

August 26, 2024

Yukon Utilities Board
P.O. Box 31728
Whitehorse, Yukon Y1A 6L3

Attention: Ms. Colleen Henry
Executive Assistant

**Re: ATCO Electric Yukon (AEY)
2023 Annual Filing and Financial Statements**

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

- 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 Capital Calculation;
- g. Property, Plant and Equipment;
- h. Signed Affidavit;
- i. List of Officers and Directors;
- j. Audited Financial Statements; and
- k. Key Performance Indicators.

If you have any questions, please contact me at tony.martino@atco.com.

Yours truly,

Tony Martino, CPA, CMA
Senior Manager, Regulatory

THE YUKON ELECTRICAL COMPANY LIMITED
(O/A ATCO ELECTRIC YUKON)
UTILITY INCOME AND RATE OF RETURN
For The Year Ended December 31, 2023
(\$000s)

		2023
Revenue		84,686
	Less: Non-Utility Revenue	-
UTILITY REVENUE		84,686
Costs and Expenses		75,099
Less:	Non Allowables	28
	Non-Utility O&M	285
	Non Utility Income Taxes	(66)
		247
Add:	Depreciation	7,404
	Income Taxes	(3,017)
	Amortization of Contribution for Extensions	(2,047)
	Amortization of Deferred Costs	(16)
		2,324
UTILITY EXPENSE		77,177
UTILITY INCOME		7,509
NET RATE BASE		127,185
RATE OF RETURN		5.90%

THE YUKON ELECTRICAL COMPANY LIMITED
(O/A ATCO ELECTRIC YUKON)
COMPUTATION OF NET RATE BASE
For The Year Ended December 31, 2023
(\$000s)

PROPERTY PLANT AND EQUIPMENT

BALANCE AT December 31, 2023		311,858
Add:	Regulatory Assets	1,901
Less:	Accumulated Depreciation	115,019
	Construction Work-in-Progress	19,311
		134,330
NET BALANCE AT YEAR END		179,429
Add:	Previous Year's Balance	163,329
TOTAL		342,758
MID-YEAR BALANCE		171,379
Add:	Allowance for Working Capital	5,834
Less:	Mid-Year Contribution	48,897
Add:	Mid-year Deferred Charges/Credits	(1,131)
NET RATE BASE		127,185

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

For The Year Ended December 31, 2023

(\$000s)

Operations and Maintenance	54,072
Add: Other Taxes	275
Less: Non-Allowables and Non-Utility O&M	313
Net O&M	<u>54,034</u>
O&M Lag Days	4
Operating Expenses Working Capital	<u>592</u>
Tax installments	(215)
Income Tax Installment Lag Days	22
Tax Installments Working Capital	<u>(13)</u>
Income taxes receivable (payable)	3,209
Tax Receivable Lag Days	204
Taxes Payable Working Capital	<u>1,794</u>
Inventory (Three year average)	<u>2,975</u>
GST Impact on working capital	<u>147</u>
Return - Long Term Debt	3,433
Combined Long Term Debt Lag Days	(52)
Long Term Debt Working Capital	<u>(489)</u>
Return - 50% of Common Equity	2,038
Dividend Lag Days	(4)
Common Equity (Dividend) Working Capital	<u>(22)</u>
Return - 50% of Common Equity	2,038
Depreciation Lag Days	42
Common Equity (Retained Earnings) Working Capital	<u>235</u>
Net Depreciation	5,357
Depreciation Lag Days	42
Depreciation Working Capital	<u>616</u>
TOTAL WORKING CAPITAL	<u>5,834</u>

THE YUKON ELECTRICAL COMPANY LIMITED
(O/A ATCO ELECTRIC YUKON)
RECONCILIATION OF UTILITY INCOME TO NET EARNINGS
For The Year Ended December 31, 2023
(\$000s)

UTILITY INCOME		7,509
Add: Non-Utility Income:		
Allowance for Funds Used During Construction		464
Short Term Interest from Parent		143
MDL Fair Value Adjustment		(26)
Non-Regulated Revenues		-
		580
Sub-Total		8,090
Less: Non-Utility Expenses:		
Interest to Parent		3,217
Non Regulated Expenses		285
Other Interest		265
Non Allowables		28
		4,295
Sub-Total		4,295
Add: Income Tax Adjustment:		
Income Tax Adjustments		66
ADJUSTED EARNINGS		4,361

