

Notice of Utility Tariff Filing

The REGULATORY COMMISSION OF ALASKA (Commission) gives notice that Alaska Power Company (APC) filed tariff advice filing TA857-2, a revenue requirement study, rate redesign, and cost of service study based on a 2015 test year. In addition, APC proposes to integrate the service area of Gustavus Electric Company, Inc. into its tariff and rates as required by Order Nos. U-13-183(4) and U-13-183(7). A selection of the current and proposed permanent rates are shown in the table below. APC is not requesting an interim rate increase.

Description	Current Rates	Proposed Permanent Rates
Residential and Small Commercial Rates		
Haines/Skagway	\$0.1452/kWh	\$0.1418/kWh
South Prince of Wales Island	\$0.1414/kWh	\$0.1530/kWh
North Prince of Wales Island	\$0.2570/kWh	\$0.1530/kWh
Tok/Dot Lake/Tetlin	\$0.1847/kWh	\$0.2047/kWh
Interior Villages	\$0.3770/kWh	\$0.4220/kWh
Customer Charge	\$13.85/month	\$20.00/month
Gustavus	\$0.52326/kWh	\$0.3840/kWh
Gustavus Customer Charge	\$12.312/month	\$20.00/month
Bulk Power Rates		
Haines/Skagway	\$0.1052/kWh	\$0.1112/kWh
South Prince of Wales Island	\$0.0907/kWh	\$0.1138/kWh
North Prince of Wales Island	\$0.2330/kWh	\$0.1138/kWh
Tok/Dot Lake/Tetlin	\$0.1441/kWh	\$0.1777/kWh
Interior Villages	\$0.3691/kWh	\$0.3691/kWh
Customer Charge	\$93.97/month	\$93.97/month
Gustavus	\$0.38988/kWh	\$0.2847/kWh
Gustavus Customer Charge	\$12.312/month	\$93.97/month
Late Fee	\$2.00	5 percent of the bill with a minimum of \$5.00
Connection Fee Single Phase	\$48.00	\$50.00
Connection Fee Three Phase	\$100.00	\$125.00
Reconnection Charge (during business hours)	\$25.00	\$50.00
Reconnection Charge (after hours)	\$50.00	\$100.00

APC proposes to add minimum delivery charges to its residential and small commercial rates. The minimum delivery charge is based on a monthly usage of 150 kWh times the energy charge. The minimum delivery charge will be applied to every service that uses fewer than 150 kWh per month and will replace the actual energy charge. The minimum bill charged to customers using 150 kWh or less per month will consist of the minimum delivery charge plus the customer charge.

APC also proposes adding a decoupling mechanism to establish an annual rate adjustment mechanism that decouples its authorized revenue from kWh sales to customers served under the applicable electric rate schedules. The decoupling adjustment reconciles on an annual basis the allowed revenue to the actual revenues

for each calendar year. Any differences between the two amounts will be placed in a deferral account and collected/refunded to customers in the following year.

This notice may not contain all requested revisions and the Commission may approve a rate or classification which varies from that proposed. You may obtain information about this filing by contacting Michael Garrett, Chief Operating Officer for APC, at P.O. Box 3222 Port Townsend, WA 98368; phone: (360) 385-1733. The complete filing is also available for inspection at the Commission's office at 701 West 8th 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 Docket "TA857-2" in the *Find a Matter* search box.

To comment on this filing, please file your comments by 5:00 p.m., September 8, 2016, at the Commission's address given above or via our website at:

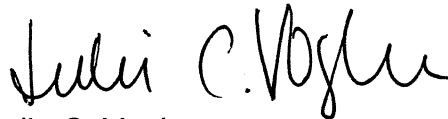
<https://rca.alaska.gov/RCAWeb/WhatsNew/PublicNoticesComments.aspx>

Please reference TA857-2 and include a statement that you've filed a copy of the comments with APC at its address given above.

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 by September 1, 2016.

DATED at Anchorage, Alaska, this 9th day of August, 2016.

REGULATORY COMMISSION OF ALASKA

A handwritten signature in black ink, appearing to read "Julie C. Vogler". The signature is fluid and cursive, with the first name "Julie" being more prominent.

Julie C. Vogler
Finance Section Manager