

**LEGISLATIVE ASSEMBLY
OF
YUKON**

First Session of the
32nd Legislative Assembly

BILL NO.

Yukon Energy Corporation Protection Act

November 3, 2009

First Reading:

Second Reading:

Committee of the Whole:

Third Reading:

Assented to:

BILL NO.

32nd Legislative Assembly

First Session

Yukon Energy Corporation Protection Act

Preamble

Whereas public participation is fundamental to good government;

Whereas government should fully and fairly consider public input on an issue of public importance, and make decisions for the good of the Yukon and the greater public interest;

Whereas the continued public ownership of electricity generation and transmission assets is a matter of public interest;

Whereas it is within the role of the Yukon Utilities Board to review the assets of the Yukon Energy Corporation through a public process and make recommendations; and

The Commissioner of Yukon, by and with the advice and consent of the Legislative Assembly, enacts as follows:

Definitions

1. In this Act:

"assets" means the property of the Yukon Energy Corporation or the Yukon Development Corporation used or intended to be used to provide service to the public, and includes property granted, under construction, constructed or acquired, and intended to be used in the future to provide service to the public;

"rationalization" means an exchange of assets of comparable value that shall increase the holdings of the Yukon Energy Corporation with respect to electricity generation and transmission assets and provide benefit for Yukon consumers of electricity;

"Yukon Development Corporation" is an entity of the Government of Yukon pursuant to the *Yukon Development Corporation Act*;

"Yukon Energy Corporation" is the wholly-owned subsidiary of the Yukon Development Corporation;

"Yukon Utilities Board" is the independent, quasi-judicial board that regulates utilities registered in the Yukon, pursuant to the *Public Utilities Act*.

Purpose

2. The main purpose of this Act is to assure that the Government of Yukon shall not conduct, permit or approve the sale, lease or other disposal of the electricity generating and transmission assets of the Yukon Energy Corporation or the Yukon Development Corporation without the approval of Yukon citizens in a referendum.

Application

3. This Act applies to the Yukon Development Corporation, the Yukon Energy Corporation and the Government of Yukon.

Sale, lease or other disposal of assets

4. (1) The Government of Yukon, the directors and officers of the Yukon Energy Corporation or the Yukon Development Corporation shall not negotiate or allow the sale, lease or other disposal of the electricity generation and transmission assets of the Yukon Energy Corporation or the Yukon Development Corporation without approval from a majority of Yukon voters in a referendum specific to any transaction herein disallowed.

(2) Notwithstanding subsection (1), the directors and officers of the Yukon Energy Corporation or the Yukon Development Corporation may negotiate a rationalization arrangement.

(3) Notwithstanding subsection (1), and in accordance with subsection (2), the Government of Yukon shall authorize the Yukon Utilities Board to conduct a public hearing to review and make recommendations on any negotiated rationalization arrangement before any such arrangement is finalized.

(4) Notwithstanding subsection (1), the directors and officers of the Yukon Energy Corporation shall continue with the normal operational practice of disposing of inventory that is scheduled for replacement, is redundant or not required, such as worn generators or transmission components and other small assets such as vehicles, obsolete structures, office furniture, equipment and parts.

Final Agreement prevail

5. In the event of an inconsistency or conflict between a final agreement within the meaning of the *Yukon First Nations Lands Claims Settlement Act* and this Act, the final agreement prevails to the extent of the inconsistency or conflict.

Coming into Force

6. This Act comes into force on the date of assent to this Act.