

Notice of Utility Tariff Filing

The REGULATORY COMMISSION OF ALASKA (Commission) gives notice that Homer Electric Association, Inc. (HEA) filed tariff revision TA393-32, a Second Amendment and Restated Agreement (Amendment) to the First Amended and Restated Agreement for Electric Service with Tesoro Alaska Company (Tesoro). The Amendment revises the special contract with Tesoro, which was executed on September 1, 2008, under TA219-32.

The filing proposes to adjust the rate charged to Tesoro, extend the term of the special contract and revises several other provisions within the special contract. The Amendment sets a rate for Tesoro that includes HEA's variable costs plus a margin of \$0.0145 per kWh initially and escalating to \$0.017 per kWh by the end of the contract term. HEA anticipates that the revised rates will initially result in increased revenue of \$295,738, annually. This figure will eventually escalate to \$479,654 in additional revenue in the final year of the special contract.

The Amendment extends the expiration date of the special contract from March 31, 2016 to March 31, 2021.

The Amendment also updates and revises language in the following sections:

- Section 1: Delivery and Contract Demand
- Section 2: Service Characteristics
- Section 3: Pricing, Billing & Payment
- Section 5: Electrical Facilities
- Section 6: Right of Access
- Section 7: Term and Termination
- Section 11: Power Factor Adjustment
- Section 12: Load Management
- Section 13: Miscellaneous Provisions
- Section 14: Notices and Communications
- Section 15: Succession and Approval

Additionally, the Exhibits A-1, A-3, B-1, B-3 and B-4 have been revised.

This notice does not contain all requested revisions and the Commission may approve a rate or classification that varies from those proposed. You may obtain more information about this filing by contacting J.D. Draves, Regulatory Affairs and Rates Manager, at HEA at 3977 Lake Street, Homer, AK 99603; phone: (907) 235-3325. The complete filing is also available for inspection at the Commission's office at 701 West Eighth Avenue, Suite 300, Anchorage, AK 99501; phone: (907) 276-6222, or may be viewed on the Commission's website at <http://rca.alaska.gov> by typing "TA393-32" in the *Find a Matter* search box.

To comment on this filing, please file your comments by 5:00 p.m., October 17, 2016, at either the Commission address given above or at its website:

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

Please reference TA393-32 and include a statement that you have filed a copy of the comments with HEA 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, or TTY (907) 276-4533 or send a request via electronic mail to rca.mail@alaska.gov by October 10, 2016.

DATED at Anchorage, Alaska, this 15th day of September, 2016.

REGULATORY COMMISSION OF ALASKA



Rich Gazaway
Advisory Section Manager