

**PUBLIC UTILITIES BOARD
OF THE NORTHWEST TERRITORIES**

ANNUAL REPORT

**For the year ending
December 31, 2009**

TABLE OF CONTENTS

MINISTER'S LETTER.....	i
CHAIRPERSON'S LETTER.....	ii
PUBLIC UTILITIES BOARD OF THE NORTHWEST TERRITORIES	1
REGULATORY JURISDICTION	2
UTILITY REGULATION	3
2009 HIGHLIGHTS	4
A LOOK AHEAD	7
SUMMARY OF 2009 BOARD DECISIONS	8



Northwest
Territories

Minister Responsible for the Public Utilities Board

JAN 28 2010

The Honourable Anthony W. J. Whitford
Commissioner of the Northwest Territories

I am submitting the Annual Report of the Public Utilities Board of the Northwest Territories for the calendar year ending December 31, 2009.

Robert R. McLeod
Minister

Attachment

January 28, 2010

The Honourable Robert R. McLeod
Minister Responsible for the
Public Utilities Board of the Northwest Territories

Dear Minister McLeod:

I am pleased to submit the Annual Report of the Public Utilities Board of the Northwest Territories for the calendar year ending December 31, 2009, in accordance with the provisions of Section 16. (1) of the *Public Utilities Act*.

Yours truly,



Joe Acorn
Chairperson

PUBLIC UTILITIES BOARD OF THE NORTHWEST TERRITORIES

Mandate

The Public Utilities Board of the Northwest Territories (“**Board**”) is an independent regulatory agency of the Territorial Government operating under and administering the *Public Utilities Act* (“**Act**”). The Board is primarily responsible for the regulation of energy utilities in the Northwest Territories (“**NWT**”), to ensure that the rates charged for energy are fair, just and reasonable. It is also responsible for ensuring utility operators provide safe, adequate and secure services to their customers.

Board Organization

The Board consists of a part time Chairperson and four part time members. The position of Chairperson has been part time since April 1, 2001. The Board Secretary, who reports to the part time Chairperson, administers the office. As the chief executive officer, the Chairperson presides over sittings of the Board and supervises Board employees.

The Board requires specialized assistance and so has contracts for legal counsel and technical expertise. No changes are contemplated, as the arrangement is cost effective.

The Minister Responsible for the Board, upon the recommendation of the Executive Council, appoints members of the Board. At the end of 2009, the Board consisted of the following persons:

Chairperson	Joe Acorn, Yellowknife, Northwest Territories
Vice-Chairperson	John E. Hill, Devon, Alberta
Member	William Koe, Fort McPherson, Northwest Territories
Member	Sandra Jaque, Fort Smith, Northwest Territories
Member	Jake Heron, Yellowknife, Northwest Territories

The Board was assisted by:

Board Secretary	Louise Larocque, Hay River, Northwest Territories
Legal Counsel	John Donihee Professional Corporation, Calgary, Alberta
Consultant	Raj Retnanandan, Energy Management & Regulatory Consulting Ltd., Calgary, Alberta

REGULATORY JURISDICTION

Following are the utilities subject to the Board's jurisdiction:

Northwest Territories Power Corporation
Head Office: Hay River, Northwest Territories

Stittco Utilities NWT Ltd.
Head Office: Hay River, Northwest Territories

Northland Utilities (NWT) Limited
Head Office: Hay River, Northwest Territories

Northland Utilities (Yellowknife) Limited
Head Office: Yellowknife, Northwest Territories

The Town of Norman Wells
Head Office: Norman Wells, Northwest Territories

Aadrii Ltd.
Head Office: Yellowknife, Northwest Territories

Inuvik Gas Ltd.
Head Office: Inuvik, Northwest Territories

UTILITY REGULATION

The need for regulation arises because utilities generally provide service on a monopoly basis without the economic controls of competition. The Board is the proxy for competition and attempts to ensure efficiency and fair pricing. The principles of rate regulation rest on fairness to both the utility and the consumer.

