

Int Position Paper

This Joint Position Paper arises from a meeting between Yukon and ATCO on May 12 in Calgary. It is intended to provide a framework of issues and concepts which are subject to future negotiations. The paper provides Joint Positions where the parties have potential for common ground and the individual positions of each party where more direction is required from parties' leaders.

[NTD – Statements in square brackets are meant for Yukon readers only and will be removed before sending this draft to ATCO.]

Goal

Create a new arrangement for electric energy generation and delivery in Yukon which:

- is cost effective, reliable and focused on providing high quality service to Yukon customers;
- reflects the relatively small size of the Yukon's electric industry;
- provides solutions and service options which are financially affordable and sustainable for Yukon and Yukon ratepayers;
- reduces duplication in utility activity and provides for a common regulatory process; and
- [provides for investment opportunities for Yukon Energy Corporation and The Yukon Electrical Company Limited.] x

Summary of Proposed Model

A two company model is being proposed as an appropriate model for both YEC and YECL to achieve its common goals.

The key features of this model include:

- YEC and YECL would continue to own their existing assets;
- A new entity "OPCO" would be created using existing YEC and YECL personnel that would be owned 50/50 by ATCO and Yukon;
- OPCO would be a strong, capable Yukon-based entity that has full responsibility to manage and operate all electric utility assets of both YEC and YECL, and to undertake resource planning, project development, regulatory and customer service functions;
- OPCO would have a Board of Directors with equal number of appointees plus a Chair;
- ATCO and Yukon will work collaboratively to appoint the Chair and if consensus cannot be reached, Yukon will appoint the Chair.
- [ATCO will nominate the President, who will assume the position only after receiving Board approval.]

[REDACTED]

20  
- rationalization  
vs  
OPCO