4.67	2.79
COMMON SHARES AND RETAINED EARNINGS	39.36	13.19	5.19
NO COST CAPITAL	0.86		-
	<u>100.0</u>		<u>7.99</u>

**THE YUKON ELECTRICAL COMPANY LIMITED
(O/A ATCO ELECTRIC YUKON)
PROPERTY, PLANT & EQUIPMENT - DECEMBER 31, 2020**

Function	Major Account	Major Description	Minor Account	Minor Description	User Defined	User Defined Description	01-Jan-20	Net Additions	Retirements	31-Dec-20
Corporate	TLND	LAND	38900	LAND	000000	DEFAULT	300,338	-	-	300,338
	TBDG	BUILDINGS	39000	STRUCTURES AND IMPROVEMENTS	000000	DEFAULT	5,169,649	168,906	(82,876)	5,255,679
	TOTH	OTHER PLANT EQUIPEMNT AND MACHINERY	39100	OFFICE FURNITURE AND EQUIPMENT	000000	DEFAULT	278,994	4,895	-	283,888
	TOTH	OTHER PLANT EQUIPEMNT AND MACHINERY	39110	COMPUTER HARDWARE & VOICE AND DATA NETWORK EQUIPMENT	000000	DEFAULT	90,397	5,671	(3,006)	93,062
	TOTH	OTHER PLANT EQUIPEMNT AND MACHINERY	39230	TRANSPORTATION EQUIPMENT, FLEET VEHICLES CATEGORY 3	000000	DEFAULT	2,386,160	319,997	-	2,706,157
	TOTH	OTHER PLANT EQUIPEMNT AND MACHINERY	39220	TRANSPORTATION EQUIPMENT, FLEET VEHICLES CATEGORY 2	000000	DEFAULT	2,538,775	226,137	(45,795)	2,719,117
	TOTH	OTHER PLANT EQUIPEMNT AND MACHINERY	39240	TRANSPORTATION EQUIPMENT, FLEET VEHICLES CATEGORY 4	000000	DEFAULT	214,943	16,560	-	231,503
	TOTH	OTHER PLANT EQUIPEMNT AND MACHINERY	39400	TOOLS, SHOP, GARAGE, STORES AND LABORATORY EQUIPMENT	000000	DEFAULT	1,548,358	115,093	(36,733)	1,626,718
	TOTH	OTHER PLANT EQUIPEMNT AND MACHINERY	36210	SYSTEM COMMUNICATION & CONTROL	S48600	SYSTEM COMMUNICATION & CONTROL - EQUIPMENT	1,438,259	20,946	-	1,459,205
	TBDG	BUILDINGS	39001	STRUCTURES AND IMPROVEMENTS HOUSES	000000	DEFAULT	448,358	-	-	448,358
	ISFT	SOFTWARE	39122	COMPUTER SOFTWARE AND APPLICATIONS MAJOR (10 YR)	S49602	NEWCIS(ATCOCIS)	213,053	-	-	213,053
	ISFT	SOFTWARE	39122	COMPUTER SOFTWARE AND APPLICATIONS MAJOR (10 YR)	S49605	ORACLE	108,888	-	-	108,888
	ISFT	SOFTWARE	39122	COMPUTER SOFTWARE AND APPLICATIONS MAJOR (10 YR)	S49628	ORACLE HRXELLECE	357,820	-	(357,820)	-
	ISFT	SOFTWARE	39122	COMPUTER SOFTWARE AND APPLICATIONS MAJOR (10 YR)	S49652	WINDOWS 7 UPGRADE	111,224	-	-	111,224
	ISFT	SOFTWARE	39122	COMPUTER SOFTWARE AND APPLICATIONS MAJOR (10 YR)	000000	DEFAULT	353,902	23,858	-	377,760
	IOTH	OTHER INTANGIBLE ASSETS	30300	INTANGIBLE OTHER	S49550	FISH LAKE WATER LICENCE	2,312,647	-	-	2,312,647
	IOTH	OTHER INTANGIBLE ASSETS	30300	INTANGIBLE OTHER	49300	DEMAND SIDE MANAGEMENT	923,000	-	-	923,000
Total for Corporate							18,794,765	902,061	(526,230)	19,170,596
Distribution	TLND	LAND	36000	LAND	000000	DEFAULT	23,373	-	-	23,373
	ILRT	LAND RIGHTS	36010	LAND RIGHTS	000000	DEFAULT	1,948,166	80,366	-	2,028,532
	TEDI	ELECTRICITY DISTRIBUTION	36400	POLES, TOWERS AND FIXTURES	000000	DEFAULT	46,964,050	1,849,325	(108,560)	48,704,815
	TEDI	ELECTRICITY DISTRIBUTION	36500	OVERHEAD CONDUCTORS AND DEVICES	000000	DEFAULT	27,350,631	490,458	(17,430)	27,823,659
	TEDI	ELECTRICITY DISTRIBUTION	36510	OVERHEAD SERVICES	000000	DEFAULT	4,127,245	140,050	(13,380)	4,253,915
	TEDI	ELECTRICITY DISTRIBUTION	36700	UNDERGROUND CONDUCTOR AND DEVICES	000000	DEFAULT	31,249,700	1,723,914	(23,299)	32,950,314
	TEDI	ELECTRICITY DISTRIBUTION	36710	UNDERGROUND SERVICES	000000	DEFAULT	4,578,435	543,602	(13,367)	5,108,671
