

**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 Order-in-Council 2007/94**

BEFORE: B. McLennan, Chair) March 10, 2011
 B. Laking)
 R. Hancock)
 J. Woodland)
 K. Avery)

BOARD ORDER 2011-03

WHEREAS:

- A. On November 30, 2010, Yukon Energy Corporation (YEC, or the Company) 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. Board Order 2010-15 granted the YEC request to escalate the Demand and Energy charges in Rate 39 by 2.8% effective January 1, 2011 on an interim basis;
- F. Board Order 2011-02 granted Intervenor status to Leading Edge (LE) and to the Utilities Consumers' Group (UCG) and Observer status to the City of Whitehorse (CW). Board Order 2011-02 also determined that the scope of this proceeding is limited to the escalation of the Demand and Energy charges in Rate Schedule 39;
- G. YEC filed IR Responses on February 14, 2011;

- H. On February 21, 2011, UCG filed a Notice of Motion requesting the Board issue an Order requiring YEC to provide adequate responses to certain questions submitted by the UCG;
- I. By way of memorandum dated February 22, 2011, the Board requested YEC to respond to the UCG motion by 4:00 p.m. February 24, 2011 and UCG to reply to the YEC response on the UCG motion by 4:00 p.m. February 25, 2011; and
- J. The Board has considered the UCG motion, the response by YEC and the reply provided by the UCG.

NOW THEREFORE the Board orders as follows with Reasons attached as Appendix A:

The UCG motion is dismissed and the process schedule proposed for this Rate Schedule 39 Amendment proceeding is changed as follows:

Action	Date
Argument	March 17, 2011
Reply	March 23, 2011

DATED at the City of Whitehorse, in the Yukon Territory, the 10th day of March 2011.

BY ORDER



Bruce McLennan
Chair

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Reasons for Decision

1.0 UCG Motion

In parts (a) and (b) of *UCG-YEC-8*, UCG requested information based on 2009 and 2010 forecast values of customer, demand and energy levels as approved in Board Order 2010-13. YEC responded that parts (a) and (b) to this question were outside the scope of this proceeding as defined in Board Order 2011-02. Board Order 2011-02 stated:

The scope of the proceeding is limited to the escalation of the Demand and Energy charges in Rate Schedule 39 and the Intervenors should govern themselves accordingly¹.

The Board agrees with YEC that the question as proposed by UCG is outside the scope as defined in Board Order 2011-02. No further response is required from YEC.

In UCG-YEC-10, UCG asked YEC about Base Load Energy rate provisions of Rate Schedule 39, when diesel generation was on the margin in 2009, 2010 and 2011 to date, to identify Base Load Energy amounts established for any customer served by YEC and if YEC has required diesel fuel generation to service use in excess of such Base Load Energy amounts. YEC responded that all parts of the question were outside the scope of the proceeding. YEC noted in its response to the UCG motion that the requested information had no bearing on the determinations required under OIC 2007/94. YEC further noted that:

Further, it is a matter of public record that, since OIC 2007/94 was issued, YEC to date has not requested that the Board implement the Base Load Energy provisions of Rate Schedule 39².

¹ Board Order 2011-02

² YEC Reply to UCG Notice of Motion, February 24, 2011.

The Board agrees with YEC's response that the question as proposed by UCG is outside the scope as defined in Board Order 2011-02. No further response is required from YEC.

As a result of the above, the Board dismisses the UCG motion and has revised dates for the remaining steps in the process schedule for this matter.