

**IN THE MATTER OF the *Public Utilities Act*
Revised Statutes of Yukon, 2002, c.186, as amended**

and

**An Application by Yukon Energy Corporation (YEC)
for approval of the Power Purchase Agreement (PPA) between YEC and
Alexco Resource Corp. (Alexco)**

BEFORE: B. McLennan, Chair)
 B. Laking) October 27, 2010
 R. Hancock)
 K. Avery)

BOARD ORDER 2010-10

WHEREAS:

- A. On September 28, 2010, Yukon Energy Corporation (YEC or Company) filed an application with the Yukon Utilities Board (Board) seeking an Order approving the Purchase Power Agreement (PPA) between YEC and Alexco;
- B. The application states that Alexco who intends to develop mines and mills in the Mayo-Keno area, is to be connected to the transmission facilities in early October and is to commence service as a major industrial customer (as defined in OIC 1995/90) by mid-October 2010;
- C. The PPA includes provisions whereby Alexco will pay YEC for the reasonably incurred costs related to the initial mine facilities spur, capital costs for any other mine facilities, costs to negotiate and conclude the PPA and decommissioning costs;
- D. Section 6.1 of the PPA also seeks approval to issue only one bill totaling the Electric Demand and Electric Energy at the Points of Delivery;
- E. YEC is also seeking approval for the Alexco Fixed Charge of \$7,289 per month as defined in Schedule A of the PPA;
- F. Seeing the limited scope of the application, the Board is of the view that the application will be determined by way of a written proceeding.

NOW THEREFORE the Board orders as follows:

1. The following process schedule is adopted for this PPA proceeding:

Action	Date
Intervenors Register with the Board	November 10, 2010
Information Requests to YEC	November 24, 2010
Information Responses from YEC	December 1 , 2010
Argument	December 8, 2010
Reply	December 15, 2010

2. No later than November 5, 2010, YEC will arrange for publication in display-ad format, of a Notice of Application as per the attached Appendix A, in such appropriate local news publications in the service area of the company so as to provide adequate notice to the public.

3. The Application and supporting material are to be made available for inspection at the Head Office of Yukon Energy Corporation, Whitehorse Hydro Dam, Robert Service Way and at the District Offices located at Mayo, Faro and Dawson, Yukon as well as Yukon community and public libraries.

The application and supporting material are also available for inspection at the office of the Board, 19-1114 First Avenue, Whitehorse, Yukon.

4. YEC is to distribute copies of the Application and any supplemental information to all interested parties that were registered in its 2008-2009 GRA (Phase I) and Mayo B proceedings as well as any new Intervenors as they become registered with the Board in this proceeding.

DATED at the City of Whitehorse, in the Yukon Territory, the 27th day of October 2010.

BY ORDER



Bruce McLennan
Chair

APPENDIX A

YUKON UTILITIES BOARD NOTICE OF APPLICATION

Written Proceeding

An application was filed by Yukon Energy Corporation (YEC) pertaining to a Purchase Power Agreement between YEC and Alexco Resource Corp.

Summary of Application

On September 28, 2010, Yukon Energy Corporation (YEC) filed an application with the Yukon Utilities Board (Board) seeking an Order from the Board for approval of the PPA between YEC and Alexco. The Board has determined that a written proceeding is appropriate to review the application.

The Board Chair for review of this application is Bruce McLennan.

Schedule of Proceeding

The Board has established a schedule for this proceeding. The Board recognizes this is a somewhat compressed schedule and, therefore, expects parties' cooperation throughout the proceeding, including keeping procedural motions to a minimum. For any motions that do arise through the proceeding, the Board will likely apply a more expedited schedule than the Board's usual practice for dealing with motions. The Board will not distribute an issues list for this proceeding as the issues for consideration are limited to the PPA. The schedule for this proceeding is as follows:

Action	Date
Intervenors Register with the Board	November 10, 2010
Information Requests to YEC	November 24, 2010
Information Responses from YEC	December 1, 2010
Argument	December 8, 2010
Reply	December 15, 2010

Public Inspection of the Application

The Application and supporting documents are available for inspection at the following locations:

Yukon Energy Corporation

Head Office: Whitehorse Hydro Dam
Robert Service Way

District Offices: Mayo, Yukon
Faro, Yukon
Dawson City, Yukon

All Public Libraries in Yukon Communities

A copy of the Application and supporting documents are also available for inspection at the office of the Yukon Utilities Board at 19-1114 First Avenue, Whitehorse, Yukon.

A copy of the Application and supporting documents are posted on the Yukon Utilities Board's website at <http://yukonutilitiesboard.yk.ca/> .

Clarification

Persons intending to participate, and who are uncertain as to the manner in which to proceed, may contact Ms. Deana Lemke, Executive Secretary of the Yukon Utilities Board, by telephone at 867-667-5058 or in writing at Box 31728, Whitehorse Yukon, Y1A 6L3, by email to yub@utilitiesboard.yk.ca or by fax at 867-667-5059.