Yukon Energy Corporation & Yukon Electrical Company (the Companies)
2009 Phase II Rate Application

YUKON UTILITIES BOARD (YUB) INFORMATION REQUEST ROUND 1 TO Companies

YUB-Companies-1

Reference:	**Application, Tab 3**
Issue/Sub-Issue:	**3.2.1 Bulk Power Classification Methods**
Quote:	Except as otherwise noted below, the COS methodology used to prepare the 2009 Cost of Service study in Appendix 3.1 largely reflects past principles and methods adopted by the Companies
Preamble:	The YUB seeks clarification regarding the proposed changes with respect to bulk power classification methods as proposed in this Application compared to those approved in Order 1996-7: • Aishihik Plant (40% Demand, 60% Energy), and • Mayo Hydro (40% Demand, 60% Energy).

Request:

(a) Please provide a 2009 Cost of Service Study (COSS) incorporating Order 1996-7 bulk power assumptions that were approved in respect of transmission and generation assets.

(b) Using the 2009 COSS in part (a) as the base case, please provide 2 additional COSS; the first incorporating the proposed change respecting Aishihik Plant, and the second study incorporating the proposed changes respecting both the Aishihik Plant and Mayo Hydro.

(c) Using the 2009 COSS in part (a), please provide 2 additional COSS; the first incorporating the Companies' proposed changes in respect of the transmission facilities, i.e. the change to a 100% energy classification, and the second incorporating a hypothetical case wherein transmission facilities are classified as being 40% Demand and 60% Energy.

YUB-Companies-2

Reference:	**Application, Tab 3**
Issue/Sub-Issue:	**3.1 Overview**
Quote:	The COS study in this Application allocates approved 2009 firm rate revenue requirement consolidated costs for the Companies to each consumer firm rate class …

Request:

(a) Has YEC or YECL considered the assignment of costs to rate classes? If not, why not?

YUB-Companies-3

Reference: **Application, Tab 3**

Issue/Sub-Issue: **3.2.1 Bulk Power Classification Methods**

Quote: Classification methods for bulk power reflect consideration of a number of factors such as:

- How any given assets or class of assets is used;
- What type of loads on the system increase the required level of investment in the particular type of asset (i.e., what is the basis for the investment); and
- What would be the alternative system cost profile absent the assets (i.e., what are the benefits of the asset to the system)

…

the cost of capacity relates to the cost to ensure reliable firm service to accommodate an incremental very short-term increase in winter peak loads at the time of coincident peak.

Preamble: The YUB seeks clarification respecting the proposed classification changes.

Request:

(a) With respect to the above quote, please explain what is meant by "very short-term".

(b) Please explain how the explanation in part (a) would account for how grid or generation capacity associated with transmission or generation assets has been used in the past or will be used in the future.

(c) Please explain what is meant by the second bullet – "what type of loads on the system increase the required level of investment of the particular type of asset." Please explain how this may change from the very short-term to a longer term.

(d) If an asset is in place to preclude the use of another asset (for example, a transmission line to displace diesel generation), should that asset have the same classification as the asset it precludes the use of?

(e) With respect to part (b) of this IR, please provide a detailed explanation as to the planning that is prudent for customers, i.e. is it best to plan for the long-term or a very short-term.

YUB-Companies-4

Reference:	**Application, Tab 3**
Issue/Sub-Issue:	**Production Classification**
Quote:	The Companies relied upon "classification of similar hydro facilities in British Columbia, Manitoba, Ontario and Quebec."
Preamble:	The Board seeks information regarding the proposed classification of production assets.

Request:

(a) Are other hydro facilities classified as 100% energy? If so, please provide examples and explain the reasoning for the classification.

(b) With respect to the above-referenced utilities, have generation assets that have had an initial classification as being either 100% demand or 100% energy, been re-classified with a percentage demand/energy split? Please provide examples and detail the reasons for their re-classification.

(c) Please provide the outage statistics for the Aishihik plant for the period 1994 to 2009. Please provide the probability that the Aishihik plant will not be able to contribute to the WAF system's ability to serve peak loads due to transmission constraints and how this informs the companies' proposition that Aishihik's contribution to system service is solely an energy benefit.