THE YUKON ELECTRICAL COMPANY LIMITED
(O/A ATCO ELECTRIC YUKON)
ANALYSIS OF DEPRECIATION RESERVE
For The Year Ended December 31, 2023
(\$000s)

BALANCE - DECEMBER 31, 2022		110,102
Add:	Depreciation - Operating Expense	7,404
	Depreciation - Other	225
		<hr/> 117,732
Less:	Retirements	2,122
	Other	249
		<hr/> 115,360
BALANCE - December 31, 2023		<hr/> <hr/> 115,360

THE YUKON ELECTRICAL COMPANY LIMITED
(O/A ATCO ELECTRIC YUKON)
COST OF CAPITAL CALCULATION
For The Year Ended December 31, 2023
 (%)

	<u>CAPITAL RATIO</u>	<u>COST</u>	<u>RETURN COMPONENT</u>
LONG TERM DEBT	60.08	4.49	2.70
PREFERRED SHARES	-	-	-
COMMON SHARES AND RETAINED EARNINGS	39.00	8.22	3.21
NO COST CAPITAL	0.92		-
	<u>100.0</u>		<u>5.90</u>

THE YUKON ELECTRICAL COMPANY LIMITED
(O/A ATCO ELECTRIC YUKON)
PROPERTY, PLANT & EQUIPMENT - DECEMBER 31, 2023

Function	Major Account	Major Description	Minor Account	Minor Description	User Defined	User Defined Description	01-Jan-23	Net Additions	Retirements	31-Dec-23
Corporate	TLND	LAND	38900	LAND	000000	DEFAULT	300,338	-	-	300,338
	TBDG	BUILDINGS	39000	STRUCTURES AND IMPROVEMENTS	000000	DEFAULT	5,249,223	145,777	(4,376)	5,390,624
	TOTH	OTHER PLANT EQUIPEMNT AND M/	39100	OFFICE FURNITURE AND EQUIPMENT	000000	DEFAULT	292,330	54,880	(14,548)	332,662
	TOTH	OTHER PLANT EQUIPEMNT AND M/	39110	COMPUTER HARDWARE & VOICE AND DATA NETWORK EQUIPMENT	000000	DEFAULT	60,906	277,559	(10,438)	328,027
	TOTH	OTHER PLANT EQUIPEMNT AND M/	39230	TRANSPORTATION EQUIPMENT, FLEET VEHICLES CATEGORY 3	000000	DEFAULT	2,756,972	346,631	(283,193)	2,820,410
	TOTH	OTHER PLANT EQUIPEMNT AND M/	39220	TRANSPORTATION EQUIPMENT, FLEET VEHICLES CATEGORY 2	000000	DEFAULT	2,955,682	616,353	(32,794)	3,539,240
	TOTH	OTHER PLANT EQUIPEMNT AND M/	39240	TRANSPORTATION EQUIPMENT, FLEET VEHICLES CATEGORY 4	000000	DEFAULT	231,503	7,173	-	238,676
	TOTH	OTHER PLANT EQUIPEMNT AND M/	39400	TOOLS, SHOP, GARAGE, STORES AND LABORATORY EQUIPMENT	000000	DEFAULT	1,738,998	93,392	(45,515)	1,786,875
	TOTH	OTHER PLANT EQUIPEMNT AND M/	36210	SYSTEM COMMUNICATION & CONTROL	S49600	SYSTEM COMMUNICATION & CONTROL - EQUIPMENT	1,459,432	20,633	(540,961)	939,104
	TBDG	BUILDINGS	39001	STRUCTURES AND IMPROVEMENTS HOUSES	000000	DEFAULT	453,734	(1,805)	-	451,929
	ISFT	SOFTWARE	39122	COMPUTER SOFTWARE AND APPLICATIONS MAJOR (10 YR)	S49602	NEWCS(ATCOOCIS)	213,053	-	-	213,053
	ISFT	SOFTWARE	39122	COMPUTER SOFTWARE AND APPLICATIONS MAJOR (10 YR)	S49605	ORACLE	108,888	-	(32,404)	76,484
	ISFT	SOFTWARE	39122	COMPUTER SOFTWARE AND APPLICATIONS MAJOR (10 YR)	S49628	ORACLE HRXCELLENCE	-	-	-	-
	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	361,999	7,675,864	143,628	8,181,491
	ISFT	SOFTWARE	39122	COMPUTER SOFTWARE AND APPLICATIONS MAJOR (10 YR)	S49798	DEFAULT	-	-	(47)	(47)
	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	-	-	-	-
Total for Corporate							19,529,929	9,236,457	(931,871)	27,834,515
Distribution	TLND	LAND	36000	LAND	000000	DEFAULT	23,373	-	-	23,373
	ILRT	LAND RIGHTS	36010	LAND RIGHTS	000000	DEFAULT	2,160,633	84,117	-	2,244,750
	TEDI	ELECTRICITY DISTRIBUTION	36400	POLES, TOWERS AND FIXTURES	000000	DEFAULT	54,593,188	1,545,964	(140,759)	55,998,393
	TEDI	ELECTRICITY DISTRIBUTION	36500	OVERHEAD CONDUCTORS AND DEVICES	000000	DEFAULT	28,893,269	1,196,463	(1,196,463)	30,074,044
	TEDI	ELECTRICITY DISTRIBUTION	36510	OVERHEAD SERVICES	000000	DEFAULT	5,251,684	686,516	(6,872)	5,931,329
