THE YUKON ELECTRICAL COMPANY LIMITED

An **ATCO** Company

YUKON UTILITIES BOARD		
EXHIBIT C1-7		
DAY	ENTERED BY YECL	DATE Mar19/09

March 19, 2009

Yukon Public Utilities Board
Box 31728
Whitehorse, YK Y1A 6L3

Attention: Ms. Wendy Shanks
Board Chair

Dear Ms. Shanks:

Re: Yukon Electric Company Limited ("YECL") Request for Further Information

In order to test the reasonableness of the forecast revenue requirement in the test period, YECL submitted a number of information requests on Yukon Energy Corporation's ("YEC") 2008-2009 GRA. In reviewing the responses to these requests it is apparent that appropriate responses have not been provided in all cases.

As such, YECL is applying to the Yukon Utilities Board pursuant to Section 13(3) of the Board's Rules of Practice seeking an Order to provide the information requested. YECL notes that YEC has not provided information in accordance with Section 13(2) of the Rules of Practice, which explains its failure to provide complete and adequate responses.

The information requests requiring further information are discussed below.

YECL-YEC-1-2(a)

YECL requested the monthly details and reasons for historical as well as forecast diesel generation. YEC has only provided the historical monthly totals. YECL does not believe this response provides the required information to the forecast. YECL is therefore requesting that YEC answer the remaining components of the question.

YECL-YEC-1-5

YECL requested a detailed business case for the Mayo B Expansion, including all options considered. YECL was referred to YUB-YEC-1-38 for the response. On reviewing this response, it is clear that this response does not provide the required information regarding the significant feasibility study costs of $7.6 Million leading to a $120 Million capital project. YECL is therefore requesting that YEC provide a detailed business case which includes information showing NPV analysis, alternatives examined, benefits to customers, and risks of not proceeding.

YECL-YEC-1-8(b)

YECL requested a business case associated with CSTP Phase II. ($1 Million per 5-21 of the Application)

The response was dismissive and stated that it could only be done once government funding arrangements are finalized.

YECL suggests that the business case can be prepared showing the revenue requirement impacts under alternative government funding arrangements. YEC can include the assumptions it incorporates into each business case option as it considers appropriate.

YECL-YEC-1-11(a)

YECL requested the capital approval process. The response indicated that this process has changed and provided the new process which is effective 2009.

Given that 2008 is a test year, YECL is requesting that YEC provide the process that was in place during 2008 and highlighting the differences, with a detailed explanation of the reasons supporting the changes.

YECL-YEC-1-11(d)

YECL requested detailed business cases for projects in excess of $1 Million. YEC referred back to its application which in turn refers to the 20 year Resource Plan.

YEC, however, has not included the portions of the Resource Plan upon which they are apparently relying on the record to this proceeding and have not explained how this information provides justification for the requested projects. YECL requests that this information be provided.

YECL-YEC-1-19(d)

YECL requested that YEC explain what YEC believes have been the major underlying drivers of this (wholesale sales WAF Load) growth.

This request was not answered. YECL reiterates its request for this information.

YECL-YEC-1-28(a&b)

YECL requested complete details for the $800,000 rate case costs as well as additional details on consultants' costs, if used.

YEC's response was dismissive and did not provide the details requested. Given the significance of this amount, YECL would again request that the details requested in (a) and (b) be provided. There is no evidence presented to justify the requested expense and test its reasonableness.

YECL-YEC-1-35(d)

YECL requested the business case used in the decision to replace the (JD Edwards) system.

Again, YECL was referred to a YUB response, YUB-YEC-1-37(c) but again, YECL would submit on reviewing this response that it does not provide the necessary information that would constitute a business case.

YECL is again requesting that YEC provide a detailed business case which includes information showing NPV analysis, alternatives looked at, benefits to customers and risks of not proceeding.

YECL-YEC-1-38(d)

YECL requested that YEC provide a market study, if done, on out of scope labour.

YEC confirmed that a market study was done but could not be provided as it is proprietary in nature.

YECL does not accept this position as market studies are routinely filed by utilities in regulatory proceedings to support salary increases. There is no evidence on the record to support the reasonableness of this request or allow its testing by the Board or parties.

As such, YEC should provide this study.

YECL-YEC-1-43

YECL requested details of all training conferences, including location and business related travel.

YEC did not provide such detail. Given the relative significance of the dollars spent in this area, YECL requests that this information be provided.

If you have any questions on the above request, please contact me at 780-420-5420.

Yours truly,

Original Signed by

David Freedman
Director, Regulatory