(d) Please provide an explanation as to what is meant by "positive net contribution" when the Companies submit that "Whitehorse Unit #4 (WH4) is expected to make a positive net contribution to meeting customer demands." [1]

(e) Is Whitehorse Unit #4's positive net contribution expected to increase as electrical load increases in the Yukon? With respect to the original three Whitehorse hydro plant units, what is the expected output during drought conditions?

(f) Please provide the individual outage statistics for each of the 4 Whitehorse hydro plant units for the period 1994 to 2009.

(g) With respect to future load growth in the Yukon, please provide a detailed explanation of where most of the sustained (continuous – not interim mine loads) load growth is expected to take place.

(h) With reference to the following quote: "consistent with past practice and the purpose for which the unit was originally constructed and for simplicity, the Whitehorse Unit #4 continues to be classified 100% to energy"[2] please explain what is meant by "simplicity".

(i) Please provide a detailed explanation as to why WH4 should not be classified as being 40% demand/ 60% Energy, since as the Companies submit, "Aishihik generation is considered to not contribute to the WAF system's ability to serve peak loads at critical times due to transmission constraints."[3]

[1] Application, Tab 3, 3-5
[2] Application, Tab 3, page 3-5
[3] Ibid

YUB-Companies-5

Reference:	**Application, Tab 3**
Issue/Sub-Issue:	**Production Classification**
Quote:	The Companies in this application propose to change the classification of hydro plant at Mayo… due to material changes in circumstances on the system since the 1996/97 GRA … The Companies used "cost causation" for the purpose of classifying the cost of facilities.
Preamble:	The Board seeks to understand the proposed classification changes

Request:

(a) Please provide a detailed explanation as to what is meant by cost causation.

(b) With respect to Whitehorse Units #1, 2, and #3, please provide cost causation arguments that were presented in 1992, which led to the classification of these units as 40% demand/60% energy split.

(c) Please provide examples where hydro facilities in British Columbia, Manitoba, Ontario and Quebec have been classified as being 100% energy and provide the reasons for the 100% energy classification.

(d) Please provide a table listing the various hydro facilities in British Columbia, Manitoba, Ontario and Quebec and their respective classification.

(e) Please provide a table listing the hydro facilities in NWT and their respective classification.

(f) Please provide a detailed explanation, complete with examples, as to what wind generator facilities are typically classified as in Canada.

(g) Please provide an explanation as to why Mayo Hydro should not be classified as 100% demand considering that the Companies propose no change with respect to diesel being classified as "100% to Demand" and it is the Companies' view that "the primary function for the Mayo hydro system is to provide energy to offset what would otherwise be the requirement to operate these diesel units."[4]

[4] Application, Tab 3, page 3-6

YUB-Companies-6

Reference: **Application, Tab 3**

Issue/Sub-Issue: **Transmission Classification**

Quote: The Companies propose to change the classifications used in the 1996/97 GRA for two reasons:
1) The material changes on the system since the 1996/97 GRA, including the closure of Faro Mine, the construction of the Mayo Dawson transmission line and the anticipated interconnection of the grid through the completion of the CSTP.
2) Relative importance of the transmission system in providing the benefit of avoiding expensive diesel generation.

Request:

(a) Please provide a detailed explanation as to why the Companies did not propose a classification change in respect of the WAF transmission line in the previous COSS.

(b) Please provide examples where electrical utilities in other Canadian jurisdictions have changed the classification of transmission line from a classification that incorporated a demand/energy split.

(c) Please provide examples where other Canadian electrical utilities make use of a 100% energy classification in respect of transmission lines.

(d) Please provide a detailed explanation as to why an anticipated interconnection of the WAF and MD grids in 2010, should influence the 2009 re-classification of transmission lines.

(e) When the Companies state that "investment is not being driven to enhance existing transmission assets (e.g., twinning lines, or reconductoring) to serve growing peak loads"[5], are the Companies suggesting that existing transmission system capacity is sufficient to serve system peak loads, in addition to providing new electricity customers access to surplus generation capacity, be it hydro or diesel?

