

May 2, 2022

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

Dear Ms. Lemke:

**Re: ATCO Electric Yukon (AEY)  
2021 Annual Filing and Financial Statements**

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In accordance with 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](mailto: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, 2021**  
**(\$000s)**

Revenue		82,949
Less:	Non-Utility Revenue	-
	UTILITY REVENUE	82,949
Costs and Expenses		68,263
Less:	Non Allowables	45
	Non-Utility O&M	-
	Non Utility Income Taxes	(46)
		(1)
Add:	Depreciation	6,950
	Income Taxes	1,026
	Amortization of Contribution for Extensions	(1,877)
	Amortization of Deferred Costs	360
		6,458
	UTILITY EXPENSE	74,721
	UTILITY INCOME	8,228
	NET RATE BASE	109,244
	RATE OF RETURN	7.53%

**THE YUKON ELECTRICAL COMPANY LIMITED**  
**(O/A ATCO ELECTRIC YUKON)**  
**COMPUTATION OF NET RATE BASE**  
**For The Year Ended December 31, 2021**  
**(\$000s)**

PROPERTY PLANT AND EQUIPMENT		
BALANCE AT December 31, 2021		272,105
Add:	Regulatory Assets	1,145
Less:	Accumulated Depreciation	105,236
	Construction Work-in-Progress	13,454
		<u>118,690</u>
NET BALANCE AT YEAR END		154,560
Add:	Previous Year's Balance	150,519
TOTAL		<u>305,079</u>
MID-YEAR BALANCE		152,539
Add:	Allowance for Working Capital	3,869
Less:	Mid-Year Contribution for Extensions	45,812
Add:	Mid-year Deferred Charges/Credits	(1,352)
		<u>109,244</u>
NET RATE BASE		<u>109,244</u>

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

**For The Year Ended December 31, 2021**

(\$000s)

Operations and Maintenance	67,995
Add: Other Taxes	267
Less: Non-Allowables and Non-Utility O&M	45
Net O&M	<u>68,217</u>
O&M Lag Days	4
<b>Operating Expenses Working Capital</b>	<u>777</u>
Tax installments	(1,877)
Income Tax Installment Lag Days	22
<b>Tax Installments Working Capital</b>	<u>(113)</u>
Income taxes receivable (payable)	65
Tax Receivable Lag Days	204
<b>Taxes Payable Working Capital</b>	<u>36</u>
<b>Inventory (Three year average)</b>	<u>2,584</u>
<b>GST Impact on working capital</b>	<u>168</u>
Return - Long Term Debt	3,058
Combined Long Term Debt Lag Days	(52)
<b>Long Term Debt Working Capital</b>	<u>(436)</u>
Return - 50% of Common Equity	2,585
Dividend Lag Days	(4)
<b>Common Equity (Dividend) Working Capital</b>	<u>(28)</u>
Return - 50% of Common Equity	2,585
Depreciation Lag Days	42
<b>Common Equity (Retained Earnings) Working Capital</b>	<u>297</u>
Net Depreciation	5,073
Depreciation Lag Days	42
<b>Depreciation Working Capital</b>	<u>584</u>
<b>TOTAL WORKING CAPITAL</b>	<u><u>3,869</u></u>

**THE YUKON ELECTRICAL COMPANY LIMITED**  
**(O/A ATCO ELECTRIC YUKON)**  
**RECONCILIATION OF UTILITY INCOME TO NET EARNINGS**  
**For The Year Ended December 31, 2021**  
**(\$000s)**

UTILITY INCOME	8,228
Add: Non-Utility Income:	
Allowance for Funds Used During Construction	668
Short Term Interest from Parent	47
MDL Fair Value Adjustment	22
Non-Regulated Revenues	-
	<hr/> 737
Sub-Total	8,965
Less: Non-Utility Expenses:	
Interest to Parent	3,239
Non Regulated Expenses	-
Other Interest	14
Non Allowables	45
	<hr/> 5,666
Sub-Total	5,666
Add: Income Tax Adjustment:	
Income Tax Adjustments	46
ADJUSTED EARNINGS	<hr/> <hr/> 5,712

**THE YUKON ELECTRICAL COMPANY LIMITED**  
**(O/A ATCO ELECTRIC YUKON)**  
**ANALYSIS OF DEPRECIATION RESERVE**  
**For The Year Ended December 31, 2021**  
**(\$000s)**

