

P. W. Percival / Hamlet of Mt. Lorne

EXHIBIT

C5-4

Information Requests Regarding

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Jan 31/09

Yukon Energy Corporation's (YEC) 2008-2009 GRA

- PWP/HML-1 OIC 2008/149 was issued Oct. 3, 2008 and the GRA was filed with the YUB on Oct. 6, 2008. Based on the reasonable assumption that it takes a considerable length of time to prepare a GRA filing and therefore by Oct. 3, 2008 the GRA would have been virtually complete, did YEC during the three day (in reality a 2 day) interval find it necessary to make any changes to the filing so as to comply with OIC 2008/149? Please explain why or why not changes were required. Does YEC now plan to make any amendments to the existing GRA as filed so as to conform to OIC 2008/149?
- PWP/HML-2 Please explain why the on page 2 of the Over View it states that "Rate Policy Directive (OIC 1995/90) was amended prior to this Application..." but the Application does not provide the new OIC number in this reference nor was the new OIC 2008/149 included in the Application binder under TAB 10, ORDERS IN COUNCIL?
- PWP/HML-3 When exactly did YEC receive OIC 2008/149? At what point in time was YEC made aware that this OIC was being prepared? Did any YEC staff or Board members of YEC or its parent YDC have input or were they consulted during the preparation of this OIC? Please identify such staff or members. Please provide any YEC files, records, notes, letters or emails relating to the issuance and impacts of this OIC.
- PWP/HML-4 Please provide a list of the YEC Board Members and Corporation Officers with titles and appointment term expiry dates for each Board Member. Which of these YEC Board Members or Corporation Officers serve in similar capacities on the Board or within the corporate structure of YEC's parent Crown Corporation YDC?
- PWP/HML-5 Assuming that YEC's proposed retail customer rates for all classes of retail customers are implemented on a Yukon wide basis (i.e. would apply to YECL's retail customers also), please provide, on a (YEC / YECL combined) Yukon wide basis, estimates for the amount of energy consumption and the amount of revenue collected from each of the first blocks and run out blocks for each retail customer class for each of the test years.
- PWP/HML-6 As run out or second block rates, sales and revenues are in effect to be used to subsidize or lower the first block rates for the residential retail classes how does YEC propose to cover revenue short falls that may occur as a result of customer price resistance to the run out rates? What sensitivity analysis has YEC carried out with regards to this possible price resistance?
- PWP/HML-7 If OIC 2008/149 requires that "rate adjustments for retail customers apply equally, when measured as percentages, to all classes of retail customers." why does the table on page 2 of the OVERVIEW Background show Overall Percentage Changes for first block rate decreases that

vary between (17.8%) and (13.7%)? To conform to the OIC does YEC plan to amend the GRA filing to rebalance the % decreases so that the rate adjustments for retail customers apply equally?

PWP/HML-8 Do the second block run out rate increases for retail customers apply equally, when measured as percentages, to all classes of retail customers?

PWP/HML-9 In the OVERVIEW, Summary of Requested Orders c. Depreciation and Amortization Expenses i. pages 4/5 the amortization period for the current GRA (Phase I) Application is proposed to be only over the 2 test years. Would it not be more appropriate to amortize these costs over the period ending December 31, 2012, the date on which OIC 2008/149 expires, and which is probably the earliest likely date by which YEC would file a new GRA?

PWP/HML-10 In the OVERVIEW on page 6 under a. v. Lighting (Rate Schedules 61/66, 67, 75/76) please provide the actual reductions for each of the rate schedules in cents/kW.h?

PWP/HML-11 If OIC 2008/149 requires that “rate adjustments for retail customers apply equally, when measured as percentages, to all classes of retail customers.” And other retail customers are receiving overall percentage changes in the range between (17.8%) and (13.7%) why do Rate Schedules 61/66, 67, 75/76 only receive negative 3.48% to all base rates?

PWP/HML-12 As Lighting is un-metered what is the rationale of having Lighting classed as a Retail Rate?

PWP/HML-13 Please provide in table form a summary of all planned or accidental power disruptions or power bumps (dates, durations, affected zone(s) / number of customers affected, causes, remediation / response procedures, etc.) attributable to YEC operations on the WAF and D-M grids from the period beginning when the D-M grid came on line up to date.