(f) Please provide a detailed explanation as to what is meant by "material ratebase diesel generation."[6]

(g) Please provide details as to the times when the WAF transmission system has been operating at full peak capacity.

(h) Please provide a detailed explanation in respect of the following statement: "…these lines exist solely to supply hydro energy to displace the need for diesel generation to supply loads in Whitehorse and elsewhere". Are the Companies suggesting that the current excess WAF transmission line capacity is not available to new electricity customers?

[5] Application, Tab 3, page 3-8, lines 14 to 15
[6] Application, Tab 3, page 3-9, line 7

YUB-Companies-7
Reference: **Application, Tab 3**
Issue/Sub-Issue: **Distribution Classification Methods**
Quote: The Companies have reviewed and updated the customer/demand classification factors for Distribution plants using Yukon specific data and the same methodologies that were approved in ATCO Electric's 2010 Distribution Tariff Application as well as Northland Utilities (NUY) and Northland Utilities (NWT) 2008-2010 Phase II General Rate Applications.

Request:

(a) Please provide a Cost of Service Study (COSS) using the previous distribution classification percentages that were last approved by this Board.

(b) Please provide a detailed explanation as to what has changed since the 1996/97 GRA that leads to what appears to be significant changes in respect of proposed Distribution classification factors for
    a. poles, towers, and fixtures; and
    b. OH Conductors/UG Conduits (Wires).

(c) With reference to part (a) please explain how the proposed classification factors are consistent with the goals of identifying cost causation.

(d) Using Page 3-11 as a template, please provide a table that compares Distribution classification factors approved in ATCO Electric's 2010 DTA, and those approved in the NUY and NWT 2008-2010 Phase II GRAs.

(e) Did the Companies perform the regression analyses or was this performed by an outside consultant? Do the Companies have any recommendations as to whether the zero intercept or the minimum system more appropriately reflects the manner in which the distribution system capital costs are caused?

(f) Please provide a detailed explanation regarding the revised treatment of Yukon Electrical revenue offsets referred to on Page 3-11 of the Application.

(g) Please provide an explanation, complete with relevant excerpts, that support the statement that "these classifications are also supported by the National Association of Regulatory Utility Commissioners' (NARUC) Electric Utility Cost Allocation Manual."

YUB-Companies-8

Reference: **Application, Tab 3**

Issue/Sub-Issue: **Allocation Methods**

Quote: Classified costs were allocated to each firm rate class using methods adopted in past COS studies and updated estimates for the number of customers, peak demand, and energy use for each rate class

...

It is important to note that no Yukon specific load studies have been conducted, and consequently the new load factors are derived from recent load studies on ATCO Electric customers in Alberta (the 1996/97 load factors were based on earlier analyses of ATCO Electric customers in Alberta as well).

Preamble: The Board seeks to understand the proposed changes to allocation methodologies

Request:

(a) Please explain how an adjustment that is based on a U.S. Department of Agriculture bulletin released in June of 1963, is still valid considering the numerous changes that have taken place in electricity markets. Please provide the relevant excerpts and explanations that support the formulae shown on pages 3.3A-3 to 3.3A-4.

(b) Please inform the Board that an adjusted AE load factor adjusted to determine a Yukon load factor is still valid, considering the significant differences between the Alberta deregulated electricity market and the Yukon electricity market.

(c) Please provide an explanation regarding the similarities and dissimilarities between the electricity rate classes of the Yukon and of the Alberta de-regulated marketplace.

(d) Please provide explanations respecting the differences between the formulae currently used and those that were used to determine the Yukon load factor adjustment to calculate NCP and CP demands in the 2009 COS study.

(e) Please provide a revised COS study that makes use of the 1995 allocation factors.

(f) Please provide the AE EDLA study and an accompanying spreadsheet with formula intact relating to the Yukon load factors currently used in the COS study.

(g) With respect to rate class designation, please explain the meaning of the notation when the Residential or General Service rate classes are designated as being either Non-Government or Government.

(h) Please explain the lower load factor attributed to the Minto mine. Please provide the 2009 Minto Mine load factor.

