



Frequently Asked Questions

Fuel Stabilization Rate (FSR) Fund

1. What is the Fuel Stabilization Rate (FSR) Fund?

Qulliq Energy Corporation (QEC) maintains an FSR Fund. The purpose of the FSR Fund is to offset the price differences that arise between actual fuel prices and the price of fuel used in setting the current electricity rates in Nunavut.

2. How does QEC address the fluctuations in the FSR Fund?

The Corporation must apply to the Minister responsible for QEC for a fuel rider charge, or refund, if at any time the FSR Fund is expected to exceed the threshold balance of plus or minus \$1 million within a six-month period. QEC recently submitted an application to the responsible minister requesting a fuel rider refund.

3. What is a fuel rider charge or refund?

It is an additional charge or refund on customer bills intended to recover a deficit or refund a surplus in the FSR Fund. It is determined by changes in the price of fuel.

If current fuel prices are higher than the fuel price that was used in setting the current electricity rates, it may result in an FSR Fund deficit where the shortfall is collected from customers through a charge on monthly bills.

If current fuel prices are lower than the fuel price that was used in setting the current electricity rates, it may result in an FSR Fund surplus that is refunded to the customers through a refund on monthly bills.

4. What is the proposed fuel rider amount for this FSR application?

The current FSR application is seeking approval to apply a fuel rider refund of 2.76 cents per kilowatt hour to QEC customers for the period of April 1 to September 30, 2020.

5. How does the fuel rider impact my monthly power bill?

Customers who use approximately 500 kilowatt hours per month can expect to see a decrease of about \$14.50 (including GST) on their monthly bill.

6. When will the fuel rider refund be applied to customer power bills?

QEC has applied for the rider refund to be in effect beginning April 1, 2020. Customers will first see this decrease on their April monthly utility bill, which will be mailed out in May.