BALANCE - DECEMBER 31, 2020	99,073
Add:	
Depreciation - Operating Expense	6,950
Depreciation - Other	178
	<hr/> 106,201
Less:	
Retirements	714
Other	310
	<hr/> 105,177
BALANCE - December 31, 2021	<hr/> <hr/> 105,177

**THE YUKON ELECTRICAL COMPANY LIMITED**  
**(O/A ATCO ELECTRIC YUKON)**  
**COST OF CAPITAL CALCULATION**  
**For The Year Ended December 31, 2021**  
 (%)

	<u>CAPITAL RATIO</u>	<u>COST</u>	<u>RETURN COMPONENT</u>
LONG TERM DEBT	59.92	4.67	2.80
COMMON SHARES AND RETAINED EARNINGS	39.13	12.09	4.73
NO COST CAPITAL	0.95		-
	<u>100.0</u>		<u>7.53</u>

**THE YUKON ELECTRICAL COMPANY LIMITED  
(O/A ATCO ELECTRIC YUKON)  
PROPERTY, PLANT & EQUIPMENT - DECEMBER 31, 2021**

Function	Major Account	Major Description	Minor Account	Minor Description	User Defined	User Defined Description	01-Jan-21	Net Additions	Retirements	31-Dec-21
Corporate	TLND	LAND	38900	LAND	000000	DEFAULT	300,338	-	-	300,338
	TBDG	BUILDINGS	39000	STRUCTURES AND IMPROVEMENTS	000000	DEFAULT	5,255,679	(26,299)	-	5,229,380
	TOTH	OTHER PLANT EQUIPEMNT AND MACHINERY	39100	OFFICE FURNITURE AND EQUIPMEN	000000	DEFAULT	283,888	11,942	(1,769)	294,062
	TOTH	OTHER PLANT EQUIPEMNT AND MACHINERY	39110	COMPUTER HARDWARE & VOICE AI	000000	DEFAULT	93,062	20,216	(10,107)	103,171
	TOTH	OTHER PLANT EQUIPEMNT AND MACHINERY	39230	TRANSPORTATION EQUIPMENT, FLI	000000	DEFAULT	2,706,157	10,510	-	2,716,667
	TOTH	OTHER PLANT EQUIPEMNT AND MACHINERY	39220	TRANSPORTATION EQUIPMENT, FLI	000000	DEFAULT	2,719,117	40,000	-	2,759,117
	TOTH	OTHER PLANT EQUIPEMNT AND MACHINERY	39240	TRANSPORTATION EQUIPMENT, FLI	000000	DEFAULT	231,503	-	-	231,503
	TOTH	OTHER PLANT EQUIPEMNT AND MACHINERY	39400	TOOLS, SHOP, GARAGE, STORES AI	000000	DEFAULT	1,626,718	81,716	(9,781)	1,698,653
	TOTH	OTHER PLANT EQUIPEMNT AND MACHINERY	36210	SYSTEM COMMUNICATION & CONTR	S48600	SYSTEM COMMUNICATION & CONTRC	1,459,205	4,659	(4,985)	1,458,879
	TBDG	BUILDINGS	39001	STRUCTURES AND IMPROVEMENTS	000000	DEFAULT	448,358	14,995	(9,619)	453,734
	ISFT	SOFTWARE	39122	COMPUTER SOFTWARE AND APPLI	S49602	NEWCIS(ATCOCIS)	213,053	-	-	213,053
	ISFT	SOFTWARE	39122	COMPUTER SOFTWARE AND APPLI	S49605	ORACLE	108,888	-	-	108,888
	ISFT	SOFTWARE	39122	COMPUTER SOFTWARE AND APPLI	S49628	ORACLE HRXELLECE	-	-	-	-
	ISFT	SOFTWARE	39122	COMPUTER SOFTWARE AND APPLI	S49652	WINDOWS 7 UPGRADE	111,224	-	-	111,224
	ISFT	SOFTWARE	39122	COMPUTER SOFTWARE AND APPLI	000000	DEFAULT	377,760	171,729	-	549,490
	ISFT	SOFTWARE	39122	COMPUTER SOFTWARE AND APPLI	S49798	DEFAULT	-	-	-	-
	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
	IOTH	OTHER INTANGIBLE ASSETS	30200	FRANCHISES AND CONSENTS	000000	DEFAULT	-	-	-	-
<b>Total for Corporate</b>							<b>19,170,596</b>	<b>329,470</b>	<b>(36,261)</b>	<b>19,463,806</b>
Distribution	TLND	LAND	36000	LAND	000000	DEFAULT	23,373	-	-	23,373
	ILRT	LAND RIGHTS	36010	LAND RIGHTS	000000	DEFAULT	2,028,532	66,169	-	2,094,701
	TEDI	ELECTRICITY DISTRIBUTION	36400	POLES, TOWERS AND FIXTURES	000000	DEFAULT	48,704,815	2,104,919	(77,372)	50,732,361
	TEDI	ELECTRICITY DISTRIBUTION	36500	OVERHEAD CONDUCTORS AND DE	000000	DEFAULT	27,823,659	294,030	(7,738)	28,109,950
	TEDI	ELECTRICITY DISTRIBUTION	36510	OVERHEAD SERVICES	000000	DEFAULT	4,253,915	411,527	(6,499)	4,658,943
