

**Yukon Utilities Board**  
P.O. Box 31728 • Whitehorse, YT • Y1A 6L3

May 17, 2010

The Honourable Marian Horne  
Minister of Justice  
Yukon Government  
P.O. Box 2703  
Whitehorse, Yukon Y1A 1B2

Dear Minister Horne:

**Re: Report on the Mayo Hydro Enhancement (Mayo B) Project Application**

On December 10, 2009, the Yukon Energy Corporation (YEC) submitted an application to the Government of Yukon for an Energy Project Certificate and an Energy Operation Certificate for the Mayo Hydro Enhancement Project (Mayo B). This project was designated as a regulated project pursuant to Order-in-Council 2009/220. The application was made pursuant to Part 3 of the *Public Utilities Act*.

In your letter of December 18, 2009, the Yukon Government referred the application to the Yukon Utilities Board for review and hearings. The letter included the Terms of Reference which set out both the purpose and scope of the review. The Yukon Utilities Board consequently held oral hearings on April 6-8, 2010 in Whitehorse, Yukon according to those Terms of Reference.

The Board has now completed its analysis of the application and the hearing proceedings. Please find attached our Report on the Yukon Energy Corporation's application. The Board recommends that YEC be granted an Energy Project Certificate and an Energy Operation Certificate for Mayo B for the reasons set out in this report.

We trust that it meets the expectations for Yukon Utilities Board review.

Sincerely,



Bruce McLennan  
Chair