Energy utilities, as defined in the *Act*, are subject to Board regulation. The Board's principal responsibility is to ensure that each utility provides safe, adequate service at rates which are just and reasonable. When setting rates the Board must balance the competing interests of consumers, and the utilities. Rates are set through a public hearing process. The Board's objective through the hearing process is to guarantee that the public interest is served and protected.

Public involvement is an essential component of the regulatory process. The Board ensures the opportunity for public participation by directing the applicant to publish a notice, approved by the Board, advising that a hearing is to be held to consider the application. The notice may be published in newspapers throughout the utility's service area, included in each customer's monthly billings, or such other method that the Board considers appropriate.

The Board has the authority to award costs at the conclusion of a hearing. Interveners before the Board may receive up to 100% of their reasonably incurred costs provided that, in the Board's opinion, the intervention contributed in a meaningful way to the Board's understanding of the application.

Interveners are interested parties who register with the Board and receive copies of the application and all written questions and answers.

Interveners may take an active role in the hearing process. They may submit written questions, give evidence, call expert witnesses, and cross-examine the applicant. The applicant, as well as other interveners, is provided the opportunity to cross-examine the intervener and the intervener's expert witnesses. Alternatively, the intervener may choose to not actively participate in the hearing, but simply receive all available information.

After hearing and reviewing the evidence, the Board issues its Decision on the application. The Board may reject the rate change, modify it, or approve it as requested.

The Board also approves major capital projects, the issuance of long-term debt and municipal franchise agreements.

2009 HIGHLIGHTS

2009 was a quiet but steady year for the Board with the issuance of 25 decisions.

Northwest Territories Power Corporation (“NTPC”)

The Board held a written hearing with respect to NTPC’s project permit application to replace the Bluefish Lake Dam in an amount of up to \$18.5 million. Following the written hearing, the Board issued a Decision approving the project permit and directed NTPC to prepare a refined project cost forecast at the plus or minus 10% accuracy level after completing any necessary geotechnical tests and preparation of unit cost forecasts following detailed engineering and tendering. NTPC was also directed to file the revised and refined forecast together with an updated economic analysis and rate impacts as soon as the forecast is completed.

In February and August 2009, NTPC, in accordance with Decision 26-2008, filed its rate stabilization fund riders and proposed no changes to the riders currently in place. NTPC stated that it would file its next stabilization fund updated in February 2010.

Northland Utilities (Yellowknife) Limited (“NUL YK”)

In Decision 24-2008, the Board directed NUL YK, within 90 days of the conclusion of the Phase 1 and 2 General Rate Applications (“GRA”), to file a cost claim covering both Phase 1 and 2. After the Board issued its final Decision 1-2009, NUL YK made a cost claim application. After reviewing the application, the Board issued a Decision revising and approving the cost claim, in the amount of \$227,722.91. NUL YK shall be entitled to recover this sum from its customers and the method of recovery shall be addressed by NUL YK at the time of its next GRA.

Northland Utilities (NWT) Limited (“NUL NWT”)

In Decision 25-2008, the Board directed NUL NWT, within 90 days of the conclusion of the Phase 1 and 2 GRAs, to file a cost claim covering both Phase 1 and 2. After the Board issued its final Decision 2-2009, NUL NWT made a cost claim application. After reviewing the application, the Board issued a Decision revising and approving the cost claim, in the amount of \$282,669.75. NUL NWT shall be entitled to recover this sum from its customers and the method of recovery shall be addressed by NUL NWT at the time of its next GRA.

NUL YK and NUL NWT (collectively “Northland”)

In letters dated February 11, 2009 to Northland, the Board requested that Northland propose a process in which the companies would conduct a review of at least the last 3 billing cycles to detect, and explain, abnormally high usages by its customers as compared to historical usage patterns. In its letters, the Board advised Northland that over the last couple of months it had received complaints both directly and anecdotally from upset customers concerning recent power bills which were significantly higher than usual with the increases not appearing to be solely related to recent power rate increases. A comparison of same month usages from the previous year for some of these customers showed significant increases in usage.