	TEDI	ELECTRICITY DISTRIBUTION	36700	UNDERGROUND CONDUCTOR AND DEVICES	000000	DEFAULT	35,097,808	2,964,290	(15,173)	38,046,925
	TEDI	ELECTRICITY DISTRIBUTION	36710	UNDERGROUND SERVICES	000000	DEFAULT	6,291,285	554,000	(2,640)	6,842,646
	TEDI	ELECTRICITY DISTRIBUTION	37000	CONVENTIONAL METERS	000000	DEFAULT	2,007,587	(6,472)	(117,052)	1,884,064
	TEDI	ELECTRICITY DISTRIBUTION	37000	CONVENTIONAL METERS	S47620	METERING EQUIPMENT	967,204	-	-	967,204
	TEDI	ELECTRICITY DISTRIBUTION	37100	AUTOMATED METERS	000000	DEFAULT	173,699	(48,134)	(1,918)	123,647
	TEDI	ELECTRICITY DISTRIBUTION	36200	STATION EQUIPMENT	S47710	NON FENCED SUBSTATION EQUIPMENT	4,692,891	35,555	(104,362)	4,624,084
	TEDI	ELECTRICITY DISTRIBUTION	36200	STATION EQUIPMENT	S47711	NON FENCED SUBSTATION TRANSFORMERS	767,866	-	-	767,866
	TEDI	ELECTRICITY DISTRIBUTION	36200	STATION EQUIPMENT	S47720	SUBSTATION BUILDINGS	462,176	-	-	462,176
	TEDI	ELECTRICITY DISTRIBUTION	36200	STATION EQUIPMENT	S47730	SUBSTATION FENCES	32,718	-	-	32,718
	TEDI	ELECTRICITY DISTRIBUTION	36200	STATION EQUIPMENT	S47740	FENCED SUBSTATION EQUIPMENT	813,550	(8,116)	-	805,434
	TEDI	ELECTRICITY DISTRIBUTION	36200	STATION EQUIPMENT	S47741	FENCED SUBSTATION TRANSFORMERS	757,218	-	-	757,218
	TEDI	ELECTRICITY DISTRIBUTION	37300	STREET LIGHTS	000000	DEFAULT	13,675,400	1,691,667	(71,999)	15,295,068
	TEDI	ELECTRICITY DISTRIBUTION	37310	SENTINEL LIGHTS	000000	DEFAULT	285,338	68	-	285,406
	TEDI	ELECTRICITY DISTRIBUTION	36800	LINE TRANSFORMERS	000000	DEFAULT	40,667,001	2,387,046	(172,589)	42,881,458
	TEDI	ELECTRICITY DISTRIBUTION	36800	LINE TRANSFORMERS	S47910	INVENTORY RECLASS TRANSFORMERS	1,144,807	-	-	1,144,807
Total for Distribution							198,778,695	11,082,965	(649,051)	209,212,608
Generation	TLND	LAND	33000	LAND	000000	DEFAULT	20,912	-	-	20,912
	TPHY	POWER GENERATION HYDROELEC	33100	STRUCTURES AND IMPROVEMENTS	000000	DEFAULT	1,875,642	250,190	(1,153)	2,124,679
	TPHY	POWER GENERATION HYDROELEC	33200	RESERVOIRS, DAMS AND WATERWAYS	000000	DEFAULT	8,754,297	-	(1,004,366)	7,749,931
	TPHY	POWER GENERATION HYDROELEC	33300	WATER WHEELS, TURBINES AND GENERATORS	000000	DEFAULT	3,261,928	4,165	1,000,207	4,266,301
	TPHY	POWER GENERATION HYDROELEC	33400	ACCESSORY ELECTRIC EQUIPMENT	000000	DEFAULT	151,242	-	-	151,242
	TPHY	POWER GENERATION HYDROELEC	33500	MISCELLANEOUS POWER PLANT EQUIPMENT	000000	DEFAULT	110,614	82,908	(27,425)	166,097
	TPGF	POWER GENERATION GAS FIRED	34120	INT COMBUST STRUCTURES	000000	DEFAULT	6,123,315	148,690	(5,013)	6,266,993
	TPGF	POWER GENERATION GAS FIRED	34220	INT COMBUST FUEL HOLDERS, PRODUCERS AND ACCESSORIES	000000	DEFAULT	3,437,637	271,892	(174,010)	3,535,519
	TPGF	POWER GENERATION GAS FIRED	34320	INT COMBUST GENERATORS	000000	DEFAULT	20,592,005	1,395,416	(325,166)	21,662,255
	TPGF	POWER GENERATION GAS FIRED	34520	INT COMBUST MISCELLANEOUS	000000	DEFAULT	5,155,128	324,090	(1,740)	5,477,477
	TPGF	POWER GENERATION GAS FIRED	34620	INT COMBUST MISCELLANEOUS	000000	DEFAULT	1,118,189	207,037	(1,817)	1,323,409
	TPGF	POWER GENERATION GAS FIRED	34720	RENEWABLES	S10000	RENEWABLES	3,532,057	3,479	-	3,535,536
Total for Generation							54,132,966	2,687,867	(533,353)	56,287,480
Transmission	TLND	LAND	35000	LAND	000000	DEFAULT	(30,124)	-	-	(30,124)
	TETR	ELECTRICITY TRANSMISSION	35300	STATION EQUIPMENT	S45710	STATION EQUIPMENT - MISC & INSTALLATION	1,144,289	-	-	1,144,289
Total for Transmission							1,114,165	-	-	1,114,165
Grand Total							273,555,756	23,007,289	(2,114,275)	294,448,769

