Yukon Electrical Company Limited and Yukon Energy Corporation Rider F – Fuel Adjustment Rider and Deferred Fuel Price Variance Policy

Board Information Request (YUB) Round 1 to YEC/YECL

YUB-YEC/YECL-1

Reference: Application, page 4

Issue/Sub-Issue: Defined Range for Diesel Fuel Price Adjustment Accounts (DFPVAs)

Quote: The Objective of the Companies is to administer a Ride F rate which will

be in effect for a year or longer while keeping the combined Companies' Diesel Fuel Price Adjustment Account (DFPVAs) within a defined range

of +/- \$200,000.

Preamble: The Board wishes to understand the determination of the \$200,000 level

Request:

(a) Please fully explain how the \$200,000 level was determined and include all criteria used in determining that level.

YUB-YEC/YECL-2

Reference: Application, page 5

Issue/Sub-Issue: Management of the DFPVAs

Quote: The Companies will use best judgment to determine the timing of any

collection/refund rider, recognizing that at times filings may need to be deferred and balances may exceed the optimal range of \pm -\$200,000.

Request:

- (a) Please provide examples of times when filings may need to be deferred and that balances may need to exceed the optimal range.
- (b) If not explained in 1(a) above, what makes +/- \$200,000 the optimal range?

YUB-YEC/YECL-3

Reference: Application, page 5
Issue/Sub-Issue: DFPVA Balance – 2.1.7

Quote: In any event, when balances in the account grow to a range of +/-

\$400,000 the Companies will adjust Rider F at the earliest feasible date thereafter and will use a shorter forecast period (typically 6 months) to

accelerate the process of bringing the DFPVA back to zero.

Preamble: The Board wishes to understand why a +/- \$400,000 threshold is

necessary, when the Companies already stated that a +/- \$200,000

threshold is optimal

Request:

(a) Please explain why a \pm - \$400,000 threshold is necessary, when the Companies already stated that a \pm - \$200,000 threshold is optimal?

(b) What is the view of the Companies if the Board accepted the +/- \$200,000 threshold and directed that when that threshold was reached that the Companies, must file an adjustment to Rider F before the end of the next quarter?

YUB-YEC/YECL-4

Reference: Application, Exhibits 2
Issue/Sub-Issue: Calculation of Balances

Request:

- (a) Please provide an Excel version of Exhibit 2.
- (b) Please explain why the RS 32-SS Adjustment is not included in the calculation of the monthly change but is included in determining the balance for the month.