Based on the information provided by Northland, in a letter dated February 17, 2009, the Board indicated it has decided to initiate an inquiry under Section 52 of the *Act* and set a schedule for the inquiry.

After reviewing the information filed by Northland, responses to the Board’s information requests and responses to questions by the customers, the Board issued Decision 13-2009, dated April 24, 2009, and directed Northland to implement the directives contained within the Decision.

On May 5, 2009, Northland requested that the Board establish deferral accounts for the purpose of recording all costs associated with this inquiry that had occurred to date and the implementation of the various directives in Decision 13-2009. Also in a letter dated June 23, 2009, Northland provided its proposed alternative to the Board’s Directive #2 and #3

The Board issued Decision 17-2009, dated July 8, 2009 and directed Northland to implement its proposed alternative approach to Directive #2 and #3. The Board also directed Northland to create deferral accounts for each of NUL YK and NUL NWT to track costs associated with implementing Directives #1 to #15 of Decision 13-2009. Regulatory costs associated with this inquiry are also to be tracked within these deferral accounts.

Inuvik Gas Ltd. (“IGL”)

The Board received one complaint from an IGL customer regarding a disconnection notice that was issued to the customer’s company (902754 NWT Ltd) by IGL. The Board issued Decision 21-2009, dated November 5, 2009, directing IGL to reverse the combining of accounts for 902754 NWT Ltd.

Other Matters

The Board dealt with other regulatory matters that are detailed in the decision summary.

In Decisions 24-2008 and 25-2008, the Board acknowledged the need to update its *Rules of Practice and Procedure*. In order to address this commitment, the Board sent a draft rule on cost orders to all interested parties who have participated in the Board's past proceedings. Northland, NTPC and the City of Yellowknife ("**Yellowknife**") provided their comments to the Board.

In November 2009, The Honourable Robert R. McLeod, Minister of Industry, Tourism and Investment, tabled a report in the Legislative Assembly, called "Review of Electricity Regulation, Rate and Subsidy Programs in the Northwest Territories". The report called for a renewed focus by utility companies on customer service. It also recommends a series of changes to:

- The structure of the electricity system;
- The rate structure used to establish electricity prices for customers;
- Programs that make electricity affordable in high cost communities;
- The current regulatory processes; and
- The roles of the Government of the NWT.

The Board has had meetings with both the GNWT and the review team to discuss the report. The Board provided a review of the report to the Board's Minister in December.

Board members participated in the Annual Conference and Annual General Meeting hosted by the Canadian Association of Members of Public Utility Tribunals ("**CAMPUT**"). CAMPUT is the Board's primary resource for providing staff and Board members with training and education in areas of utility regulation.

A LOOK AHEAD

The Board expects its major work in 2010 will be participating where appropriate in the GNWT's review of electricity regulation, rates and subsidy programs in the NWT and implementing those recommendations that are accepted by the GNWT. The Board expects to receive direction from the GNWT as to which recommendations the Board is to implement. As currently anticipated, the rate rebalancing exercise resulting from those directions could commence in late spring and be concluded by late summer with new rates in place for September 1, 2010.

SUMMARY OF 2009 BOARD DECISIONS

DECISION 1-2009

January 26, 2009

Application:

Pursuant to Decisions 24-2008 and 28-2008, NUL YK, by letter dated December 12, 2008, refiled its Phase 1 and 2 GRA for the 2008/2010 test years.

After an initial review of the refiling, Yellowknife advised the Board that they would require a limited number of information requests to clarify and fully understand certain Phase 1 and 2 directives.

The Board prepared a schedule for the refiling, which NUL YK requested to revise due to the workloads and vacation scheduling during the holiday season. By email, dated December 21, 2008, the Board accepted NUL YK's revised schedule.

By letters dated January 21 and January 22, 2009, NUL YK provided revised rate schedules reflecting the change in effective dated of the rates to February 1, 2009 together with certain changes to Rider E.

