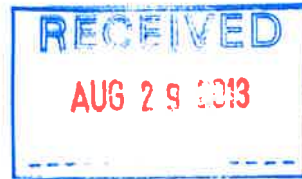


YUKON
ENERGY



YUKON ENERGY
CORPORATION

P.O. Box 5920
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File: 3305-02-04

August 22, 2013

Yukon Utilities Board
Box 31728
Whitehorse, YT
Y1A 6L3

Attention: Mr. Bruce McLennan, Chair

Re: Quarterly Adjustment to Secondary Sales Rates as of October 1, 2013

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 October 1, 2013.

October 1, 2013 Rate Determination

As outlined in Rate Schedule 32, the Secondary Energy rate for October 1, 2013 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 August 2013. The lowest value of the three (net of GST) is the “Oil Price Index”. The three reported values (including GST) are as follows:

July 10, 2013 = \$ 1.286 /litre
July 24, 2013 = \$ 1.268 /litre
August 7, 2013 = \$ 1.286 /litre

Consequently the Oil Price Index for the October 1, 2013 rate is 120.75 cents/litre (the July 24, 2013 value of 126.79 cents/litre less the GST included in that value). An Oil Price Index of 120.75 cents/litre equals a Secondary Energy price of 8.4 cents/kW.h (compared to the July 1, 2013 revised price of 8.6 cents/kW.h) and results in a Rate Schedule 43 Wholesale Secondary energy price of 7.3 cents/kW.h (compared to the July 1, 2013 revised price of 7.5 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 Yukon Electrical Company Limited at the same time as notice is sent to the Board.

The updated Rate Schedule 32 rate sheet will be posted on Yukon Energy's website. As the suspension of Secondary Sales was lifted at the end of July to approximately the beginning of October, Secondary Retail customer accounts that are active will be notified by a billing advisory message while inactive accounts will not receive notification as they are not receiving a monthly bill.

Sincerely,



Hector Campbell, P.Eng, MBA.
Director, Resource Planning & Regulatory Affairs

c: Yukon Electrical Company Limited