



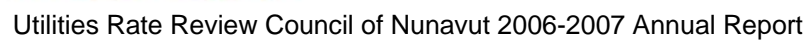
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UTILITY RATES REVIEW COUNCIL OF NUNAVUT

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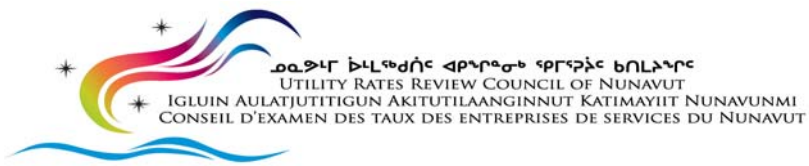
CONSEIL D'EXAMEN DES TAUX DES ENTREPRISES DE SERVICES DU NUNAVUT

2007  
ANNUAL REPORT  
UTILITY RATES REVIEW COUNCIL  
OF NUNAVUT



# ANNUAL REPORT

For the year ending March 31, 2007



## Utilities Rate Review Council of Nunavut 2006-2007 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, 2007.

Paul Okalik Premier  
Minister Responsible for the Utility  
Rates Review Council



Utilities Rate Review Council of Nunavut 2006-2007 Annual Report

The Honorable Paul Okalik  
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, 2007.

Respectfully submitted,

Raymond Mercer  
Chair, Utility Rates Review Council  
Of Nunavut

## **The Utility Rates Review Council**

### **1. MANDATE**

The *Utility Rates Review Council Act* (Act), created in the spring of 2001, gives the power to the URRC to provide advice to Ministers regarding rates and tariffs to be charged by designated utilities and any other matters as requested and directed by the Minister Responsible for the URRC.

Under the Act, a designated utility is defined as; *a utility or a member of class of utilities designated in the regulations:*

A utility is defined as:

*Any of the following that provides goods or services to the public:*

- (a) a corporation that is owned or controlled by the Government of Nunavut, and to which this Act applies either by legislation or a regulation made under paragraph 20(1)(a):*
- (b) a department or administrative division of the Government of Nunavut to which this Act applies either by legislation or a regulation made under paragraph 20(1)(a):*
- (c) a person or organization not mentioned in paragraph (a) or (b) to which this Act applies either by legislation or a regulation made under paragraph 20(1)(a)*

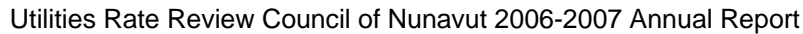
The Qulliq Energy Corporation and as a consequence Nunavut Power Corporation, as Designated Utilities, are subject to the URRC through the Utility Rates Review Council Act.

### **2. PURPOSE**

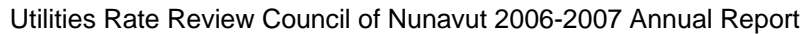
The purpose of the Review Council as outlined in section 7 of the URRC Act:

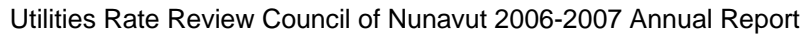
*The purposes of the Review Council are to:*

- (a) advise the Responsible Minister of a designated utility concerning the imposition of rates and tariffs in accordance with sections 11 to 18.*



- 6 of 11





Residential Energy Rate	5.91%
Commercial Energy Rate	5.91%

Street Lights	5.44%
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- the imposition of the proposed rate or tariff should be allowed,
- the imposition of the proposed rate or tariff should not be allowed, or
- another rate or tariff specified by the Review Council should be imposed

That the existing fuel stabilization rider of \$0.0398 per Kwh be extended to apply to all consumption effective October 1, 2006 to November 30, 2006.



**The following recommendations were made with respect to rates in regards to the Application for a Fuel Stabilization Rider in October of 2006 by Qulliq Energy Corporation Report 2007-01:**

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

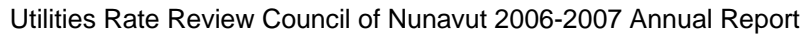
In accordance with the above the URRC recommends that a fuel stabilization rider of \$0.0787 per Kwh be approved for QEC, for all consumption effective November 1, 2006 to March 31, 2007.

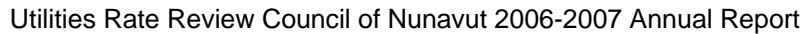
2. The URRC recommends that the Minister responsible for QEC give due consideration to engaging the Federal Government in the development of a sustainable long term electricity generation and transmission plan for Nunavut.

3. The URRC recommends that the principles and methods application respecting a restructured FSR should be filed on a timely basis so as to allow the URRC sufficient time to determine the parameters for a restructured FSR for incorporation into the fall FSR application.

4. The URRC recommends QEC to address the appropriateness of the use of a single FSR rider for all communities, at the time of the principles and methods application respecting the restructured FSR.

5. The URRC recommends that QEC address the merits and practicality of an annual FSR rider at the time of the principles and methods application respecting the restructured FSR.





## Canadian Association of Members of Public Utility Tribunal (CAMPUT)

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**

**DATED May 14, 2007**  
**Ray Mercer, Chairman**