

A message from the Utility Rates Review Council

Qulliq Energy Corporation (QEC) has filed for approval of a Major Project Permit Application with the Minister Responsible for QEC to replace generator sets (Gensets) in the communities of Chesterfield Inlet, Coral Harbour, Kugaaruk, Pond Inlet and Whale Cove. QEC submitted that Genset replacements are required for capacity increases to address growing community power needs and to replace old, obsolete, and unreliable units. QEC stated the proposed upgrades align with QEC's mandate to provide a safe, reliable, and cost-effective power supply and to support the continued growth of the communities.

QEC is proposing:

- Chesterfield Inlet – replace the 320 kW unit G1 with a newer 320 kW unit
- Coral Harbour – replace the 420 kW unit G2 with a higher capacity 720 kW unit
- Kugaaruk – replace the 320 kW unit G1 with a new 550 kW unit
- Pond Inlet – replace the 550 kW unit G3 with a higher capacity 750 kW unit
- Whale Cove – replace the 300 kW unit G1 with a higher capacity 400 kW unit
- In addition to the Genset replacements, each of the projects requires various upgrades to the foundation and structures and other new equipment to address reliability and safety issues.

The total cost to complete the five Genset replacements is forecast to be \$32.4 million. This would result in an estimated \$2.791 million increase in the revenue requirement and a 1.47 cents/kWh increase in the territory-wide rates. QEC noted that the projects are expected to be completed by the 2025/26 fiscal year and stated that rates would not be adjusted until the next General Rate Application, which QEC stated was the 2026/27 fiscal year.

The URRC would like to hear views from residents and businesses respecting this Application.

**The deadline for written submissions is:
5 p.m. (EST) February 5, 2024.**

The QEC application can be found www.qec.nu.ca or upon request through either the URRC or QEC.

Submissions can be sent to:

**Email – URRC@gov.nu.ca Executive Director of the URRC,
Box 1000, Stn 200, Iqaluit, NU, X0A 0H0**

The URRC is an arm's-length board that gives advice to the Government of Nunavut about rates levied by utilities.