Order:

Having reviewed the explanations provided by all parties, the Board accepted the rates as filed by NUL YK subject to change in the effective date to February 1, 2009 and with any consequential changes to Rider E.

Since there had been a delay of one month in the implementation of Rider E, the forecasted amount to be collected under Rider E has changed from a recovery to a refund. NUL YK was directed to provide a reconciliation of the forecast Rider E amount with the actual amount refunded, at the time of the next GRA.

The Board noted no issues were raised with respect to the proposed Terms and Conditions of Service. The Terms and conditions of Service were approved as filed.

DECISION 2-2009

January 26, 2009

Application:

Pursuant to Decisions 25-2008 and 29-2008, NUL NWT, by letter dated December 12, 2008, refiled its Phase 1 and 2 GRA for the 2008/2010 test years. NUL NWT also filed an application to updated Rider A.

After an initial review of the refiling, the Town of Hay River ("**Hay River**") advised the Board that they would require a limited number of information requests to clarify and fully understand certain Phase 1 and 2 directives.

The Board prepared a schedule for the refiling, which NUL NWT requested to revise due to the workloads and vacation scheduling during the holiday season. By email, dated December 21, 2008, the Board accepted NUL NWT's revised schedule.

By letters dated January 21 and January 22, 2009, NUL NWT provided revised rate schedules reflecting the change in effective date of the rates to February 1, 2009 together with certain changes to Riders E and Q.

Order:

Having reviewed the explanations provided by all parties, the Board is not persuaded that any adjustments to NUL NWT's proposals are required with the exception of the following.

The Board considered semi-annual updates on the status of the transmission line and other options as described at page 90 of Decision 25-2008 will be useful for all parties to closely monitor progress on this front. Accordingly, the Board directed NUL NWT to file semi-annual reports on the progress made with respect to assessing the transmission line option or any other option as a viable supply alternative to diesel generation including whether a determination has been made on progressing to a feasibility study, levels of funding from various levels of government and/or other sources, and any other information relevant to these alternatives.

With respect to the distribution of the \$168,000 pension refund, the Board accepted the Hamlet of Fort Providence's ("**Fort Providence**") submission that the refund should be calculated on the basis of labour costs by rate zone. Accordingly, the Board has accepted the calculation of Rider Q as set out in FP NWT 3d) Schedule 1. NUL NWT was directed to reconcile and dispose of any differences between the forecast and actual Rider Q refund amounts in its next GRA.

Subject to the change in Rider Q as discussed above and the change in effective date to February 1, 2009 with any consequential changes to Rider E, the rates as proposed by NUL NWT in its refiling were accepted as filed.

The Board noted that no party raised any issue in this review process with regards to the Rider A application and adjustments. The Board also noted no issues were raised with respect to the proposed Terms and Conditions of Service.

The Board accepted the proposed changes to Rider A as filed with a change in the effective date to February 1, 2009.

The Terms and Conditions of Service were approved as filed.

The Rider E proposed in the original application was approved as filed for all communities except Hay River. For Hay River, since there has been an over recovery, the Rider E approved herein reflects the refund of the over recovery over one month. Since there has been a delay of one month in the implementation of Rider E the forecast amounts to be collected or refunded under Rider E have changed. NUL NWT was directed to provide a reconciliation of forecast Rider E amounts with the actual amounts collected or refunded, at the time of the next GRA.

DECISION 3-2009

January 30, 2009

Application:

By letter dated December 24, 2008, the counsel for the City of Yellowknife and the Towns of Hay River and Fort Smith (**Hydro Communities**), Mr. Thomas D. Marriott, made an application to the Board of intervener cost with respect to NTPC Phase 2 proceeding, in an amount of \$25,610.10.

