P.O. Box 580, Iqaluit, Nunavut, XOA OHO



March 24, 2022

Honourable Joanna Quassa Minister Responsible for Qulliq Energy Corporation Government of Nunavut

Dear Minister Quassa:

Re: Qulliq Energy Corporation's 2022/23 General Rate Application

Pursuant to Section 12 of the Utility Rates Review Council Act, Qulliq Energy Corporation (QEC) requires ministerial approval in advance of implementing rate changes. Please find enclosed a copy of Qulliq Energy Corporation's 2022/23 General Rate Application (GRA) for your review and consideration. QEC hereby request an instruction or instructions:

- 1. Approving the Corporation's forecast revenue requirement for the 2022/23 Test year of \$144.0 million. This results in a short all of \$6.6 million compared to revenues at existing rates. The application indicates that average rate increase of 5.1% is needed to recover the shortfall.
- 2. Approving the Corporation's request to transition from the existing rates structure to a Territory-wide levelized rate structure (sometimes called a "postage stamp rate"). Under the Territory-wide rate, all customers in the same rate class would pay the same rates, in all communities throughout Nunavut.

Copies of this letter, the application and supporting documents will be made available through QEC's website in all official languages. The Application will also be made available upon request.

Please contact me if you have any questions or concerns.

Sincerely,

Rick Hunt

Rick Hunt President and CEO Qulliq Energy Corporation