	TEDI	ELECTRICITY DISTRIBUTION	37000	CONVENTIONAL METERS	000000	DEFAULT	1,929,266	127,823	(62,560)	1,994,529
	TEDI	ELECTRICITY DISTRIBUTION	37000	CONVENTIONAL METERS	S47620	METERING EQUIPMENT	967,205	-	-	967,205
	TEDI	ELECTRICITY DISTRIBUTION	37100	AUTOMATED METERS	000000	DEFAULT	106,624	3,473	(3,832)	106,265
	TEDI	ELECTRICITY DISTRIBUTION	36200	STATION EQUIPMENT	S47710	NON FENCED SUBSTATION EQUIPMENT	4,490,390	230,152	(102,353)	4,618,189
	TEDI	ELECTRICITY DISTRIBUTION	36200	STATION EQUIPMENT	S47711	NON FENCED SUBSTATION TRANSFORMERS	641,643	126,222	-	767,866
	TEDI	ELECTRICITY DISTRIBUTION	36200	STATION EQUIPMENT	S47720	SUBSTATION BUILDINGS	482,176	-	-	482,176
	TEDI	ELECTRICITY DISTRIBUTION	36200	STATION EQUIPMENT	S47730	SUBSTATION FENCES	32,718	-	-	32,718
	TEDI	ELECTRICITY DISTRIBUTION	36200	STATION EQUIPMENT	S47740	FENCED SUBSTATION EQUIPMENT	766,149	7,210	-	773,359
	TEDI	ELECTRICITY DISTRIBUTION	36200	STATION EQUIPMENT	S47741	FENCED SUBSTATION TRANSFORMERS	759,470	(2,253)	-	757,218
	TEDI	ELECTRICITY DISTRIBUTION	37300	STREET LIGHTS	000000	DEFAULT	12,311,185	767,549	(32,311)	13,046,423
	TEDI	ELECTRICITY DISTRIBUTION	37310	SENTINEL LIGHTS	000000	DEFAULT	285,415	1,928	(1,389)	285,953
	TEDI	ELECTRICITY DISTRIBUTION	36800	LINE TRANSFORMERS	000000	DEFAULT	35,286,091	1,258,909	-	36,545,000
	TEDI	ELECTRICITY DISTRIBUTION	36800	LINE TRANSFORMERS	S47910	INVENTORY RECLASS TRANSFORMERS	1,144,807	-	-	1,144,807
Total for Distribution							175,444,740	7,348,727	(378,482)	182,414,985
Generation	TLND	LAND	33000	LAND	000000	DEFAULT	20,912	-	-	20,912
	TPHY	POWER GENERATION HYDROELECTRIC	33100	STRUCTURES AND IMPROVEMENTS	000000	DEFAULT	1,864,665	10,978	-	1,875,642
	TPHY	POWER GENERATION HYDROELECTRIC	33200	RESERVOIRS, DAMS AND WATERWAYS	000000	DEFAULT	7,062,107	776,374	(83,351)	7,755,131
	TPHY	POWER GENERATION HYDROELECTRIC	33300	WATER WHEELS, TURBINES AND GENERATORS	000000	DEFAULT	4,256,357	65,299	(60,188)	4,261,467
	TPHY	POWER GENERATION HYDROELECTRIC	33400	ACCESSORY ELECTRIC EQUIPMENT	000000	DEFAULT	151,242	-	-	151,242
	TPHY	POWER GENERATION HYDROELECTRIC	33500	MISCELLANEOUS POWER PLANT EQUIPMENT	000000	DEFAULT	117,631	-	(17,231)	100,399
	TLND	LAND	34020	INT COMBUST LAND	000000	DEFAULT	7,130	-	-	7,130
	TPGF	POWER GENERATION GAS FIRED	34120	INT COMBUST STRUCTURES	000000	DEFAULT	6,111,280	28,952	(23,031)	6,117,201
	TPGF	POWER GENERATION GAS FIRED	34220	INT COMBUST FUEL HOLDERS, PRODUCERS AND ACCESSORIES	000000	DEFAULT	3,437,773	596	(1,551)	3,436,818
	TPGF	POWER GENERATION GAS FIRED	34320	INT COMBUST GENERATORS	000000	DEFAULT	15,340,965	2,703,609	(1,184,263)	16,860,311
	TPGF	POWER GENERATION GAS FIRED	34520	INT COMBUST ACCESSORY	000000	DEFAULT	5,158,364	-	-	5,158,364
	TPGF	POWER GENERATION GAS FIRED	34620	INT COMBUST MISCELLANEOUS	000000	DEFAULT	1,014,212	56,587	(12,592)	1,058,207
Total for Generation							44,542,638	3,642,395	(1,382,209)	46,802,824
Transmission	TLND	LAND	35000	LAND	000000	DEFAULT	(37,868)	-	-	(37,868)
	TETR	ELECTRICITY TRANSMISSION	35300	STATION EQUIPMENT	S45710	STATION EQUIPMENT - MISC & INSTALLATION	1,144,289	-	-	1,144,289
Total for Transmission							1,106,421	-	-	1,106,421
Grand Total							239,888,564	11,893,183	(2,286,921)	249,494,826

