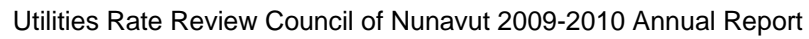


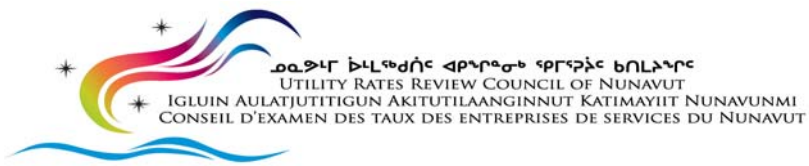


2010  
ANNUAL REPORT  
UTILITY RATES REVIEW COUNCIL  
OF NUNAVUT



# ANNUAL REPORT

For the year ending March 31, 2010



## Utilities Rate Review Council of Nunavut 2009-2010 Annual Report

Members of the Nunavut Legislative Assembly:

I take pleasure in submitting the Annual Report of the Nunavut Utility Rates Review Council for the calendar year ending March 31, 2010.

***Original Signed By***

Hon Tagak Curley  
Minister Responsible for the Utility  
Rates Review Council



Utilities Rate Review Council of Nunavut 2009-2010 Annual Report

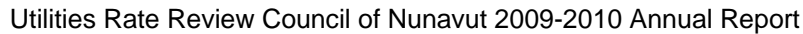
The Honorable Tagak Curley  
Minister responsible for the  
Utility Rates Review Council  
Of Nunavut

Dear Minister:

I have the honor of presenting the Annual Report of the Utility Rates Review Council of Nunavut for the calendar year ending March 31, 2010.

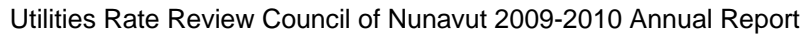
Respectfully submitted,

Raymond Mercer  
Chair, Utility Rates Review Council  
Of Nunavut

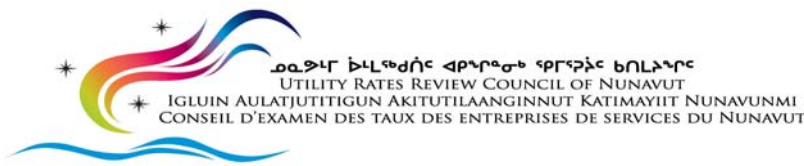


## 1. MANDATE

## 2. PURPOSE



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#### Utilities Rate Review Council of Nunavut 2009-2010 Annual Report

Mr. John Donihee has been retained as per Section 8(1)(b) of the URRC Act as Legal Counsel to the URRC. Mr. Donihee comes to the URRC with extensive knowledge and expertise in energy law and regulatory consultations.

For the purposes of this report there is an application before the Legislative Assembly that when passed will change the make-up of the Council. This will be expanded upon in the “Look Ahead” section of the report.

#### **4. BUDGET**

In 2009-10 the Council operating and maintenance budget was \$167,000.00. The Council stayed within its' budget for the year.

#### **5. SUMMARY OF 2009-2010 RECOMMENDATIONS:**

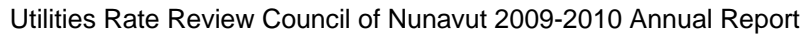
**The following recommendations were made with respect to rates in regards to the Application for a Fuel Stabilization Rider in January of 2009 by Qulliq Energy Corporation - Report 2009-01:**

1. Section 13 (1) of the Act states:

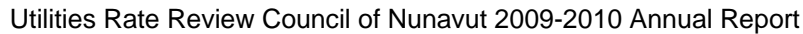
The Review Council, within 90 days of receiving the responsible Minister's request for advice under section 12, shall report to the responsible Minister its recommendation that:

- a) the imposition of the proposed rate or tariff should be allowed,
- b) the imposition of the proposed rate or tariff should not be allowed, or
- c) another rate or tariff specified by the Review Council should be imposed

In accordance with the above the URRC recommends that a fuel stabilization rider of 12.52 cents per Kwh be approved for QEC, for the period February 1, 2009 to June 30 2009.







The URRC expects the matter respecting the appropriate treatment of the Future Removal and Site Restoration fund for regulatory purposes will be dealt with as part of the upcoming General Rate Application (GRA).

**The following recommendations were made with respect to rates in regards to the Application for a Fuel Stabilization Rider in December of 2009 by Qulliq Energy Corporation - Report 2010-02:**

1. Section 13 (1) of the Act states:

The Review Council, within 90 days of receiving the responsible Minister's request for advice under section 12, shall report to the responsible Minister its recommendation that:

- a) the imposition of the proposed rate or tariff should be allowed,
- b) the imposition of the proposed rate or tariff should not be allowed, or
- c) another rate or tariff specified by the Review Council should be imposed

In accordance with the above the URRC recommends that a fuel stabilization rider of 4.68 cents per Kwh be approved for QEC, for the period January 1, 2010 to September 30, 2010.

## **6. Canadian Association of Members of Public Utility Tribunal (CAMPUT)**

The URRC continued its' ongoing association with CAMPUT in 2009-10. The membership of CAMPUT is made up of all the Boards and Councils from the ten provinces and three territories plus the National Energy Board. CAMPUT also admitted a number of quasi-judicial boards as associate members to CAMPUT this year as part of their ongoing goal of improving all types of regulation in Canada. A full list of CAMPUT Membership can be found at the end of this report.

The Chairperson, Secretary and the Councils consultant attended the CAMPUT International Financial Reporting Standards (IFRS) Course in Montreal April 28<sup>th</sup>, 2009. The course looked at the major potential impacts of the transition to IFRS from the perspectives of ratepayers, regulated utilities and the ratemaking process. The Course was very well attended and was very beneficial in understanding the transition and transition issues to IFRS.

The URRC attends the CAMPUT Educational Conference as a part of its continuing education. This conference brings together regulators, industry representatives, government and the general public to discuss issues of importance in the industry. This years meeting was held in St John, New Brunswick and was very well attended by industry and regulators. The Organizers also arranged for a tour of the new LNG Terminal being built in St John, since our tour the facility has begun accepting LKNG tankers. The URRC was represented by the Chairman and the Council's Secretary.

The URRC attends the CAMPUT Annual General Meeting (AGM) on a yearly basis. This conference brings together the member boards from across Canada to discuss events and issues that affect the regulatory community. Representatives from all board were present for the meetings in Winnipeg, Manitoba. The URRC was represented by the Chairman and the Council's Secretary.

The URRC continues to be actively involved in various committees of CAMPUT. Raymond Mercer continued his role with the Chairs Policy Committee that provides direction to CAMPUT on Major policy issues and is the voice of the national body whenever presenting to the F/P/T Ministers of Energy. He also is a member of the Organizing Committee for the 2011 CAMPUT Educational Conference in Vancouver B.C. This group develops the agenda, retains the moderators and presenters for conference. Kirk Janes continued his ongoing role with the Education Committee, that oversees the Queens University CAMPUT Regulatory Course and other training events over the year.





Utilities Rate Review Council of Nunavut 2009-2010 Annual Report

CAMPUT as part of its continuing education of its member boards has once again scheduled a number of conferences, training courses and meetings for the upcoming year. The URRC members and staff hope to be able to take part in the continuing education sponsored by CAMPUT over the next year.

**ON BEHALF OF THE NUNAVUT UTILITY RATES REVIEW COUNCIL**

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**DATED July 30, 2010**  
**Ray Mercer, Chairman**