By letter dated January 20, 2009, NTPC suggested that the Board may wish to take into account that Mr. Bruggeman spent 95.5 hours in preparation, argument and reply as compared to the 51.5 hours spent by Mr. Merani for the Thermal Generating Communities. NTPC also stated that the City of Yellowknife, Town of Hay River and Town of Fort Smith qualify for a 100% GST rebate and recommended the Hydro Communities' cost claim be adjusted to exclude GST, a reduction of \$1,219.52. The counsel for the Hydro Communities, by letter dated January 21, 2009, responded to NTPC's letter, in support of Mr. Bruggeman's hours in this proceeding.

The Board understands that the Hydro Communities qualifies for GST rebates. The Hydro Communities will be able to claim back as an input tax credit any GST paid to the counsel and consultant and so the Board will not include any GST amounts in any cost award.

Order:

The Board awarded costs in the amount of \$24,390.58 to the Hydro Communities.

DECISION 4-2009

January 30, 2009

Application:

By letter dated December 24, 2008, the counsel for Hay River, Mr. Thomas D. Marriott, made an application to the Board of intervener cost with respect to NUL NWT Phase 2 proceeding, in an amount of \$19,600.78.

By letter dated January 16, 2009, NUL NWT indicated that it does not have any comments or issues with the cost claim.

The Board understands that Hay River qualifies for GST rebates. Hay River will be able to claim back as an input tax credit any GST paid to the counsel and consultant and so the Board will not include any GST amounts in any cost award.

Order:

The Board awarded costs in the amount of \$18,667.39 to Hay River.

DECISION 5-2009

January 30, 2009

Application:

By letter dated December 24, 2008, the counsel for Yellowknife, Mr. Thomas D. Marriott, made an application to the Board of intervener cost with respect to NUL YK Phase 2 proceeding, in an amount of \$23,882.90.

By letter dated January 16, 2009, NUL NWT indicated that it does not have any comments or issues with the cost claim.

The Board understands that Yellowknife qualifies for GST rebates. Yellowknife will be able to claim back as an input tax credit any GST paid to the counsel and consultant and so the Board will not include any GST amounts in any cost award.

Order:

The Board awarded costs in the amount of \$22,745.60 to Yellowknife.

DECISION 6-2009

February 6, 2009

Application:

In response to Board Directive 50, pursuant to Decision 13-2007, NTPC filed the Policy Guidelines for Regulated versus Non-regulated Business Activities ("**Policy A-3**") on November 30, 2007. By letter dated January 31, 2008, NTPC filed its Code of Conduct for Affiliate Transactions ("**NTPC Code of Conduct**"), in response to Board Directive No. 49, pursuant to Decision 13-2007

Order:

The Board, after reviewing the information provided, issued its Decision and provided NTPC with a number of directives. NTPC was ordered to file an amended Policy A-3 and NTPC Code of Conduct in accordance with the directions in this Decision within 30 days of this Decision.

DECISION 7-2009

February 20, 2009

Application:

By letter dated February 6, 2009, NUL NWT filed an application to increase the existing Diesel Generation Rider (Rider I) for Hay River.

Order:

The Board reviewed the schedules and information provided by NUL NWT and approved the rate rider, effective March 1, 2009.

DECISION 8-2009

February 27, 2009

Application:

By letter dated February 6, 2009, the counsel of Fort Providence, Mr. G. Rangil Jeerakathil, made an application to the Board for intervener costs with respect to NUL NWT Phase 1 and 2 refiling proceedings. The costs consisted of legal and consultant fees and disbursements in the amount of \$4,121.25.

By letter dated February 19, 2009, NUL NWT indicated that it does not have any comments or issues with the cost claim.

The Board understands that Fort Providence qualifies for GST rebates. Fort Providence will be able to claim back as an input tax credit any GST paid to the counsel and consultant and so the Board will not include any GST amounts in any cost award.

Order:

The Board awarded costs in the amount of \$3,925.00 to Fort Providence.

DECISION 9-2009

February 27, 2009

Application:

By letter dated February 9, 2009, the counsel of Hay River, Mr. Thomas D. Marriott, made an application to the Board for intervener costs with respect to NUL NWT Phase 1 and 2 refiling proceedings. The costs consisted of legal and consultant fees and disbursements in the amount of \$3,705.90.

