



**YUKON
ENERGY**

**YUKON ENERGY
CORPORATION**

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WHITEHORSE
YUKON Y1A 6S7
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File: 3305-02-04

May 11, 2017

Yukon Utilities Board
Box 31728
Whitehorse, YT
Y1A 6L3

Attention: Mr. Robert Laking, Chair

Re: Quarterly Adjustment to Secondary Sales Rates as of July 1, 2017

Pursuant to Rate Schedule 32 Secondary Energy (as approved in Board Order 2005-12), the following sets out the quarterly adjustment to the Secondary Energy rate effective for consumption on or after July 1, 2017.

July 1, 2017 Rate Determination

As outlined in Rate Schedule 32, the Secondary Energy rate for July 1, 2017 is based on the published Yukon Territorial Government – Bureau of Statistics biweekly price for Furnace Oil in Whitehorse for the three reporting periods prior to the 20th day of May 2017. The lowest value of the three (net of GST) is the “Oil Price Index”. The three reported values (including GST) are as follows:

April 12, 2017 = \$ 1.022 /litre
April 26, 2017 = \$ 1.047 /litre
May 10, 2017 = \$ 0.994 /litre

Consequently the Oil Price Index for the July 1, 2017 rate is 94.67 cents/litre (the May 10, 2017 value of 99.4 cents/litre less the GST included in that value). An Oil Price Index of 94.67 cents/litre equals a Secondary Energy price of 6.6 cents/kW.h (compared to the April 1, 2017 revised price of 6.6 cents/kW.h) and results in a Rate Schedule 43 Wholesale Secondary energy price of 5.5 cents/kW.h (compared to the April 1, 2017 revised price of 5.5 cents/kW.h).

Notification of Interested Parties

Rate Schedule 32 provides that the Secondary Energy Charge is to be filed with the Board at least 30 days in advance of the Rate Period. As with past notifications regarding the rate change, Yukon Energy is providing notice to ATCO Electric Yukon (AEY) at the same time as this notice is sent to the Board. The updated Rate Schedule 32 rate sheet will also be posted on Yukon Energy's website. Secondary Retail customers will be notified by a billing advisory message on their monthly bill when their retail account is actively in service.

Current Status of Secondary Sales

Secondary Sales were terminated effective August 30, 2016 for non-SCADA connected customers due to insufficient surplus hydro. Secondary sales will remain unavailable until the completion of the Whitehorse hydro unit #4 major overhaul, expected by the end of June 2017.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ed Mollard". The signature is stylized with a large initial "E" and a long, sweeping underline.

Ed Mollard
Chief Financial Officer

Email copy: ATCO Electric Yukon