

April 30, 2020

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

Dear Ms. Lemke:

Re: ATCO Electric Yukon 2019 Annual Filing

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, 2019
(\$000s)

Revenue		67,936
	Less: Non-Utility Revenue	-
		67,936
		67,936
Costs and Expenses		53,226
Less:	Non Allowables	75
	Non-Utility O&M	-
	Non Utility Income Taxes	(50)
		25
Add:	Depreciation	6,382
	Income Taxes	1,009
	Amortization of Contribution for Extensions	(1,635)
	Amortization of Deferred Costs	335
		6,090
		6,090
UTILITY EXPENSE		59,291
UTILITY INCOME		8,646
NET RATE BASE		106,527
RATE OF RETURN		8.12%

THE YUKON ELECTRICAL COMPANY LIMITED
(O/A ATCO ELECTRIC YUKON)
COMPUTATION OF NET RATE BASE
For The Year Ended December 31, 2019
(\$000s)

PROPERTY PLANT AND EQUIPMENT		
	BALANCE AT DECEMBER 31, 2019	247,481
Add:	Regulatory Assets	385
Less:	Accumulated Depreciation	95,014
	Construction Work-in-Progress	7,966
		<u>102,980</u>
	NET BALANCE AT YEAR END	144,886
Add:	Previous Year's Balance	140,713
	TOTAL	<u>285,599</u>
	MID-YEAR BALANCE	142,800
Add:	Allowance for Working Capital	3,432
Less:	Mid-Year Contribution for Extensions	39,492
Add:	Mid-year Deferred Charges/Credits	(212)
		<u>106,527</u>
	NET RATE BASE	<u>106,527</u>

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

For The Year Ended December 31, 2019

(\$000s)

Operations and Maintenance	52,950
Add: Other Taxes	277
Less: Non-Allowables and Non-Utility O&M	75
Net O&M	<u>53,151</u>
O&M Lag Days	4
Operating Expenses Working Capital	<u>606</u>
Tax installments	-
Income Tax Installment Lag Days	22
Tax Installments Working Capital	<u>-</u>
Income taxes receivable (payable)	(268)
Tax Receivable Lag Days	204
Taxes Payable Working Capital	<u>(150)</u>
Inventory (Three year average)	<u>2,458</u>
GST Impact on working capital	<u>130</u>
Return - Long Term Debt	3,131
Combined Long Term Debt Lag Days	(52)
Long Term Debt Working Capital	<u>(446)</u>
Return - 50% of Common Equity	2,758
Dividend Lag Days	(4)
Common Equity (Dividend) Working Capital	<u>(30)</u>
Return - 50% of Common Equity	2,758
Depreciation Lag Days	42
Common Equity (Retained Earnings) Working Capital	<u>317</u>
Net Depreciation	4,747
Depreciation Lag Days	42
Depreciation Working Capital	<u>546</u>
TOTAL WORKING CAPITAL	<u>3,432</u>

THE YUKON ELECTRICAL COMPANY LIMITED
(O/A ATCO ELECTRIC YUKON)
RECONCILIATION OF UTILITY INCOME TO NET EARNINGS
For The Year Ended December 31, 2019
(\$000s)

UTILITY INCOME	8,646
Add: Non-Utility Income:	
Allowance for Funds Used During Construction	358
Short Term Interest from Parent	163
MDL Fair Value Adjustment	(14)
Non-Regulated Revenues	-
	<hr/> 508
Sub-Total	9,153
Less: Non-Utility Expenses:	
Interest to Parent	3,379
Non Regulated Expenses	-
Other Interest	12
Non Allowables	75
	<hr/> 5,687
Sub-Total	5,687
Add: Income Tax Adjustment:	
Income Tax Adjustments	50
ADJUSTED EARNINGS	<hr/> <hr/> 5,737

THE YUKON ELECTRICAL COMPANY LIMITED
(O/A ATCO ELECTRIC YUKON)
ANALYSIS OF DEPRECIATION RESERVE
For The Year Ended December 31, 2019
(\$000s)

