



June 19, 2018

Mr. Robert Laking, Chair
Yukon Utilities Board
Box 31728
Whitehorse, Yukon Y1A 6L3

Dear Sir:

RE: Application to recover Purchase Power Flow Through Deferral Account costs

Enclosed is ATCO Electric Yukon's ("AEY") application to the Board to recover Purchase Power Flow Through Deferral Account costs stemming from \$501,000 of Yukon Energy Corporation's ("YEC") Energy Reconciliation Adjustment ("ERA") charges via a Rider S bill adjustment to all retail and industrial customers, effective August 1, 2018.

AEY respectfully requests the Board provide a decision by July 18, 2018 to allow sufficient time for rate implementation and testing before the effective date.

If you have any questions regarding this application, please contact me at (780) 420-5449 or chris.cullingham@atco.com, or Rochelle Hocker at (780) 420-7139 or rochelle.hocker@atco.com.

Yours truly,

Chris Cullingham
Manager, Regulatory

CC*rh
Encl.

I. Introduction

1. In Board Order 2018-05, the Yukon Utilities Board (“YUB”) approved Yukon Energy Corporation’s (“YEC”):
 - a. Proposed Energy Reconciliation Adjustment (“ERA”) amounts for the years 2012-2016 as final; and
 - b. Proposed amended Wholesale Rate Schedule 42, describing how the ERA rate adjustment was determined for the 2012-2016 period.
2. In Board Order 2017-01, the YUB approved the continued use of ATCO Electric Yukon’s (“AEY”) Purchase Power Flow Through Deferral Account (“PPFTDA”), as an efficient “mechanism for adjusting potential changes in wholesale costs¹.”
3. In accordance with the above Orders, AEY has remunerated YEC for the final 2012 ERA amount, \$501,000, and is now requesting approvals:
 - a. To flow through this PPFTDA cost to all retail and industrial ratepayers via a refundable rider, Rider S, determined to be \$0.0011 per kWh; and
 - b. To publish the attached Rider S rate schedule, effective August 1, 2018.

II. Calculation

4. As of June 1, 2018, AEY’s PPFTDA balance is \$501,000. Because this amount is determined based on total wholesale energy purchases and total grid load, it should be recovered on an energy basis.

1. _____

¹ Paragraph 55. *Board Order 2017-01 Appendix A: Reasons for Decision*. Yukon Utilities Board. April 27, 2017.

ATCO Electric

YUKON

5. Forecast Retail and Industrial sales for the August 1, 2018 to July 31, 2019 period are 463,708 MWh.

6. The Rider is determined as follows:

$$\text{Rider S} = \frac{\$501,000}{463,708\text{MWh}} = \$0.0011 \text{ per kWh}$$

7. AEY may apply for future adjustments to Rider S for reasons including, but not limited to, the following circumstances:

- a. YEC receives approval for adjustments to the wholesale rate or an ERA charge;
- or
- b. AEY has reviewed its deferral balance and finds that an adjustment is required.

III. Customer Bill Impact

8. Bill impacts in the Hydro Area resulting from the requested Rider S are provided in the following table. Amounts include all riders but exclude GST.

Rate Class	Impact	
	\$	%
Residential (800kWh)	+\$0.88	+0.8%
General Service (5kW / 1,000kWh)	+\$1.10	+0.7%

IV. Implementation Date & Board Approval

9. To test and implement the requested Rider S for an effective date of August 1, 2018, AEY respectfully requests the Board provide its approval by July 18, 2018.

RIDER S
PURCHASE POWER ADJUSTMENT RIDER

AVAILABLE: To all electric service throughout the Yukon Territory.

APPLICABLE: To all classes of service except Rate Schedule 32, Rate Schedule 42, and Rate Schedule 43.

RATE: Energy Charge
All Energy consumed at \$0.0011 per kWh

NOTE: Yukon Energy Corporation recoveries under this rider are to flow through to Yukon Electrical Company Limited.
Approved in Board Order _____.

TERMS AND CONDITIONS OF SERVICE: The Company's Terms and Conditions of Service approved by the Yukon Utilities Board form part of this rate schedule and apply to the Company and every customer supplied with electric service by the Company in the Yukon and British Columbia. Copies of the Terms and Conditions of Service are available for inspection in the offices of the Company during normal working hours.