PWP/HML-14 Was the power outage on the WAF system that occurred near mid October 2008 in any way associated with trials or inadvertent switching / hookup operations related to feeding power to or from the Minto Mine?

PWP/HML-15 When will the SCADA system be operational at the Minto diesel facility so as to allow this plant to be integrated into the WAF grid? Please explain why this SCADA equipment was not installed by the time that the Minto mine began receiving power from the WAF grid.

PWP/HML-16 Please provide, on a monthly basis, the actual amount of electrical energy supplied by YEC to the Minto mine at the Industrial Primary Rate from the time of hook up to at least the end of January 2009.

PWP/HML-17 Please provide, on a monthly basis, the actual separate amounts of YEC electrical energy generated by diesel, hydro and wind on the WAF system from the time of hook up of Minto to at least the end of January 2009.

PWP/HML-18 On a monthly basis, during the period from the time of hook up of Minto to at least the end of January 2009, what were the estimated or actual average all in costs on the WAF for YEC to

generate a kWh from each of wind, diesel and hydro sources? What was the blended hydro/diesel actual all in costs per kWh on the WAF on the same basis over the same period?

PWP/HML-19 On a monthly basis, during the period from the time of hook up of Minto to at least the end of January 2009, how much energy generated on the WAF system was subject to Rider F fuel adjustments? On a monthly basis over this period how much revenue was collected via Rider F on the WAF?

PWP/HML-20 On a monthly basis, during the period from the time of hook up of Minto to at least the end of January 2009, how much energy generated on the WAF system and supplied by YEC to the Minto mine was subject to Ride F fuel adjustments? On a monthly basis over this period how much revenue was collected via Rider F from the Minto mine?

PWP/HML-21 Has YEC completed in depth independent or internal inspection condition reports on the Minto diesel engines and electrical generators? If so please provide the inspection assessment reports on each of these three units. Have any of these units recently had or will they require a minor or major overhaul as contemplated or provided for under the PPA?

PWP/HML-22 Has a reduction in price for these units been determined as a result of their current condition and based on related depreciation and maintenance expenses related to actual use in excess of stipulated hours of operation? If so please provide the new estimated or actual purchase price for each unit and the costs estimates (or actual costs) to restore them to acceptable levels of service.

PWP/HML-23 Please provide, in Excel format (with explanations for all assumptions i.e. interest / discount rates, current purchase prices, rehabilitation costs, service lives, repositioning schedules with costs, annual O&M (hours of use, fuel efficiencies, etc.), security/insurance costs, depreciation, periodic upgrades, salvage / reclamation / remediation / retirement costs, etc.), the detailed life cycle net present value (in this case cost) engineering economy comparison studies for the business case justification of the purchase of the Minto diesel units as compared to the refurbishment and similar O & M costs for the Mirrlees.

PWP/HML-24 Did Minto confirmed by Dec. 31, 2008 its ability and commitment to process Additional Reserves at the Mine prior to Dec. 31, 2017? Has Minto provided YEC with documentation as to an Adjusted Mine Life due to increases in processing rates or increased reserves as per the May 25, 2007 PPA Agreement?

PWP/HML-25 Is Minto currently disputing or in arrears in payments for any of its financial obligations under the PPA? If so please provide details.

PWP/HML-26 Could any of the capital projects proposed in the GRA be eligible for and take advantage of the recently announced Federally funded infrastructure program? If so which ones and if approved what impact would such cash infusions have on YEC' revenue requirements for the test years?

PWP/HML-27 In light of current economic conditions and low metal prices it seems unlikely that the CSTP Stage Two extension would be required to meet new mine loads by 2010 or 2011. Could the \$1 million allocated for this project in 2009 not be "safely" deferred to some future test years?