By letter dated February 19, 2009, NUL NWT indicated that is does not have any comments or issues with the cost claim.

The Board understands that Hay River qualifies for GST rebates. Hay River will be able to claim back as an input tax credit any GST paid to the counsel and consultant and so the Board will not include any GST amounts in any cost award.

Order:

The Board awarded costs in the amount of \$3,529.42 to Hay River.

DECISION 10-2009

February 27, 2009

Application:

By letter dated February 9, 2009, the counsel of Yellowknife, Mr. Thomas D. Marriott, made an application to the Board for intervener costs with respect to NUL YK Phase 1 and 2 refiling proceedings. The costs consisted of legal and consultant fees and disbursements in the amount of \$4,091.36.

By letter dated February 19, 2009, NUL NWT indicated that is does not have any comments or issues with the cost claim.

The Board understands that Yellowknife qualifies for GST rebates. Yellowknife will be able to claim back as an input tax credit any GST paid to the counsel and consultant and so the Board will not include any GST amounts in any cost award.

Order:

The Board awarded costs in the amount of \$3,896.62 to Yellowknife.

DECISION 11-2009

April 17, 2009

Application:

By letter dated February 20, 2009, NTPC filed its stabilization fund updates, as per Decision 26-2008. NTPC stated that it was not proposing adjustment to any of the stabilization fund riders at this time.

Order:

As proposed by NTPC, the Board directed NTPC to file its next stabilization funds update by August 15th with proposed changes to the stabilization fund riders effective October 1st.

DECISION 12-2009

April 17, 2009

Application:

By letter dated April 14, 2009, NUL NWT filed an application to adjust the Fuel Clause Adjustment Rider (Rider A) for the communities of Trout Lake and Wekweti.

Order:

The Board reviewed the schedules and information provided by NUL NWT and approved the rate riders, effective May 1, 2009.

DECISION 13-2009

April 24, 2009

Application:

In letters dated February 11, 2009 to Northland, the Board requested that Northland propose a process in which the companies would conduct a review of at least the last 3 billing cycles to detect, and explain, abnormally high usages by its customers as compared to historical usage patterns.

In its letters, the Board advised Northland that over the last couple of months it had received complaints both directly and anecdotally from upset customers concerning recent power bills which were significantly higher than usual with the increases not appearing to be solely related to recent power rate increases. A comparison of same month usages from the previous year for some of these customers showed significant increases in usage.

Based on the information provided by Northland, the Board indicated it has decided to initiate an inquiry under Section 52 of the Act and set a schedule for the inquiry.

Order:

After reviewing the information filed by Northland, responses to the Board's information requests and responses to questions by the customers, the Board directed Northland to implement the directives contained within this Decision.

DECISION 14-2009

June 23, 2009

Application:

By letter dated June 8, 2009, NUL NWT filed an application to adjust the Fuel Clause Adjustment Rider (Rider A) for the community of Dory Point/Kakisa.

Order:

The Board reviewed the schedules and information provided by NUL NWT and approved the rate riders, effective July 1, 2009.

DECISION 15-2009

June 26, 2009

Application:

The Board issued Decision 25-2008, dated October 27, 2008 addressing all matters arising from NUL NWT's Phase 1 Application. The Board directed NUL NWT to provide to the Board and interested parties a Phase 1 refiling reflecting the findings and directions in this Decision within 30 days of the release of the Board's Phase 2 Decision. Included in Decision 25-2008 was Directive 20 which stated:

20. The Board directs that, within 90 days of the conclusion of the Phase 1 and Phase 2 GRAs, NUL will file a cost claim with the Board covering both Phase 1 and 2.

On January 26, 2009, the Board issued a final Decision 2-2009, approving NUL NWT's Phase 1 revenue requirement and the Phase 2 Rate Schedules and Terms and Conditions of Service.

By letter dated April 24, 2009, NUL NWT made a cost claim application to the Board with respect to the Phase 1 and 2 proceedings. The costs consisted of Legal Fees, Consultant Fees and disbursements in the amount of \$283,257.75.

