

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

	2022
Utility Revenue	
Utility Electric Sales	75,093
Other Revenue	382
Total	75,476
Utility Expense	
Labour	13,675
Non-Labour	
Operations and Maintenance	9,569
Administration	4,350
Insurance	1,875
Donations	121
Fuel	14,725
Purchased Power	326
Total Operating and Maintenance Costs	44,641
Depreciation & Amortization	
Fixed Asset Depreciation	13,310
Amortization of Deferred Costs (incl. RFID)	4,502
Amortization of Contribution for Extensions	(5,122)
Amortization of Fire Insurance Gain	(262)
Other Taxes	743
Total Expenses	57,811
Less: Donations	121
Disallowed Depreciation	718
Total	56,972
Utility (Regulatory) Income	18,503
Net Rate Base	314,620
Rate Of Return on Capital	5.88%
<i>Rate of Return on Equity</i>	9.66%
<i>Cost of Debt</i>	2.90%

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

	2022
Property, Plant and Equipment	734,073
Less: Work in progress (includes deferred cost WIP)	62,284
Accumulated Depreciation	211,163
Reserve for Future Removal and Site Restoration	2,689
Other Reserves [Deferred Fire Gain, LWRF]	(6,239)
Customer Contributions (excluding for WIP)	181,613
 Subtotal	 282,563
 Add: Deferred Study, Relicensing & Regulatory Costs	 38,466
Accumulated Disallowed Depreciation	1,478
 Less: Disallowed Assets	 16,122
Reserve for Injuries and Damages	(3,343)
Net balance at year end	309,728
 Mid-year balance	 301,460
Add: Allowance for Working Capital	7,581
Mid-Year Rate Case Expense	5,579
Net Rate Base	314,620

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

	2022
Working Capital	
Operation and Maintenance	44,641
Add: Other Taxes	743
Less: Donations and Disallowed expenses	121
Allowable Operating Expense	45,263
Allowance: Operating Expense (27/365 * Allowable Operating Expense)	3,348
Three Year Average Inventory	4,464
GST Impact	(231)
Total Working Capital	7,581

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

	2022
Utility Income	18,503
Add Non Utility Income:	
Allowance for Funds Used During Construction	1,060
Other Income	-
Sub-Total	19,563
Less Non Utility Expenses:	
Long Term Interest	5,597
Other Interest	(7,024)
Donations	121
Disallowed Expenses	494
Disallowed Depreciation	718
Net Earnings	19,659

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

2022

Capital Assets

Land	1,712
Hydroelectric and Thermal Plants	396,153
Transmission	247,839
Distribution	20,632
Buildings, Office and General Equipment	28,520
Transportation	6,448
Construction Work-in-Progress	32,769
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Cost	734,073
Less: Accumulated Depreciation	211,163
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Net Book Value	522,910
Less: Net Contribution for Extensions	181,613
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Net Capital Assets	341,297

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

2022	Capital Ratio	Cost	Return Component
Mid-year Long Term Debt	55.9	2.90	1.623
Mid-year Common Equity	44.1	9.66	4.258
	100.0		5.88