STATUTORY DECLARATION

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

WE SOLEMNLY DECLARE THAT:

1. For 2023, the Net Rate Base for the Corporation was \$127,185.
2. As of December 31, 2023, the total capitalization of the Corporation was \$126,571 with a mid-year weighted average cost of 5.90%.
3. The revenues for the Corporation for the period from January 1, 2023 to December 31, 2023 were as follows:

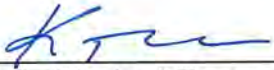
Retail Sales	\$ 82,444
Other Revenue	<u>2,242</u>
TOTAL	<u>\$ 84,686</u>


4. Dividends paid by the Corporation for the period January 1, 2023 to December 31, 2023 were \$3,000.
5. The operating and maintenance costs of the Corporation for the period from January 1, 2023 to December 31, 2023 were \$14,746.


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

Generating Plants	\$ 4,640
Distribution Projects	18,304
Renewables	5,094
General Property & Equipment	<u>3,797</u>
TOTAL	<u>\$ 31,835</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 Edmonton) 
in the Province of Alberta)
this 26 day of August, 2024.)
K.S. (Kirsten) Trunzo


MARK C. FIFE
A Commissioner for Oaths
in and for Alberta
My Commission Expires July 27, 2025

Severally declared before me)
at the City of Edmonton) 
in the Province of Alberta)
this 26 day of August, 2024.)
J.T. (Jay) Massie


MARK C. FIFE
A Commissioner for Oaths
in and for Alberta
My Commission Expires July 27, 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
Katherine-Jane Patrick
Nancy C. Southern

Officers

Nancy C. Southern, Chair & Chief Executive Officer;
Melanie L. Bayley, President;
Katherine-Jane Patrick, Executive Vice President;
Jay T. Massie, Vice President;
Kirsten S. Trunzo, Vice President;
Kyle M. Brunner, Corporate Secretary;
Rumdeep K. Basra, Assistant Corporate Secretary; and
Erin R. Wheaton, Assistant Corporate Secretary.