BALANCE - DECEMBER 31, 2018		92,687
Add:	Depreciation - Operating Expense	6,382
	Depreciation - Other	126
		<u>99,195</u>
Less:	Retirements	3,495
	Other	688
		<u>95,012</u>
BALANCE - DECEMBER 31, 2019		<u>95,012</u>

THE YUKON ELECTRICAL COMPANY LIMITED
(O/A ATCO ELECTRIC YUKON)
COST OF CAPITAL CALCULATION
For The Year Ended December 31, 2019
 (%)

	<u>CAPITAL RATIO</u>	<u>COST</u>	<u>RETURN COMPONENT</u>
LONG TERM DEBT	59.43	4.94	2.94
COMMON SHARES AND RETAINED EARNINGS	39.79	13.01	5.18
NO COST CAPITAL	0.77		-
	<u>100.0</u>		<u>8.12</u>

**THE YUKON ELECTRICAL COMPANY LIMITED
(O/A ATCO ELECTRIC YUKON)
PROPERTY, PLANT & EQUIPMENT - DECEMBER 31, 2019**

Function	Major Account	Major Description	Minor Account	Minor Description	User Defined	User Defined Description	01-Jan-19	Net Additions	Retirements	31-Dec-19
Corporate	TLND	LAND	38900	LAND	000000	DEFAULT	300,338	-	-	300,338
	TBDG	BUILDINGS	39000	STRUCTURES AND IMPROVEMENTS	000000	DEFAULT	5,220,616	1,929	(52,896)	5,169,649
	TOTH	OTHER PLANT EQUIPMT AND MACHINERY	39100	OFFICE FURNITURE AND EQUIPMENT	000000	DEFAULT	252,631	26,363	-	278,994
	TOTH	OTHER PLANT EQUIPMT AND MACHINERY	39110	COMPUTER HARDWARE & VOICE AND DATA NETWORK EQUIPMENT	000000	DEFAULT	147,825	20,936	(78,365)	90,397
	TOTH	OTHER PLANT EQUIPMT AND MACHINERY	39230	TRANSPORTATION EQUIPMENT, FLEET VEHICLES CATEGORY 3	000000	DEFAULT	2,260,415	140,662	(14,916)	2,386,160
	TOTH	OTHER PLANT EQUIPMT AND MACHINERY	39220	TRANSPORTATION EQUIPMENT, FLEET VEHICLES CATEGORY 2	000000	DEFAULT	2,377,429	198,367	(37,022)	2,538,775
	TOTH	OTHER PLANT EQUIPMT AND MACHINERY	39240	TRANSPORTATION EQUIPMENT, FLEET VEHICLES CATEGORY 4	000000	DEFAULT	180,657	34,286	-	214,943
	TOTH	OTHER PLANT EQUIPMT AND MACHINERY	39400	TOOLS, SHOP, GARAGE, STORES AND LABORATORY EQUIPMENT	000000	DEFAULT	1,370,178	201,751	(23,571)	1,548,358
	TOTH	OTHER PLANT EQUIPMT AND MACHINERY	36210	SYSTEM COMMUNICATION & CONTROL	S48600	SYSTEM COMMUNICATION & CONTROL - EQUIPMENT	1,431,479	17,685	(10,904)	1,438,259
	TBDG	BUILDINGS	39001	STRUCTURES AND IMPROVEMENTS HOUSES	000000	DEFAULT	448,358	-	-	448,358
	ISFT	SOFTWARE	39122	COMPUTER SOFTWARE AND APPLICATIONS MAJOR (10 YR)	S49802	NEWSIS(ATCOCIS)	1,747,830	-	(1,534,576)	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)	S49828	ORACLE HRXCELLENCE	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	89,368	264,535	-	353,902
	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							19,640,503	906,513	(1,752,251)	18,794,765
Distribution	TLND	LAND	36000	LAND	000000	DEFAULT	23,373	-	-	23,373
	ILRT	LAND RIGHTS	36010	LAND RIGHTS	000000	DEFAULT	1,884,404	63,762	-	1,948,166
	TEDI	ELECTRICITY DISTRIBUTION	36400	POLES, TOWERS AND FIXTURES	000000	DEFAULT	45,715,041	1,422,868	(173,860)	46,964,050
	TEDI	ELECTRICITY DISTRIBUTION	36500	OVERHEAD CONDUCTORS AND DEVICES	000000	DEFAULT	27,603,738	(223,935)	(29,172)	27,350,631
	TEDI	ELECTRICITY DISTRIBUTION	36510	OVERHEAD SERVICES	000000	DEFAULT	3,912,731	238,345	(23,830)	4,127,245