STATUTORY DECLARATION

IN THE MATTER OF A REPORT REQUIRED BY
SECTION 84 OF THE YUKON PUBLIC UTILITIES ACT
BY B.P. SHKROBOT, SENIOR VICE PRESIDENT, FINANCE & REGULATORY,
AND J.T. MASSIE, VICE PRESIDENT, NORTHERN DEVELOPMENT & INDIGENOUS
RELATIONS,
OF
THE YUKON ELECTRICAL COMPANY LIMITED O/A ATCO ELECTRIC YUKON
(the "Corporation")
(in thousands of dollars)

WE SOLEMNLY DECLARE THAT:

1. For 2020, the Net Rate Base for the Corporation was \$107,486.
2. As of December 31, 2020, the total capitalization of the Corporation was \$116,242 with a mid-year weighted average cost of 7.99%.
3. The revenues for the Corporation for the period from January 1, 2020 to December 31, 2020 were as follows:

Retail Sales	\$ 77,107
Other Revenue	<u>1,537</u>
TOTAL	<u>\$ 78,644</u>

4. Dividends paid by the Corporation for the period January 1, 2020 to December 31, 2020 were \$6,500.
5. The operating and maintenance costs of the Corporation for the period from January 1, 2020 to December 31, 2020 were \$12,241.

6. The Corporation estimates the following costs for new works, extensions and improvements during the current year:

Distribution Projects	\$ 9,425
General Property & Equipment	2,661
Generating Plants	<u>4,196</u>
TOTAL	<u>\$ 16,282</u>

WE MAKE THIS SOLEMN DECLARATION CONSCIENTIOUSLY BELIEVING IT TO BE TRUE AND KNOWING THAT IT IS OF THE SAME FORCE AND EFFECT AS IF MADE UNDER OATH.

Severally declared before me)
at the City of Whitehorse)
in the Territory of Yukon)
this 23rd day of April, 2021.)



J. T. (Jay) Massie

Severally declared before me)
at the City of St. Albert)
in the Province of Alberta)
this 23rd day of April, 2021.)



B.P. (Brian) Shkrobot



**The Yukon Electrical Company Limited DBA ATCO Electric Yukon
List of Directors and Officers**

Company Name

The Yukon Electrical Company Limited DBA ATCO Electric Yukon
100-1100 Front Street
Whitehorse, Yukon Y1A 3T4

Board of Directors

Melanie L. Bayley
Dennis A. DeChamplain
Siegfried W. Kiefer

Officers

Siegfried W. Kiefer, Chair & Chief Executive Officer;
Melanie L. Bayley, President;
Dennis A. DeChamplain, Executive Vice President;
Brian P. Shkrobot, Senior Vice President;
Jay T. Massie, Vice President;
Carol Gear, Corporate Secretary;
Rumdeep K. Basra, Assistant Corporate Secretary