

Undertaking #7 at page 228, lines 14-20

To provide, using an average rate, including riders or a weighted average based on consumption by rate class, provide the approximate revenues that would be collected from the 34 Gigawatt hours of consumed energy.

Yukon Energy Response:

Based on YEC's May 12, 2022 Compliance Filing for its 2021 GRA, as approved by Board Order 2022-07, Yukon Energy's average rate revenue for its sales is \$0.146/kWh.¹ On this basis, average revenue of \$4.964 million would be collected from 34 GWh of consumed energy.

Two context points are provided with regard to the above revenues relative to the Atlin EPA proceeding:

1. The \$0.146/kWh average revenue reflects YEC's approved revenue requirement costs for 2021. The 2021 GRA reflects fuel cost, load, IPP and other forecasts for 2021. However, the Atlin EPA in contrast addresses forecast conditions for 2024, which would result in different overall revenue requirements for YEC and a different average revenue per kWh. YEC cannot provide at this time any useful overall revenue requirement forecast for 2024.
2. As indicated on page 26 of the Amended EPA submission [Exhibit B-5], the Atlin EPA price structure is designed to mirror or improve upon the cost impacts expected from a permanent thermal generation option that YEC would have to pursue absent Atlin EPA.

¹ Schedule 9 of YEC's May 12, 2022 Compliance Filing shows 2021 forecast revenues of \$72.323 million for 495,151 MWh of sales – the average rate per kWh is then $72.323/495.151 = \$0.146/\text{kWh}$. This includes sales to YEC customers and all Rider J revenues (including revenues collected from AEY related to its sales). The 2021 GRA Compliance Filing as approved includes 85.9 GWh of forecast LTA thermal generation at a blend fuel cost (LNG/Diesel) of \$0.1838/kWh (total cost of \$15.8 million). Assuming 8.8% system losses, this thermal generation supplies 78.3 GWh of YEC sales with rate revenue of \$11.4 million (based on average rate revenue of \$0.146/kWh).