	TEDI	ELECTRICITY DISTRIBUTION	36700	UNDERGROUND CONDUCTOR AND DEVICES	000000	DEFAULT	28,661,799	2,678,858	(90,958)	31,249,700
	TEDI	ELECTRICITY DISTRIBUTION	36710	UNDERGROUND SERVICES	000000	DEFAULT	4,120,128	463,156	(4,849)	4,578,435
	TEDI	ELECTRICITY DISTRIBUTION	37000	CONVENTIONAL METERS	000000	DEFAULT	1,883,715	105,209	(59,657)	1,929,266
	TEDI	ELECTRICITY DISTRIBUTION	37000	CONVENTIONAL METERS	S47620	METERING EQUIPMENT	967,205	-	-	967,205
	TEDI	ELECTRICITY DISTRIBUTION	37100	AUTOMATED METERS	000000	DEFAULT	103,569	4,941	(1,885)	106,624
	TEDI	ELECTRICITY DISTRIBUTION	36200	STATION EQUIPMENT	S47710	NON FENCED SUBSTATION EQUIPMENT	4,373,476	194,405	(77,490)	4,490,390
	TEDI	ELECTRICITY DISTRIBUTION	36200	STATION EQUIPMENT	S47711	NON FENCED SUBSTATION TRANSFORMERS	421,205	220,439	-	641,643
	TEDI	ELECTRICITY DISTRIBUTION	36200	STATION EQUIPMENT	S47720	SUBSTATION BUILDINGS	477,067	5,109	-	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	597,094	169,055	-	766,149
	TEDI	ELECTRICITY DISTRIBUTION	36200	STATION EQUIPMENT	S47741	FENCED SUBSTATION TRANSFORMERS	736,626	22,845	-	759,470
	TEDI	ELECTRICITY DISTRIBUTION	37300	STREET LIGHTS	000000	DEFAULT	11,645,599	751,429	(85,843)	12,311,185
	TEDI	ELECTRICITY DISTRIBUTION	37310	SENTINEL LIGHTS	000000	DEFAULT	284,558	2,748	(1,891)	285,415
	TEDI	ELECTRICITY DISTRIBUTION	36800	LINE TRANSFORMERS	000000	DEFAULT	32,731,657	2,556,885	(2,450)	35,286,091
	TEDI	ELECTRICITY DISTRIBUTION	36800	LINE TRANSFORMERS	S47910	INVENTORY RECLASS TRANSFORMERS	1,144,807	-	-	1,144,807
Total for Distribution							167,320,509	8,676,117	(551,887)	175,444,740
Generation	TLND	LAND	33000	LAND	000000	DEFAULT	20,912	-	-	20,912
	TPHY	POWER GENERATION HYDROELECTRIC	33100	STRUCTURES AND IMPROVEMENTS	000000	DEFAULT	1,944,373	(58,188)	(21,521)	1,864,665
	TPHY	POWER GENERATION HYDROELECTRIC	33200	RESERVOIRS, DAMS AND WATERWAYS	000000	DEFAULT	7,736,911	71,460	(746,264)	7,062,107
	TPHY	POWER GENERATION HYDROELECTRIC	33300	WATER WHEELS, TURBINES AND GENERATORS	000000	DEFAULT	4,392,006	(65,539)	(70,109)	4,256,357
	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	68,087	49,544	-	117,631
	TLND	LAND	34020	INT COMBUST LAND	000000	DEFAULT	7,130	-	-	7,130
	TPGF	POWER GENERATION GAS FIRED	34120	INT COMBUST STRUCTURES	000000	DEFAULT	6,192,258	(66,419)	(14,558)	6,111,280
	TPGF	POWER GENERATION GAS FIRED	34220	INT COMBUST FUEL HOLDERS, PRODUCERS AND ACCESSORIES	000000	DEFAULT	3,282,554	173,259	(18,039)	3,437,773
	TPGF	POWER GENERATION GAS FIRED	34320	INT COMBUST GENERATORS	000000	DEFAULT	15,586,696	(10,148)	(235,583)	15,340,965
	TPGF	POWER GENERATION GAS FIRED	34520	INT COMBUST ACCESSORY	000000	DEFAULT	4,990,397	243,521	(75,555)	5,158,364
	TPGF	POWER GENERATION GAS FIRED	34620	INT COMBUST MISCELLANEOUS	000000	DEFAULT	961,376	62,188	(9,353)	1,014,212
Total for Generation							45,333,942	399,678	(1,190,982)	44,542,638
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							233,401,375	9,982,308	(3,495,119)	239,888,564