(i) Please explain how a notable increase in the calculated CP and NCP load factors for the General Service rate class leads to a reduced coincident peak demand compared to the 1996/97 ratios. Additionally, could this be attributed to the underlying EDLA study that is based on an Alberta deregulated electricity retail market?

YUB-Companies-9
Reference: **Application, page 4**
Issue/Sub-Issue: **Option A**
Quote: Reflects runoff rates at 80% of 2009 incremental diesel generation costs, with resulting increased bill impacts for a minority of higher use customers and reduced bills for the majority of customers using only first block energy

Request:
(a) Have diesel prices declined since what was proposed and approved in either the YEC or YECL Phase 1 proceedings?

(b) If the answer to (a) of the question is affirmative, please provide all reasons why 80% of 2009 incremental diesel generation costs are still applicable as opposed to a lower rate.

YUB-Companies-10
Reference: **Application, page 4.**
Issue/Sub-Issue: **Residential Government rates 1180, 1280, 1380**

Request:
(a) Please provide the history and rationale for Residential Government Rate Classes.

(b) Please describe the characteristic differences between Residential Government Rate Classes 1180, 1280, 1380, 1480 and those of Residential Non-Government Rate Classes 1160, 1260, 1360, and 1460.

(c) Please provide the history and rationale for General Service Federal and Territorial Government Rate Classes (2180, 2280, 2380, 2480).

(d) Please describe the characteristic differences between General Service Federal and Territorial Government Rate Classes (2180, 2280, 2380, 2480) and General Service Non-Government and Municipal Government Rate Classes (2160, 2170, 2260, 2270, 2360, 2370, 2460, 2470).

YUB-Companies-11
Reference: **Application, page 5.**
Issue/Sub-Issue: **Energy Blocks**

Request:
(a) What is the average annual consumption of a residential customer, if the average does not include loads for summer cottages and cabins (seasonal loads)?

(b) Does YEC/YECL take the annual average and divide by twelve to determine a monthly average for average monthly residential consumption?

YUB-Companies-12
Reference: **Application, Page 5**
Issue/Sub-Issue: **Option A/Option B**

Request:
(a) Please provide reasons as to why YEC believes the blocking structure it proposes for residential rates (Government and Non-Government) in Option A is superior to the blocking structure proposed for the same rates in Option B.

(b) Please provide reasons as to why YECL believes the blocking structure it proposes for residential rates in Option B (Government and Non-Government) is superior to the blocking structure proposed for the same rates in Option A.

(c) Please provide reasons as to why YEC believes the blocking structure it proposes for General Service rates (Government (Federal and Territorial) and Non-Government and Municipal Government) in Option A is superior to the blocking structure proposed for the same rates in Option B.

(d) Please provide reasons as to why YECL believes the blocking structure it proposes for General Service rates (Government (Federal and Territorial) and Non-Government and Municipal Government) in Option B is superior to the blocking structure proposed for the same rates in Option A.

YUB-Companies-13
Reference: **Application, page 8**
Issue/Sub-Issue: **Energy Reconciliation Adjustment**
Quote: … approval to incorporate the full incremental cost of diesel generation on the major systems (27.67 cents/kW.h) as the Energy Reconciliation Adjustment Rate.

Request:
(a) Please compare and contrast the Energy Reconciliation Adjustment rate to the previously applied for Energy Reconciliation Account (ERA).

(b) If the Energy Reconciliation Adjustment is similar to the Energy Reconciliation Account, please provide the previous Board rulings on the ERA.

YUB-Companies-14
Reference: **Application, Page 8.**
Issue/Sub-Issue: **Rate Schedule 51**

Request:
(a) Given that YEC and YECL agree on the COSS, please provide the rationale for providing two different options (Option A and Option B) for Rate Schedule 51.

YUB-Companies-15
Reference: **Application, Page 1-8**
Issue/Sub-Issue: **Surplus Hydro**
Quote: Based on Yukon Energy's current forecasts, ongoing load growth and expressed interest from other future industrial customers will likely cause the existing hydro generation on both the WAF and MD grids to be basically fully utilized within the next few years.

