



ᑭᓄᓐ ᑭᓄᓐ ᑭᓄᓐ ᑭᓄᓐ ᑭᓄᓐ
Qulliq Energy Corporation
Société d'énergie Qulliq
Qulliq Alruyaktuqtunik Ikumatjutiit

October 1, 2024

Honourable Minister John Main
Minister Responsible for Qulliq Energy Corporation
Government of Nunavut
P.O. Box 2410
Iqaluit, Nunavut X0A 0H0

Dear Minister John Main,

Fuel Stabilization Rate Fund – Application for Rider




In accordance with the Ministerial instruction dated May 30, 2014, Qulliq Energy Corporation (QEC) prepares forecasts of the balances in the Fuel Stabilization Rate Fund (FSRF). The Minister's instruction requires QEC to apply to the responsible Minister for a fuel rider if, at any time, the balance in the FSRF is expected to exceed the threshold of plus or minus \$1 million within six months.


The fuel rider was set at 3.7 cents/kWh collection, effective April 1, 2024, and expiring September 30, 2024.

QEC has prepared an updated forecast and proposes a 1.35 cent/kWh FSRF from October 1, 2024, to March 31, 2025. The forecast indicates that without a rider, the projected balance in the fund on March 31, 2025, would be approximately \$1.3 million owed to QEC from its customers.


Attached are schedules summarizing the forecast monthly balances in the FSRF through March 31, 2025. The schedules are based on the following information and assumptions:

1. **Bulk Fuel:** Bulk fuel delivery and price forecasts based on the 2024 resupply season actuals.
2. **Nominated Fuel Prices:** Actual nominated fuel prices up to August 2024. Nominated fuel prices for September through March 2025 reflect the current nominated fuel prices.
3. **Fuel Inventory:** Forecast fuel prices reflect weighted average fuel prices based on fuel inventory and a mixture of bulk fuel and nominated fuel deliveries.

 1-866-710-4200
 867-793-4225
 www.qec.nu.ca

 ᑯᑭᑭᑯ 580
ᑯᓐᑭᓄᓐ, ᓄᓐᑭᓄᓐ
X0C 0A0

Titiraqarvinga 580
Iqaluit, Nunavut
X0C 0A0

 P.O. Box 580
Iqaluit, Nunavut
X0C 0A0

C.P. 580
Iqaluit, Nunavut
X0C 0A0



ᖃᓄᓕᓄᓄᓄ ᓃᓄᓄᓄᓄᓄᓄᓄᓄᓄ ᓄᓄᓄᓄᓄ
Qulliq Energy Corporation
Société d'énergie Qulliq
Qulliq Alruyaktuqtunik Ikumatjutiit

4. **Sales and Generation:** QEC's most recent generation and sales forecasts.

The difference between the forecast fuel prices and those approved in the 2022/23 GRA base rate amendment application calculates the monthly charges or credits to the FSRF.

The proposed rider of 1.35 cents/kWh was calculated to target a zero balance in the FSRF by March 31, 2025, based on a rider implemented effective October 1, 2024. QEC is seeking a rider implementation period that ends March 31, 2025. The following application will reflect any required adjustments because of changes in fuel prices or balances in the FSRF account.




Considering that the FSRF rider application review and approval process will be completed after October 1st, 2024, QEC requests an interim refundable FSRF rider for the period between October 1, 2024, and the final approval date of the current application. Revenues collected under the interim rider will be credited to the FSRF account to benefit customers.


The revised fuel rider's expected bill impact is a \$12.34 (including GST) monthly reduction for non-government residential customers using 500 kWh/month.

In summary, QEC requests the Minister's approval of a 1.35 cent/kWh FSRF rider from October 1, 2024, to March 31, 2025.


Sincerely,

Ernest Douglas
President and CEO

 1-866-710-4200
 867-793-4225
 www.qec.nu.ca

 ᓄᓄᓄᓄ 580
ᓄᓄᓄᓄᓄᓄᓄᓄᓄᓄᓄ
X0C 0A0

Titiraqarvinga 580
Iqaluit, Nunavut
X0C 0A0

 P.O. Box 580
Iqaluit, Nunavut
X0C 0A0

C.P. 580
Iqaluit, Nunavut
X0C 0A0