- PWP/HML-28 In light of current economic conditions is it realistic to expect that customer extensions will cost YEC \$150,000 over the test years?
- PWP/HML-29 As a consequence of the present and projected economic down turn has YEC, in conjunction with YECL, revised its estimate that non-industrial growth on the WAF will continue at the approximate 1MW per year?
- PWP/HML-30 Do YEC and YDC share the same office space, administrative staff, corporate officers and Board meeting rooms all of which are located at #2 Miles Canyon Road and even the same P. O. Box 5920 mailing address plus a common Board of Directors?
- PWP/HML-31 What problems are there with the J. D. Edwards financial software package (page 5-17) that require its replacement? Will the replacement system if approved by the Board of Directors be for the exclusive use of YEC or will this system also be used by YDC?
- PWP/HML-32 Will the Electronic Document Management system (page 5-17) be for the exclusive use of YEC or will this system also be used by YDC?
- PWP/HML-33 What are the annual direct and indirect costs for YEC to be registered under the Yukon Business Corporations Act as a private corporation? What administrative, operational, tax, legal, etc. cost advantages or savings does YEC benefit from by being a private corporation versus being a Yukon Crown Corporation?
- PWP/HML-34 Does the President and Chief Executive Officer of YEC also hold the same or similar position with YDC? Does the President and Chief Executive Officer of YEC report only to and hold office at the pleasure of the YEC' Board of Directors? Does the YEC' President and Chief Executive Officer position have, through its connection to YDC, de facto Deputy Minister status and access to the Yukon Minister Responsible for YDC and thus to the Yukon Cabinet?
- PWP/HML-35 In RATE SCHEDULE – 42, what is the 37.37 cents per kW.h based upon? Is this the actual (or estimated) cost to generate a kW.h of electrical energy by diesel alone on the WAF system?
- PWP/HML-36 If there is a very cold winter and YECL' actual wholesale purchases substantially exceed forecasts won't the provisions of Schedule 42 effectively require YECL to establish a form of Diesel Energy Surcharge Rider to recover the YEC adjustment costs from YECL' retail customers? Will YEC' industrial customer(s) be subject to the same Schedule-42 adjustment rate?
- PWP/HML-37 At my request, on February 6, 2008 I met with YES staff members (David Morrison and Hector Campbell among others) to discuss rate design issues and concerns that I suggested could possibly be addressed in the upcoming GRA process. At that meeting I asked if YEC would consider studying the re-introduction of the Diesel Energy Surcharge which would include automatic fuel adjustment provisions so as to eliminate blended diesel/hydro rates and to more fairly distribute the actual costs of generating diesel electric energy on each of the WAF and M-D hydro zones to all classes of customers through all rate blocks whenever diesel generation was

required on these systems. Sorry for the preamble. My questions are did YEC undertake such a study and if so can YEC please provide copies? If this study was not carried out can YEC please explain the reasons why not?

PWP/HML-38 Has YEC undertaken any new studies or steps to reduce ice damming problems on the Yukon River near the Marwell area?

PWP/HML-39 In Table 2-5 page 2-19, why did the diesel generation in 2007 at Mayo rise to 21 MWh and in Dawson to 757 MWh? Why are there 0 MWh forecast for Mayo in 2008 and 2009?

PWP/HML-40 In light of the resistance from Marsh Lake residents when YEC last suggested greater storage on Marsh Lake, what has changed that would indicate that YEC' new study and proposal to increase winter storage on the lake would be acceptable to local residents? Please provide the record of the public meeting that YEC and its consultants had previously with Marsh Lake residents on this issue.

PWP/HML-41 As I recall there was in the past opposition from Atlin residents regarding a previous proposal by YEC to increase storage on Atlin Lake and there was little or no support for this proposal from BC Hydro. What has changed that would indicate that it would be wise for YEC' to undertake a new study and proposal to increase storage on the lake that would be acceptable to local residents and would receive BC Hydro' blessing?

PWP/HML-42 What policies and procedures are in place that govern YEC' contract tendering and procurement processes. In particular, how are sole source, standing offer and invitational tendering procedures protected and monitored to ensure fairness and prevent preferential treatment?

PWP/HML-43 Please explain why YEC, which is a relative small primarily energy generating utility with only one primary wholesale and only one industrial and relatively few retail customers, requires the services of a full time Communications position.

PWP/HML-43 What is YEC' policy on the customer contribution for the installation of a new pole required as a result of a customer requested pole relocation? For example, if the existing pole is at the end of its useful life and a new pole is installed at the relocation site, does the customer just pay for the labour, supplies and equipment installation costs with the new pole provide by YEC at no cost as the old pole would have required immanent replacement because of its age and condition?

PWP/HML-44