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 D.F. TENNEY, VICE PRESIDENT, NORTHERN DEVELOPMENT,
OF
THE YUKON ELECTRICAL COMPANY LIMITED O/A ATCO ELECTRIC YUKON
(the "Corporation")
(in thousands of dollars)

WE SOLEMNLY DECLARE THAT:

1. For 2019, the Net Rate Base for the Corporation was \$106,527.
2. As of December 31, 2019, the total capitalization of the Corporation was \$114,117 with a mid-year weighted average cost of 8.12%.
3. The revenues for the Corporation for the period from January 1, 2019 to December 31, 2019 were as follows:

Retail Sales	\$ 66,474
Other Revenue	<u>1,462</u>
TOTAL	<u>\$ 67,936</u>

4. Dividends paid by the Corporation for the period January 1, 2019 to December 31, 2019 were \$5,500.
5. The operating and maintenance costs of the Corporation for the period from January 1, 2019 to December 31, 2019 were \$11,380.

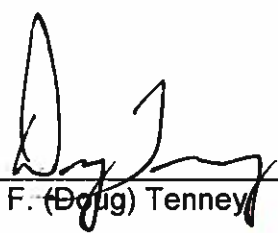
6. The Corporation estimates the following costs for new works, extensions and improvements during the current year:

Distribution Projects	\$ 8,384
General Property & Equipment	1,070
Generating Plants	<u>7,444</u>
TOTAL**	<u>\$ 16,898</u>

** subject to change due to the 2020 COVID 19 crisis

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 Calgary)
in the Province of Alberta)
this 23 day of April, 2020.)



D. F. (Doug) Tenney

Severally declared before me)
at the City of St. Albert)
in the Province of Alberta)
this 23 day of April, 2020.)



B.P. (Brian) Shkrobot

The Yukon Electrical Company Limited DBA ATCO Electric Yukon

#100, 1100 – First Avenue
Whitehorse, YT
Y1A 3T4

Directors:

Dennis A. DeChamplain;
Siegfried W. Kiefer; and
George J. Lidgett.

Officers:

Siegfried W. Kiefer, Chair & Chief Executive Officer;
George J. Lidgett, President;
Dennis A. DeChamplain, Executive Vice President;
Melanie L. Bayley, Senior Vice President;
Brian P. Shkrobot, Senior Vice President;
Douglas F. Tenney, Vice President, Northern Development & Indigenous Relations;
Carol Gear, Corporate Secretary; and
Rumdeep K. Basra, Assistant Corporate Secretary.

Description of Business:

ATCO Electric Yukon delivers electricity to Residential and Commercial customers in Yukon.