Request:
(a) Please confirm that for the current test period existing hydro is not forecast to be fully utilized.

YUB-Companies-16
Reference: **Application, Page 2-5**
Issue/Sub-Issue: **Secondary Loads**
Quote: While there remains surplus hydro at times of the year on the grid systems to supply secondary sales, the availability of secondary energy is diminishing, such that the forecast secondary supply quantities reflect material sustained interruptions to aid in avoiding diesel generation.

Request:
(a) Please list the dates and durations of sustained secondary supply interruptions in 2009 and up to the end of May 2010 where the interruptions occurred for economic reasons not peaking related (avoid running of diesel units) versus other outage reasons (generation outage, transmission line outage, distribution outage).

YUB-Companies-17
Reference: **Application, page 4YEC-1**
Issue/Sub-Issue: **New Equalized Second Energy Block**

Request:
(a) What does YEC mean by "equalized" energy block?

YUB-Companies-18
Reference: **Application, Page 4 YEC-2**
Issue/Sub-Issue: **Blocking Levels – Residential (Option A)**

Request:
(a) What criteria were used to set the energy levels for each energy block?

(b) Why was the criteria used in response to the (a) part of the question utilized? What other alternatives were reviewed?

(c) What criteria were used to determine the energy levels for each energy block with respect to General Service?

(d) Why was the criteria used in response to the (c) part of the question utilized? What other alternatives were reviewed?

YUB-Companies-19
Reference: **Application, Page 4 YEC-6**
Issue/Sub-Issue: **Rider D**
Quote: YEC does not propose a new Rider D to collect for YECL the actual cost of purchase power for the Hydro zone, as this new rider does not reflect any past practice in Yukon and would, in effect, shift load forecast variance risk from YECL to all Yukon retail ratepayers.

Request:
(a) Does YEC believe that the load forecast variance risk is already included in the allowed return for YECL?

YUB-Companies-20
Reference: **Application, Page 4 YEC-9**
Issue/Sub-Issue: **Option B**
Quote: Option B substantially reduces the focus on evolving system generation requirements and economic efficiency in the rate design for larger users. As a result, Option B reduces the price signal and bill effects to the largest users and concurrently reduces or eliminates rate decrease benefits for small customers.

Request:
(a) Will growth in residential or general service loads be the main driver for evolving system generation requirements?

(b) Please define IER. Please comment on any knowledge YEC has on the future reduction or elimination of IER.

YUB-Companies-21
Reference: **Application, Page 4 YEC-12**
Issue/Sub-Issue: **Normal Utility Principles of Rate Design**
Preamble: YEC lists 7 principles of rate design.

Request:
(a) Please rank the principles listed on page 4 YEC-12 in order of priority or weighting based on what YEC views as the most important principle to the principle with the least weighting.

(b) Is YEC aiming to achieve a balance between each of the principles? If yes, explain how it has done so.

YUB-Companies-22

Reference: **Application, page 4 YEC-16**
Issue/Sub-Issue: **OIC 1995/90**
Quote: To meet the OIC requirement of "economy and efficiency", runoff rates were set at levels which approximated the incremental short term cost of generating an extra kW.h using diesel generation.

Request:

(a) What is the YECL view of meeting the requirement of "economy and efficiency"? How does it differ from that of YEC?

YUB-Companies-23

Reference: **Application, Page 4 YECL-5**
Issue/Sub-Issue: **New Rate Class**
Quote: A new equalized third energy block, and an adjusted runoff energy block to address large users prior to future consideration of a possible separate General Service Large User rate class.

Request:

(a) What criteria would YECL use to define a new rate class?

(b) Would a new rate class be proposed in collaboration with YEC and in consultation with interested parties?

(c) Would YECL propose a new rate class without consensus from YEC?

YUB-Companies-24

Reference: **Application, Page 4 YECL-6**
Issue/Sub-Issue: **Rate Design Considerations**
Quote: The logic behind Yukon Electrical's proposed rate design is based on taking a balanced approach between sending customers an effective price signal that tells them that costs increase as consumption increases and the economic considerations regarding the price of incremental cost of diesel generation today.

