

### **Notice of Utility Tariff Filing**

The REGULATORY COMMISSION OF ALASKA (Commission) gives notice that Alaska Electric Light & Power Company (AEL&P) filed tariff revision TA447-1, requesting approval of a proposed renewal of its Snettisham Hydroelectric Project Hatchery Electric Service Agreement (Agreement) with the State of Alaska, Department of Fish and Game (ADF&G). The original Agreement between AEL&P and ADF&G, filed on December 24, 1997, was conditionally approved by Order No. U-97-245(1), dated June 24, 1998. The original agreement is in effect through December 31, 2016, and includes a statement that "[a]ny further extensions shall be mutually agreed upon between [AEL&P] and ADF&G."

The proposed Agreement extends the term of the original agreement through December 31, 2036. At any time within calendar year 2026, and with sixty days written notice, either party may reopen this contract for modifications to the sections titled Service Conditions and Lost Energy Charge.

The initial rate for purchase of power by ADF&G will be the rate in effect on December 31, 2016. This rate will commence with the effective date of the proposed Agreement and terminate on April 30, 2019. Future rates will remain fixed for successive three-year periods beginning on May 1, 2019, and will be set to accomplish two purposes: (1) rate stability over a three-year period, and (2) ensure that revenues received by AEL&P under this rate equal AEL&P's cost to provide the energy. The rate will be equal to the sum of three components: (1) AEL&P's actual average cost of Snettisham energy during the previous fixed rate period, (2) an amount to recover any costs not recovered in the previous fixed rate period or refund any over-collected amounts, and (3) an amount to recover any increased costs expected in the next fixed rate period or to adjust for any expected decreased costs.

AEL&P will provide single- and three-phase alternating current electric energy at standard voltages and at a nominal frequency of sixty hertz to the hatchery facilities and associated living quarters when the Snettisham Hydroelectric power plant is running. ADF&G is responsible for providing its own backup generation capability. The maximum amount of energy delivered to ADF&G shall be 3 million kilowatt-hours per year. ADF&G may from time to time, in the absence of objection by AEL&P, use energy in excess of 3 million kilowatt-hours per year, but such greater use shall not be deemed to establish for ADF&G any additional right to excess energy and ADF&G shall cease any such use when directed to do so by AEL&P.

The location of the Snettisham Hatchery requires a water level control structure in the tailrace of the hydroelectric power plant, which raises the tailrace to approximately 22 feet above mean low water. This results in a net head loss of power during periods when the tail water elevation is higher due to the water control structure by reducing the energy content per unit of volume of the water passing through the turbines during these periods. ADF&G agrees to reimburse AEL&P for energy loss attributable to the net head loss due to the water control structure. The

per kilowatt-hour rate for lost energy will be the amount calculated by dividing AEL&P's total annual revenue billed by AEL&P's total annual MWh sold, as reported on the most recent annual report filed with the Federal Energy Regulatory Commission.

The Commission may approve a rate or classification which varies from that proposed. You may obtain more information about this filing from Tim McLeod, President of AEL&P, at 5601 Tonsgard Court, Juneau, AK 99801-7201; phone: (907) 780-2222. The complete filing is also available for inspection at the Commission's office at 701 West 8<sup>th</sup> Avenue, Suite 300, Anchorage, AK 99501; phone: (907) 276-6222, or may be viewed at the Commission's website at <http://rca.alaska.gov> by typing "TA447-1" in the *Find a Matter* search box.

To comment on this filing, please file your comments by 5:00 p.m., May 6, 2016, at the Commission's address given above or via our website at:

<https://rca.alaska.gov/RCAWeb/WhatsNew/PublicNoticesComments.aspx>

Please reference TA447-1 and include a statement that you have filed a copy of the comments with AEL&P at its address given above or by email at [tim.mcleod@aelp.com](mailto:tim.mcleod@aelp.com).

Individuals or groups of people with disabilities, who require special accommodations, auxiliary aids or service, or alternative communication formats, please contact Joyce McGowan at (907) 276-6222, toll-free at 1-800-390-2782, TTY (907) 276-4533 or send a request via electronic mail to [rca.mail@alaska.gov](mailto:rca.mail@alaska.gov) by April 29, 2016.

DATED at Anchorage, Alaska, this 13<sup>th</sup> day of April, 2016.

REGULATORY COMMISSION OF ALASKA

  
Rich Gazaway  
Advisory Section Manager