

YUKON ENERGY CORPORATION
UTILITY INCOME AND RATE OF RETURN
For The Year Ended December 31
(\$000s)

	2021
Utility Revenue	
Utility Electric Sales	72,688
Other Revenue	(1,215)
Total	71,473
Utility Expense	
Labour	13,167
Non-Labour	
Operations and Maintenance	8,647
Administration	3,948
Insurance	1,550
Donations	117
Fuel	12,618
Purchased Power	49
Total Operating and Maintenance Costs	40,096
Depreciation & Amortization	
Fixed Asset Depreciation	14,927
Amortization of Deferred Costs (incl. RFID)	6,144
Amortization of Contribution for Extensions	(6,085)
Amortization of Fire Insurance Gain	(262)
Other Taxes	739
Total Expenses	55,559
Less: Donations	117
Disallowed Depreciation	416
Total	55,026
Utility (Regulatory) Income	16,448
Net Rate Base	300,721
Rate Of Return on Capital	5.47%
Rate of Return on Equity	8.94%
Cost of Debt	2.93%

YUKON ENERGY CORPORATION
COMPUTATION OF NET RATE BASE
For The Year Ended December 31
(\$000s)

	2021
Property, Plant and Equipment	691,598
Less: Work in progress (includes deferred cost WIP)	33,328
Accumulated Depreciation	198,509
Reserve for Future Removal and Site Restoration	2,738
Other Reserves [Deferred Fire Gain, LWRF]	1,137
Customer Contributions (excluding for WIP)	185,517
 Subtotal	 270,370
 Add: Deferred Study, Relicensing & Regulatory Costs	 36,231
Accumulated Disallowed Depreciation	760
 Less: Disallowed Assets	 16,122
Reserve for Injuries and Damages	(1,953)
Net balance at year end	293,192
 Mid-year balance	 288,433
Add: Allowance for Working Capital	6,921
Mid-Year Rate Case Expense	5,367
Net Rate Base	300,721

YUKON ENERGY CORPORATION
WORKING CAPITAL CALCULATION
For The Year Ended December 31
(\$000s)

	2021
Working Capital	
Operation and Maintenance	40,096
Add: Other Taxes	739
Less: Donations and Disallowed expenses	117
Allowable Operating Expense	40,718
Allowance: Operating Expense (27/365 * Allowable Operating Expense)	3,012
Three Year Average Inventory	4,156
GST Impact	(247)
Total Working Capital	6,921

YUKON ENERGY CORPORATION
RECONCILIATION OF UTILITY INCOME TO NET EARNINGS
For The Year Ended December 31
(\$000s)

	2021
Utility Income	16,448
Add Non Utility Income:	
Allowance for Funds Used During Construction	942
Other Income	-
2021 Adjustments*	254
Sub-Total	17,644
Less Non Utility Expenses:	
Long Term Interest	5,339
Other Interest	(2,210)
Capital Lease Interest	-
Donations	117
Disallowed Expenses	450
Disallowed Depreciation	416
Net Earnings	13,530

* Reflects adjustments made to 2021 after the financial statements completed, including corrected LWRF transfer as per May 12, 2022 revised 2021 GRA Compliance Filing; adjustments to revenues, including adjustments for final approved rates as per YUB Order 2022-07.

YUKON ENERGY CORPORATION
SUMMARY OF CAPITAL ASSETS
For The Year Ended December 31
(\$000s)

2021

Capital Assets

Land	1,712
Hydroelectric and Thermal Plants	389,261
Transmission	242,044
Distribution	20,357
Buildings, Office and General Equipment	28,246
Transportation	6,167
Construction Work-in-Progress	3,808
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Cost	691,598
Less: Accumulated Depreciation	198,509
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Net Book Value	493,089
Less: Net Contribution for Extensions	185,517
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Net Capital Assets	307,572

YUKON ENERGY CORPORATION
COST OF CAPITAL CALCULATION
For The Year Ended December 31
(%)

2021	Capital Ratio	Cost	Return Component
Mid-year Long Term Debt	57.8	2.93	1.695
Mid-year Common Equity	42.2	8.94	3.774
	100.0		5.47