

**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 Rate Schedule 39 – Escalation of Demand and Energy
Charges per OIC 2007/94**

BEFORE: B. McLennan, Chair) January 26, 2011
 B. Laking, Vice-Chair)
 J. Woodland)
 K. Avery)

BOARD ORDER 2011-02

WHEREAS:

- A. On November 30, 2010, Yukon Energy Corporation (YEC) filed an application with the Yukon Utilities Board (Board) seeking an Order from the Board for approval of amendments to Rate Schedule 39;
- B. OIC 2007/94 provides for escalation of demand and energy charges, once per calendar year, starting January 1, 2010 based on the latest percentage increase in the 12 month implicit chain price index for gross domestic product at market prices for Canada as reported by statistics Canada;
- C. The existing Rate Schedule 39 was approved in Board Order 2008-13, pursuant to OIC 2007/94. In the proceeding that resulted in that Board order, YEC committed to file for approval of the Board any changes to this rate schedule arising from the escalation of demand and energy charges under the OIC;
- D. YEC submits that the most recent data available from statistics Canada is for the Third Quarter of 2010 and based on that latest data there is a requirement pursuant to OIC 2007/94 to escalate the Demand and Energy charges for Rate Schedule 39 by 2.8%, for rates effective January 1, 2011;

- E. On December 23, 2010, the Board issued Board Order 2010-12 which set out a written process for the application. In this Order, the Board specified that Intervenors may register with the Board by January 17, 2011;
- F. On December 30, 2010, the Board received a request from YEC for an interim order on a refundable basis to escalate the Demand and Energy charges in Rate 39 by 2.8% effective January 1, 2011 because the process would not be completed until March 2011. The Board issued Board Order 2010-15 granting the interim order;
- G. The Board received requests for Intervenor status from John Maissan, Leading Edge Projects Inc. (Leading Edge) and the Utilities Consumers' Group, and a request for Observer status from the City of Whitehorse. The requests for Intervenor status set out a number of issues that each wanted to pursue;
- H. On January 14, 2011, YEC took issue with the issues that Leading Edge intended to pursue in this proceeding because the issues raised would broaden the scope of the proceeding. YEC submitted that the only issue before the Board was whether or not to approve the escalation of Demand and Energy charges in Rate Schedule 39. It added that this rate is fixed by OIC 2007/94 until January 1, 2011, and that this rate has been the subject of or included in a number of recent Board proceedings;
- I. Leading Edge and the Utilities Consumers' Group replied, submitting that the scope of the proceeding should be broad;
- J. The Board has considered the requests for Intervenor status and for Observer status, and grants these requests; and
- K. The Board finds that the scope of the proceeding is limited to the requested escalation of the Demand and Energy charges in Rate Schedule 39 because the application is focused only on this aspect of Rate 39. Also, the Board considered that Rate Schedule 39 was approved in Board Order 2008-13 and reviewed in the YEC 2008 General Rate Application and the 2009 Phase II Rate Application.

NOW THEREFORE the Board orders as follows:

1. The Board grants Intervenor status to Leading Edge and to the Utilities Consumers' Group and Observer status to the City of Whitehorse.
2. The scope of the proceeding is limited to the escalation of the Demand and Energy charges in Rate Schedule 39 and the Intervenor should govern themselves accordingly.

DATED at the City of Whitehorse, in the Yukon Territory, the 26th day of January 2011

BY ORDER

A handwritten signature in black ink, appearing to read 'Bruce McLennan', with a long horizontal line extending to the right.

Bruce McLennan
Chair