None of the interested parties provided any comments or issues with respect to the cost claim.

The Board finds that NUL NWT's costs of \$283,257.75 were reasonable and necessary with one exception. The Board notes that NUL NWT has applied for recovery of costs related to the purchase of hearing transcripts. The Board dealt with this issue previously in Decision 16-2007 in which it stated:

The Board notes Mr. Merani has claimed disbursements with respect to transcript costs. Since the transcripts could have been downloaded at no cost, the Board will disallow the disbursement of \$839.00 claimed by Mr. Merani.

NUL NWT shall be entitled to recover this sum from its customers and the method of recovery shall be addressed by NUL NWT at the time of its next GRA.

Order:

The Board awarded costs in the amount of \$282,669 to NUL NWT.

DECISION 16-2009

June 26, 2009

Application:

The Board issued Decision 24-2008, dated October 27, 2008 addressing all matters arising from NUL YK's Phase 1 Application. The Board directed NUL YK to provide to the Board and interested parties a Phase 1 refiling reflecting the findings and directions in this Decision within 30 days of the release of the Board's Phase 2 Decision. Included in Decision 24-2008 was Directive 12 which stated:

12. The Board directs that, within 90 days of the conclusion of the Phase 1 and Phase 2 GRAs, NUL will file a cost claim with the Board covering both Phase 1 and 2.

On January 26, 2009, the Board issued a final Decision 1-2009, approving NUL YK's Phase 1 revenue requirement and the Phase 2 Rate Schedules and Terms and Conditions of Service.

By letter dated April 24, 2009, NUL YK made a cost claim application to the Board with respect to the Phase 1 and 2 proceedings. The costs consisted of Legal Fees, Consultant Fees and disbursements in the amount of \$228,310.91.

None of the interested parties provided any comments or issues with respect to the cost claim.

The Board finds that NUL YK's costs of \$228,310.91 were reasonable and necessary with one exception. The Board notes that NUL YK has applied for recovery of costs related to the purchase of hearing transcripts. The Board dealt with this issue previously in Decision 16-2007 in which it stated:

The Board notes Mr. Merani has claimed disbursements with respect to transcript costs. Since the transcripts could have been downloaded at no cost, the Board will disallow the disbursement of \$839.00 claimed by Mr. Merani.

NUL YK shall be entitled to recover this sum from its customers and the method of recovery shall be addressed by NUL YK at the time of its next GRA.

Order:

The Board awarded costs in the amount of \$227,722.91 to NUL YK.

DECISION 17-2009

July 8, 2009

Application:

On May 5, 2009, Northland requested that the Board establish deferral accounts for the purpose of recording all costs associated with the process that had occurred to date and the implementation of the various directives in Decision 13-2009. In a letter dated June 23, 2009, Northland provided its proposed alternative to the Board's Directive #2 and #3

Order:

The Board directed Northland to implement its proposed alternative approach to Directive #2 and #3 in Decision 13-2009.

The Board also directed Northland to create deferral accounts for each of NUL YK and NUL NWT to track costs associated with implementing Directives #1 to #15 of Decision 13-2009. Regulatory costs associated with this inquiry are also to be tracked within these deferral accounts.

DECISION 18-2009

July 8, 2009

Application:

By letter dated June 26, 2008, NUL YK filed the 2008 25 kV Deferral Account Rider (Rider T) application applicable to Northland's customers in the City of Yellowknife.

After reviewing the supporting information in the application, the Board was satisfied with the calculations supporting the proposed Rider T. The actual 25 kV capital additions will be subject to examination prudence at the time of the next GRA.

Order:

The Board reviewed the schedules and information provided by NUL YK and approved the rate rider, effective September 1, 2009.

DECISION 19-2009

September 18, 2009

Application:

By letter dated September 10, 2009, NUL NWT filed an application to adjust the Fuel Clause Adjustment Rider (Rider A) for the communities of Fort Providence, Dory Point/Kakisa and Trout Lake.

