

December 9, 2019

Mr. Robert Laking, Chair
Yukon Utilities Board
Box 31728
Whitehorse, Yukon Y1A 6L3

Dear Sir:

RE: Rate Change – Rider F, Fuel Adjustment Rider

On August 1, 2017, ATCO Electric Yukon and Yukon Energy Corporation (the “Companies”) adjusted the Diesel Fuel Price Variance Rider (“Rider F”) from a refund of 0.560 cents per kWh to a refund of 0.011 cents per kWh.

Pursuant to the Rider F Policy, if the Companies’ Diesel Fuel Price Variance Account (“DFPVA”) is fluctuating over a broad range, the Companies must refine the forecast to reflect changing economic conditions to arrive at a new Rider F rate.

Since the last Rider F application, fuel price variances have increased and are expected to continue to increase. In addition, adjustments to Rider F were postponed until the completion of Yukon Energy Corporation’s ongoing General Rate Application. Due to the foregoing, the deferral balance exceeds the \$200,000 threshold. Considering the total expected balance at the end of November 2020, an 18-month recovery period has been applied.

Accordingly, the Companies have determined that Rider F rate is required to change from a refund of 0.011 cents per kWh to a charge of 0.970 cents per kWh, effective January 1, 2020.

The Companies have enclosed an Excel spreadsheet to provide further detail regarding this rate change. We trust that if the Board or any interested party has questions regarding this Rider F rate change, they will contact one of the undersigned.

Sincerely,

ATCO ELECTRIC YUKON



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