Request:

(a) How does YECL believe that its rate design provides a superior balanced approach compared to the rate design proposed by YEC?

YUB-Companies-25
Reference: **Application, Page 4 YECL-6**
Issue/Sub-Issue: **Block Levels**
Quote: An optimum rate design should be a mechanism whereby the cost of the more expensive resources is recovered in higher rates charged for consumption above a certain level, so that customers that take actions to reduce energy consumption will realize savings in their electricity bills based more closely on the actual cost of energy saved.

Request:
(a) What criteria does YECL use and how does YECL determine the energy levels for each block?

YUB-Companies-26
Reference: **Application, Page 4 YECL-7**
Issue/Sub-Issue: **Normal Utility Principles of Rate Design**
Preamble: YECL lists 7 principles of rate design.

Request:
(a) Please rank the principles listed on Page 4 YECL-7 in order of priority or weighting based on what YECL views as the most important principle to the principle with the least weighting.

(b) Is YECL aiming to achieve a balance between each of the principles? If yes, explain how it has done so.

YUB-Companies-27
Reference: **Application, Page 4 YECL-8**
Issue/Sub-Issue: **Incremental Cost of Diesel**
Quote: In this Application, to meet the OIC requirement of "economy and efficiency" runoff rates have been set at levels that reflect a substantial short term cost of generating an extra kWh using diesel generation, fixed at 50% of the measured incremental cost.

Request:
(a) How does YECL view this proposal of "economy and efficiency"?

(b) In terms of incremental cost of diesel and runoff rates, does YECL believe that it is limited in the application of this requirement by any previous OIC or Board direction? Please explain.

YUB-Companies-28
Reference: **Application, Tab 3**

Request:
(a) Please confirm that the terms, mid-year rate base and mid-year net rate base, as shown in Schedule 4-T-2, are equivalent terms.

(b) Please confirm that the Classification of Depreciation, as shown in Schedule 4-T-4, is correct.

(c) Please provide an updated "All Community COS Schedule – for filing.xls" workbook that contains a revised Schedule 4-T-4 with formulae in place.

(d) Please provide a spreadsheet with formulae intact that shows the Board how the classification of the Operation and Maintenance (O&M) expense items, shown in 4-T-13, was determined.

(e) With respect to part (c) of the question, if the classification for any expense item is different that what was determined in 1996/97,
   a. please provide detail of the basis for the proposed change, and
   b. submit a revised COSS that incorporate the 1996/97 O&M expense classifications.

(f) With respect to Schedule 4-T-16, please confirm that "Excl Purch Power, A&G" means "excluding Purchase Power costs as well as Administrative & General costs."

(g) If part (e) of the question is confirmed, please confirm that the classified Administrative & General Expenses schedule excludes purchase power costs as shown in Schedule 4-T-13.

(h) Please provide the references that show the Board the basis for the production, transmission, and distribution contribution totals that are classified in Schedule 4-T-17. Please provide references (Decision and page numbers).

(i) Please resubmit the "All Community COS Schedule – for filing.xls" workbook, with formulae intact that shows the Board the allocation of Amortization of Distribution Contributions total to the distribution rate classes as shown in Schedule 4-T-17 (lines 667 to 673).

(j) With respect to Schedule 4-T-34, please provide the calculations underlying the determination of the rate class Demand and Energy Sales data that are shown.

YUB-Companies-29
Reference: **Application, Tab 3.**
Issue/Sub-Issue: **Overview of Detailed COSS Schedules; Schedule 4-T-1**

Request:

(a) With respect to production plant (hydro energy only, other hydro, diesel, and wind), transmission line, distribution plant and general plant totals shown, please provide the Board with the pertinent references (page numbers and Decision numbers) where the Company contribution to the totals, as shown in Schedule 4-T-1, can be found.

(b) The Companies submit that general plant assets were classified in the same proportion as gross production, transmission, and distribution assets.[7] Please provide the supporting calculations in respect of the general plant totals that are shown in Schedule 4-T-1.

(c) Please provide the basis for the demand/energy split in respect of street and sentinel lights.