Order:

The Board reviewed the schedules and information provided by NUL NWT and approved the rate rider, effective October 1, 2009.

DECISION 20-2009

October 21, 2009

Application:

By letter dated August 13, 2009, NTPC submitted an application to the Board for approval of a project permit, pursuant to Section 54 of the *Act*, for a major capital project permit respecting the Bluefish Lake Dam Replacement Project. NTPC state that the total cost of the proposed project is estimated at \$18.5 million and addresses design and construction of a new dam at an alternative location. The project would allow for the continued safe and reliable operation of Bluefish to the benefit of the Corporation's ratepayers.

Order:

After giving due consideration to the public need for the project and the reliability of the utility, the Board approved NTPC's Application for a project permit for replacement of the Bluefish Lake Dam in an amount of up to \$18.5 million. The Board may conduct an examination of the plus or minus 10% cost forecast along with the updated economic analysis and rate impact analysis when this information is filed with the Board. At that time, the Board may impose additional directions respecting the project permit issued to NTPC with this Decision.

DECISION 21-2009

November 5, 2009

Application:

Mr. Talal Al-Khatib, an Inuvik Gas Ltd. ("IGL") customer, emailed the Board on October 13, 2009 regarding a disconnection notice that was issued to his company (902754 NWT Ltd) by IGL for the building at 175 Mackenzie Road, which is the location of the Alforno Restaurant. He stated that IGL had combined the account of 175 Mackenzie Road with accounts for other buildings that are managed by 902754 NWT Ltd.

Order:

After reviewing the information provided by Mr. Al-Khatib and IGL as well as IGL's Terms and Conditions of Service, the Board directed IGL to reverse the combining of accounts for 902754 NWT Ltd.

DECISION 22-2009

December 4, 2009

Application:

By letter dated November 13, 2009, NUL NWT applied to the Board for approval to an issue long term debt instrument in the amounts of \$443,000, by way of an unsecured debenture with an interest rate of 6.28% and \$557,000, unsecured debenture with an interest rate of 6.55% to ATCO Electric Ltd.

Order:

After reviewing the application, the Board approved the issuance of two Debentures, one in the principal amount of \$443,000 at an interest rate of 6.28% and, the other in the amount of \$557,000 at an interest rate of 6.55%, to ATCO Electric Ltd.

DECISION 23-2009

December 4, 2009

Application:

By letter dated November 13, 2009, NUL YK applied to the Board for approval to an issue long term debt instrument in the amounts of \$2,500,000, by way of an unsecured debenture with an interest rate of 6.28% and \$3,100,000, unsecured debenture with an interest rate of 6.55% to ATCO Electric Ltd.

Order:

After reviewing the application, the Board approved the issuance of two Debentures, one in the principal amount of \$2,500,000 at an interest rate of 6.28% and, the other in the amount of \$3,100,000 at an interest rate of 6.55%, to ATCO Electric Ltd.

DECISION 24-2009

December 17, 2009

Application:

By letter dated December 4, 2009, NUL NWT applied to Board for approval of the issue of 110,732 Class A non-voting and 67,868 Class B common shares in the capital of the Corporation to its sole shareholder, Northland Utilities Enterprises Ltd. for aggregate consideration of \$400,000.

Order:

After reviewing the application, the Board approved the issue of shares in the capital of the Corporation to its sole shareholder, Northland Utilities Enterprises Ltd. for aggregate consideration of \$400,000, in 2009.

DECISION 25-2009

December 17, 2009

Application:

By letter dated December 4, 2009, NUL YK applied to the Board for approval of the issue of 349,308 Class A non-voting and 214,092 Class B common shares in the capital of the Corporation to its sole shareholder, Northland Utilities Enterprises Ltd. for aggregate consideration of \$800,000.

Order:

After reviewing the application, the Board approves the issue of shares in the capital of the Corporation to its sole shareholder, Northland Utilities Enterprises Ltd. for aggregate consideration of \$800,000, in 2009.