



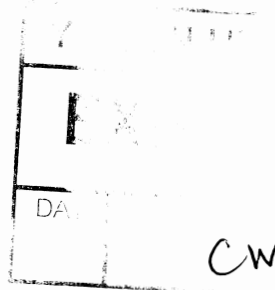
City of Whitehorse



From the Desk of
Brian, Crist – Director of Operations
2121 Second Avenue, Whitehorse, Yukon, Y1A 1C2
Phone (867) 668-8301 Fax (867)668-8386
www.whitehorse.ca

February 9, 2009

Mr. Thomas D. Marriott
Brownlee LLP
Suite 2200 Commerce Place
10155 – 102nd Street
Edmonton, AB T5J 4G8
Fax: 780-424-3254



C2-4

Feb 9 09

Dear Mr. Marriott:

Re: YEC 2008-2009 GRA

Further to our recent telephone conversations and exchange of correspondence, this letter will confirm that the City of Whitehorse (the "City") has retained Mr. Thomas D. Marriott of Brownlee LLP to represent the City on the YEC 2008-2009 GRA, and any related compliance filings. The City recognizes that utility rate hearings are complex and that they do not have the expertise in-house to adequately assess all of the issues and ensure that the City's interests and those of its residents are protected. Therefore the City requires the experience and expertise that Mr. Marriott and the consultants he works with possess.

The City acknowledges that unless both parties agree to a rate increase, Mr. Marriott's hourly rate on this matter will be \$250.00/hour. The City confirms its understanding that such rate is \$125.00 per hour less than Mr. Marriott's normal hourly rate, and \$100.00/hour less than what Mr. Marriott currently charges for utility rate work in Alberta and the Northwest Territories. (In 2008, both the AUC and NWT PUB recognized \$350 per hour as a reasonable rate for senior counsel involved in utility matters). If during the course of this GRA the Yukon Utilities Board increases its scale of costs from the \$225/hour in effect since September 1, 1995, the City will consider a commensurate increase in Mr. Marriott's hourly rate.

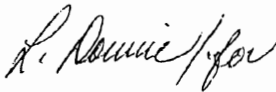
In addition to the hourly rate for professional services prescribed above, the other terms and conditions of your retainer will be as follows:

1. The retainer will be in effect as of November 09, 2008;
2. Billing will be done on a monthly basis or less frequently if there is an insignificant amount to be billed;

3. All disbursements reasonably incurred on the client's behalf are the responsibility of the City;
4. All travel expenses must be reimbursed in full by the City;
5. Time necessary spent in traveling in order to represent the City will be reimbursed at a rate of \$125.00 per hour, or one half of the regular hourly rate for this proceeding;
6. The City has authorized Mr. Marriott to retain an expert analyst, Greg Garbutt of Garbutt Consulting Inc., ("GCI") to assist with this matter, and agrees that GCI will submit its invoices to Brownlee LLP, which will in turn invoice the City for the GCI charges as a disbursement on the Brownlee account. Mr. Garbutt's hourly rate will be \$250 per hour and the other terms and conditions of his remuneration will be identical to those for Mr. Marriott;
7. Brownlee LLP will assist the City in preparing the cost claim for this proceeding, in accordance with the requirements of the Yukon Utilities Board.

We look forward to working with you during the course of this GRA intervention.

Sincerely,



Brian Crist, P. Eng.
Director of Operations
City of Whitehorse