	TEDI	ELECTRICITY DISTRIBUTION	36700	UNDERGROUND CONDUCTOR AND	000000	DEFAULT	32,950,314	324,486	(12,376)	33,262,424
	TEDI	ELECTRICITY DISTRIBUTION	36710	UNDERGROUND SERVICES	000000	DEFAULT	5,108,671	399,279	(2,096)	5,505,853
	TEDI	ELECTRICITY DISTRIBUTION	37000	CONVENTIONAL METERS	000000	DEFAULT	1,994,529	18,708	(78,147)	1,935,090
	TEDI	ELECTRICITY DISTRIBUTION	37000	CONVENTIONAL METERS	S47620	METERING EQUIPMENT	967,205	-	-	967,205
	TEDI	ELECTRICITY DISTRIBUTION	37100	AUTOMATED METERS	000000	DEFAULT	106,265	(234)	(1,414)	104,616
	TEDI	ELECTRICITY DISTRIBUTION	36200	STATION EQUIPMENT	S47710	NON FENCED SUBSTATION EQUIPMEI	4,618,189	-	-	4,618,189
	TEDI	ELECTRICITY DISTRIBUTION	36200	STATION EQUIPMENT	S47711	NON FENCED SUBSTATION TRANSFO	767,866	-	-	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	773,359	40,192	-	813,550
	TEDI	ELECTRICITY DISTRIBUTION	36200	STATION EQUIPMENT	S47741	FENCED SUBSTATION TRANSFORME	757,218	-	-	757,218
	TEDI	ELECTRICITY DISTRIBUTION	37300	STREET LIGHTS	000000	DEFAULT	13,046,423	308,897	(17,676)	13,337,644
	TEDI	ELECTRICITY DISTRIBUTION	37310	SENTINEL LIGHTS	000000	DEFAULT	285,953	1,304	(1,273)	285,984
	TEDI	ELECTRICITY DISTRIBUTION	36800	LINE TRANSFORMERS	000000	DEFAULT	36,545,000	1,124,646	(306)	37,669,340
	TEDI	ELECTRICITY DISTRIBUTION	36800	LINE TRANSFORMERS	S47910	INVENTORY RECLASS TRANSFORME	1,144,807	-	-	1,144,807
<b>Total for Distribution</b>							<b>182,414,985</b>	<b>5,093,922</b>	<b>(204,898)</b>	<b>187,304,009</b>
Generation	TLND	LAND	33000	LAND	000000	DEFAULT	20,912	-	-	20,912
	TPHY	POWER GENERATION HYDROELECTRIC	33100	STRUCTURES AND IMPROVEMENTS	000000	DEFAULT	1,875,642	-	-	1,875,642
	TPHY	POWER GENERATION HYDROELECTRIC	33200	RESERVOIRS, DAMS AND WATERW.	000000	DEFAULT	7,755,131	(5,231)	-	7,749,899
	TPHY	POWER GENERATION HYDROELECTRIC	33300	WATER WHEELS, TURBINES AND GI	000000	DEFAULT	4,261,467	(3)	-	4,261,464
	TPHY	POWER GENERATION HYDROELECTRIC	33400	ACCESSORY ELECTRIC EQUIPMENT	000000	DEFAULT	151,242	-	-	151,242
	TPHY	POWER GENERATION HYDROELECTRIC	33500	MISCELLANEOUS POWER PLANT EC	000000	DEFAULT	100,399	1,219	-	101,619
	TLND	LAND	34020	INT COMBUST LAND	000000	DEFAULT	7,130	-	-	7,130
	TPGF	POWER GENERATION GAS FIRED	34120	INT COMBUST STRUCTURES	000000	DEFAULT	6,117,201	21,253	(1,208)	6,137,246
	TPGF	POWER GENERATION GAS FIRED	34220	INT COMBUST FUEL HOLDERS, PRC	000000	DEFAULT	3,436,818	-	-	3,436,818
	TPGF	POWER GENERATION GAS FIRED	34320	INT COMBUST GENERATORS	000000	DEFAULT	16,860,311	2,044,591	(464,567)	18,440,335
	TPGF	POWER GENERATION GAS FIRED	34520	INT COMBUST ACCESSORY	000000	DEFAULT	5,158,364	-	(3,236)	5,155,128
	TPGF	POWER GENERATION GAS FIRED	34620	INT COMBUST MISCELLANEOUS	000000	DEFAULT	1,058,207	29,825	(3,376)	1,084,657
	TPGF	POWER GENERATION GAS FIRED	34720	RENEWABLES	SI0000	RENEWABLES	-	3,499,179	-	3,499,179
<b>Total for Generation</b>							<b>46,802,824</b>	<b>5,590,835</b>	<b>(472,387)</b>	<b>51,921,272</b>
Transmission	TLND	LAND	35000	LAND	000000	DEFAULT	(37,868)	-	-	(37,868)
	TETR	ELECTRICITY TRANSMISSION	35300	STATION EQUIPMENT	S45710	STATION EQUIPMENT - MISC & INSTAI	1,144,289	-	-	1,144,289
<b>Total for Transmission</b>							<b>1,106,421</b>	<b>-</b>	<b>-</b>	<b>1,106,421</b>
<b>Grand Total</b>							<b>249,494,826</b>	<b>11,014,227</b>	<b>(713,546)</b>	<b>259,795,507</b>



