

Notice of Proposed Revision to Power Cost Equalization Base Amount

The REGULATORY COMMISSION OF ALASKA (Commission) gives notice that pursuant to AS 42.45.110(c)(2), it has opened Docket U-16-056 to propose a revised base amount for Power Cost Equalization (PCE) calculations. AS 42.45.110(c)(2) provides in part:

“each year, the commission shall adjust the power costs for which power cost equalization may be paid to an electric utility based on the weighted average retail residential rate in Anchorage, Fairbanks, and Juneau . . .”

The current base amount is 15.82 cents per kilowatt-hour (¢/kWh). The Commission proposes to adjust the base amount to 16.67¢/kWh. The proposed 16.67¢/kWh base amount is a calculation of the weighted average cost of residential energy sales within Fairbanks, Anchorage, and Juneau during calendar year 2015.

The utilities providing service to these areas during 2015 were Chugach Electric Association, Inc. (Chugach); Matanuska Electric Association, Inc. (MEA); and the Municipality of Anchorage d/b/a Municipal Light and Power Department (ML&P) in Anchorage; Golden Valley Electric Association, Inc. (GVEA) in Fairbanks; and Alaska Electric Light and Power Company (AEL&P) in Juneau. The proposed 16.67¢/kWh base amount calculations are as follows:

PROPOSED FY2017 PCE BASE AMOUNT CALCULATION					
Utility	Total Residential Sales (kWh)	Total Residential Sales (\$)	Total Residential Sales (\$/kWh)	% Total Residential (kWh)	Weighted Average per kWh
AEL&P	138,377,000	\$ 16,437,193	\$0.1188	15.30%	\$ 0.0182
Chugach	469,826,819	\$ 78,987,774	\$0.1681	51.95%	\$ 0.0873
GVEA	57,120,085	\$ 12,111,316	\$0.2120	6.32%	\$ 0.0134
MEA	108,187,277	\$ 21,241,982	\$0.1963	11.96%	\$ 0.0235
ML&P	130,805,000	\$ 21,972,135	\$0.1680	14.46%	\$ 0.0243
Total	904,316,181	\$ 150,750,400		100.00%	\$ 0.1667

You may obtain additional information about the calculation of the proposed base amount by contacting Tariff Section Staff at the Commission's office at 701 West Eighth Avenue, Suite 300, Anchorage, Alaska 99501; phone: (907) 276-6222, or by email at rca.mail@alaska.gov.

To comment on this docket, please file your comments by 5:00 p.m., June 16, 2016 at the Commission's address given above or via the Commission's website at:

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

Please reference Docket U-16-056 in the subject line of your comments.

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, or TTY (907) 276-4533 or send a request via electronic mail to rca.mail@alaska.gov by June 9, 2016.

In addition, a public hearing will be held on June 21, 2016, in the Commission's hearing room, 701 West Eighth Avenue, Anchorage, Alaska, to consider comments on the proposed action. Individuals wishing to present oral comments at the public hearing are requested to notify the Commission of that intent by June 16, 2016; however, such notification is not mandatory.

The Commission, after the deadline stated above, will either adopt this or other proposals dealing with the same subject without further notice, or decide to take no action on them.

DATED at Anchorage, Alaska, this 17th day of May, 2016.

REGULATORY COMMISSION OF ALASKA



Robert M. Pickett
Chairman