[7] Application, Tab 3, page 3-16

(d) Please provide a spreadsheet with formulae intact that supports the classification and allocation of mid-year gross balance of gross plant, property and equipment to the distribution rate classes as shown in Schedule 4-T-1.

(e) Please provide a spreadsheet complete with formulae intact, which shows the Board how the determination of the Coincidental Peak Demand Cost Allocators and Energy Cost Allocators shown in the "All Community COS Schedule – for filing.xls" workbook; Columns F and H respectively, (Rows 758 to 764) of Schedule 4-T-18 was done.

(f) Please explain what is meant by "Energy Sent Out (MWh)" in Schedule 4-T-18.

(g) With respect to customer allocations, how many street lights constitute a customer and what is the rationale for this reasoning, i.e. does one street equals one customer?

(h) With respect to customer allocations, how many sentinel lights constitute a customer and what is the rationale for this reasoning?

(i) With respect to Schedule 4-T-23, please provide a revised schedule with formula intact that shows how the numbers ("Avg No. of Customers", and "Energy Sales") in Rows 988 to 994, and Rows 1004 to 1010) of the "All Community COS Schedule – for filing.xls" workbook were determined.

(j) Please confirm that the numbers shown in Schedule 4-T-34, i.e. Number of Customers, Distribution Level Demand Sales (kW), and Distribution Level Energy Sales (kW.h), are used to allocate expenses to the distribution rate classes?

(k) If (j) part of the question is confirmed, please explain why is it, that other than calculating unit costs for the distribution rate classes, i.e. Schedules 4-T-27 to 4-T-33, the numbers are not part of allocation formulas that would inform the Board as to the veracity of the costs that are allocated to the rate classes.

YUB-Companies-30
Reference: **Application, Page 5.2-15**
Issue/Sub-Issue: **Terms and Conditions of Service – Refunds of Security Deposit**

Request:
(a) Can the Companies define when a Customer has established a Satisfactory Credit Rating? Please provide that definition.

YUB-Companies-31
Reference: **Application, Page 5.2-19**
Issue/Sub-Issue: **4.15, previous subpart (d)**
Quote: Yukon Energy does not agree with the proposed edits to what was previously subpart (d) as discussed in Tab 5

Request:
(a) Please provide an explanation of the YEC position in the above comment.

YUB-Companies-32
Reference: **Application, Page 5.2-28**
Issue/Sub-Issue: **Billing Error**

Request:
(a) Do the Companies intend to pay interest to customers for any amounts owing due to billing errors to customers from the date the customer provides notice of the error until the date the company refunds the amount owing to the customer as a result of the error?

YUB-Companies-33
Reference: **Application, Page 5.2-30**
Issue/Sub-Issue: **Company Liability, Force Majeure and Customer Liability**

Request:
(a) Please provide the equivalent approved clauses on Company Liability, Force Majeure and Customer Liability for ATCO Electric Ltd., ENMAX, EPCOR Distribution and Transmission Inc., and FortisAlberta.

YUB-Companies-34
Reference: **Application, Page 5.2-37 and Appendix 5.4**
Issue/Sub-Issue: **Maximum Company Investment**

Request:
(a) Please provide all calculations used in the determinations of maximum company investment levels for Residential and General Service customers.

(b) Why are the proposed amounts significantly greater than those for Northland Utilities (NUY) and Northland Utilities (NWT) customers?

(c) What have been the approved escalation rates for Northland Utilities (NUY and NWT) and ATCO Electric for the each of the years 2008 and beyond?

(d) Please provide the escalation factors approved for YEC and YECL for each of 2009 and 2010 in their recent GRA decisions (Phase I).

(e) What Maximum Company Investment levels did YECL use it its forecast for capital expenditures in its 2009-2010 GRA?

(f) Why does YECL require approval for maximum company investment levels beyond 2011?

(g) Does Table 12 (Page 5.4-12) represent the proposed level (final amount) or the incremental change from existing maximum investment levels for each year?

YUB-Companies-35
Reference: Application, Page 5.2-41
Issue/Sub-Issue: Schedule D

Request:
(a) Please provide the derivations and cost calculations for all fees and service charges shown in Schedule D.