**STATUTORY DECLARATION**

IN THE MATTER OF A REPORT REQUIRED BY  
SECTION 84 OF THE YUKON PUBLIC UTILITIES ACT  
BY M.L. BAYLEY, PRESIDENT, ATCO ELECTRIC, 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 2021, the Net Rate Base for the Corporation was \$109,244.
2. As of December 31, 2021, the total capitalization of the Corporation was \$115,898 with a mid-year weighted average cost of 7.53%.
3. The revenues for the Corporation for the period from January 1, 2021 to December 31, 2021 were as follows:

Retail Sales	\$ 80,717
Other Revenue	<u>2,232</u>
<b>TOTAL</b>	<b><u>\$ 82,949</u></b>
4. Dividends paid by the Corporation for the period January 1, 2020 to December 31, 2020 were \$5,900.
5. The operating and maintenance costs of the Corporation for the period from January 1, 2021 to December 31, 2021 were \$14,047.

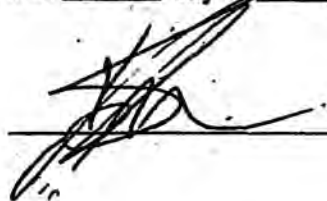
6. The Corporation estimates the following costs for new works, extensions and improvements during the current year:

Distribution Projects	\$ 9,643
General Property & Equipment	5,758
Generating Plants	<u>1,721</u>
TOTAL	<u>\$ 17,122</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 26 day of April, 2022. )


  
J. T. (Jay) Massie



**Katherine BRENT-BRAKEFIELD**  
Notary Public in and for the Yukon Territory  
My Commission Expires August 11, 2022.  
108 Elliott Street, Whitehorse, Yukon Canada Y1A 6C4  
(867)668-6245 store302@theupsstore.ca

Severally declared before me )  
at the City of Edmonton )  
in the Province of Alberta )  
this 28 day of April, 2022. )

  
M.L. (Melanie) Bayley



**SUSAN MARTIN**  
A Commissioner for Oaths  
in and for Alberta  
My Commission Expires Mar. 26, 2025

**ATCO Electric Yukon (formally The Yukon Electrical Company Limited)  
List of Directors and Officers**

**Company Name**

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

**Board of Directors**

Melanie L. Bayley  
Brian P. Shkrobot  
Nancy C. Southern

**Officers**

Nancy C. Southern, Chair & Chief Executive Officer;  
Melanie L. Bayley, President;  
Brian P. Shkrobot, Executive Vice President;  
Kyle M. Brunner, Vice President, Corporate Secretary;  
Jay T. Massie, Vice President;  
Rumdeep K. Basra, Assistant Corporate Secretary