



Northwest Territories Power Corporation Revenue Requirement Hearing

The Northwest Territories Public Utilities Board (Board) will conduct a public hearing to consider the Phase I of a General Rate Application (GRA or Application) filed November 24, 2006 by the Northwest Territories Power Corporation (NWTPC or Corporation). In Phase I of the GRA, the overall costs and revenues associated with the provision of electricity service are determined. In Phase II of the GRA, the rates applicable to different customer classes are determined. The Corporation expects to file the Phase II Application following the Phase I process.

The participation of interested parties is important for a successful examination of the Application. Anyone interested in participating in the Phase I portion of the proceeding can do so by filing a request to intervene form with the Public Utilities Board by December 14, 2006.

Particulars of the Application:

The Corporation is requesting approval of an increase in electricity rates for the test years 2006/07 (April 1, 2006 to March 31, 2007) and 2007/08 (April 1, 2007 to March 31, 2008) to offset revenue shortfalls caused by increases in the cost of providing electricity service to the various communities and reductions in revenues from industrial users in the Yellowknife area. The Corporation indicates average rate increases of 4.08 cents/kwh in the thermal fuel communities (communities using diesel and/or natural gas for power generation) and 2.76 cents/kwh in the hydro communities will be required to offset the forecast shortfall in revenues for 2006/07. To avoid delays in the collection of forecast revenue shortfalls in 2006/07, the Corporation requests approval of interim rate increases in the amounts of 3.52 cents/kwh in the thermal communities and 2.16 cents/kwh in the hydro communities pending completion of the GRA process.

The Corporation is also requesting approval of an increase in the fuel rider applicable to the diesel fuel communities, of 4.02 cents/kwh (Proposed fuel rider of 13.73 cents/kwh minus existing fuel rider of 9.71 cents/kwh), effective January 1, 2007, to offset increased diesel fuel costs. For the communities of Fort Smith and Fort Resolution, the Corporation is requesting an increase in the Taltson system fuel Rider T of 0.21 cents/kwh (Proposed fuel rider of 0.56 cents/kwh minus existing fuel rider of 0.35 cents/kwh) to offset increased fuel costs used for back up generation, effective January 1, 2007. The fuel rider increases and the Rider T increases are in addition to the interim rate increases described in the previous paragraph.

In addition to the rate increases described above, the Corporation is requesting approval of changes in the terms and conditions of service including changes to the Corporation's maximum investment in customer facilities. The Corporation is also requesting approval of proposed Standby Generation Interconnection Guidelines.

Process:

The Board notes there are three parts to the Corporation's Application. The first part is the General Rate Application. Following the GRA Phase I process, the appropriate amounts of revenue shortfall for the 2006/07 and 2007/08 test years will be determined by the Board and rates adjusted accordingly. The second part relates to the request for approval of interim rates and the third relates to approval of changes to the diesel communities fuel rider and the Taltson system Rider T.

The following schedule and process is proposed for the interim and fuel rider parts of the Application:

Interim and Fuel Rider Parts of the Application	
Receipt of Application	24-Nov-06
Information Requests to NWTPC	15-Dec-06
Responses from NWTPC	22-Dec-06
Argument	28-Dec-06
Reply	04-Jan-07

Following Argument and Reply by parties, the Board will issue its Decision respecting interim rates, the diesel fuel rider and Rider T.

For the General Rate Application, the following schedule and process is proposed:

General Rate Application	
Receipt of Application	24-Nov-06
Technical Workshop Issues List from Interveners	21-Dec-06
Technical Workshop	08-Jan-07
Filing of Additional Information, if any, arising from Workshop, by NWTPC	12-Jan-07
Information Requests to NWTPC	26-Jan-07
Responses from NWTPC	16-Feb-07
Intervener Evidence	07-Mar-07
Information Requests to Interveners	14-Mar-07
Responses from Interveners	28-Mar-07
Rebuttal	06-Apr-07
Hearing	11-Apr-07
Argument	03-May-07
Reply	17-May-07
Board Phase I GRA Decision	

The GRA process outlined above includes a step, at the commencement of the proceeding, respecting a technical workshop, the purpose of which is to provide interested parties an opportunity to understand the technical aspects of the Application and to seek clarifications or information that would aid in the preparation of focused information requests and hearing examination.

Registered parties will be notified of any changes in the process schedule as well as notified as to details of the locations for the Technical workshop and the Hearing in due course.

For more information, please contact:

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