

**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) November 19, 2010
 B. Laking)
 R. Hancock)
 J. Woodland)
 K. Avery)

BOARD ORDER 2010-11

WHEREAS:

- A. On September 28, 2010, Yukon Energy Corporation (YEC, or the 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 intends to develop mines and mills in the Mayo-Keno area and is to be connected to the transmission facilities in early October. Also, Alexco is to commence service as a major industrial customer, as defined in Order-In-Council 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 totalling 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. The Board determined through Board Order 2010-10, that a written proceeding was sufficient and that persons wishing to seek Intervenor status were ordered to register with the Board by November 10, 2010;

- G. The Board received requests for Intervenor status from Yukon Electrical Company Limited, John Maissan, and Utilities Consumers' Group. The City of Whitehorse informed the Board that it had not decided whether to intervene in this application but it asked to be registered as an Interested Party to receive all future correspondence; and
- H. The Board has considered these requests.

NOW THEREFORE the Board orders as follows:

1. Intervenor status is granted to the following for this proceeding:
 - a) Yukon Electrical Company Limited;
 - b) John Maissan (Leading Edge); and
 - c) Utilities Consumers' Group.
2. With regard to the City of Whitehorse, the Board grants it observer status because it did not seek Intervenor status.
3. This proceeding will follow the process schedule as outlined in Board Order 2010-10.

DATED at the City of Whitehorse, in the Yukon, the 19th day of November 2010.

BY ORDER



Bruce McLennan
Chair