

## SHAREHOLDER LETTER OF EXPECTATIONS 2010-2012

**From**

**The Minister Responsible for the Yukon Development Corporation  
("the Minister")**

**To**

**The Yukon Development Corporation ("Development")**

### **Purpose**

Under both the *Yukon Development Corporation Act*, and the *Corporate Governance Act*, the Minister and Development are required to negotiate an annual protocol ("Protocol") about performance expectations for Development and the roles of different persons in its work. In addition, it has been the practice of the Government of Yukon ("Government"), represented by the Minister, periodically to provide the Corporations with additional guidance in the form of a Shareholder Letter of Expectations ("Letter").

This Letter covers the year ending March 31, 2012.

As has been the case with previous Letters, this Letter was prepared after consultation between the Minister and Development. It thus represents a shared understanding of the expectations of the Government in respect of Development. In addition, this Letter records the commitments made by Development to the Government in relation to the specific strategic priorities and performance expectations that are set out here.

For its part, the Government reaffirms its support for Development in carrying out the activities described in this Letter.

### **Specific Initiatives to Meet Shareholder Guidelines**

Development will:

- Work with Government and other stakeholders on the implementation of the *Energy Strategy for Yukon* and the *Yukon Government Climate Change Action Plan*, and in particular by participating in the development of an independent power producer policy, a net metering policy and a demand side management program;
- Complete financial arrangement transfer payment agreement with government regarding Development financial assistance.
- Work with Yukon Energy to ensure Development and Energy carry out their obligations under the Yukon Energy/ First Nation of Nacho Nyak Dun Project agreement.

- Work with the Government and Yukon Energy in preparing and implementing a workplan for Demand Side Management Initiatives.
- Work with First Nation Development Corporations on economic development opportunities.
- Ensure that Yukon Energy completes construction of Carmacks – Stewart Transmission Line Phase 2, thereby connecting Energy’s two existing grids.
- Ensure that Yukon Energy completes the work on Mayo B required to complete the project prior to March 31, 2012.
- Ensure that Yukon Energy continues work in preparation for the installation of the third turbine at the Aishihik hydro facility in anticipation of a winter 2011-12 in-service date.
- Work with Yukon Energy to increase energy capacity by enhancing existing infrastructure including improved efficiencies at the Whitehorse hydro plant, assessing ways to reduce line losses and the continued evaluation of the Atlin River, Marsh Lake and Gladstone Lake storage concepts.

**Communications Expectations and Reporting Requirements**

The Minister and Development are committed to enhanced transparency and accountability to the public. To ensure effective and efficient day-to-day communications and relationship building, officials representing the Minister and Development will be tasked with implementing the contents of this Letter and keeping the Minister and the Board of Directors of Development informed of progress.



Ray Hayes  
Chair, Yukon Development Corporation

March 3/10  
Date



Dennis Fentie  
Minister Responsible for the  
Yukon Development Corporation and  
The Yukon Energy Corporation

MARCH 9 2011  
Date