Notice of Utility Tariff Filing

The REGULATORY COMMISSION OF ALASKA (Commission) gives notice that the Municipality of Anchorage d/b/a Anchorage Water and Wastewater Utility (AWWU), on behalf of Anchorage Water Utility, filed TA160-122 proposing to revise rules for extending service to new customers. Revisions establish a process for funding and constructing large diameter transmission mains and connecting main water infrastructure and a mechanism to allow for private/public joint infrastructure coordination agreements. AWWU also updates existing policies for extending service to new customers and updates tariff language impacted by the proposed revisions.

TA160-122 revises Rule 8.2.A (Water Improvement Districts) to establish the process for extending service and creating transmission main improvement districts (WTID) and distribution main improvement districts (WDID), with cost assessments addressed in each section. Proposed procedures include informational meetings and public hearings on the necessity of the improvement district and lowest acceptable bid for construction provisions. The proposed tariff changes give AWWU the discretion to choose not to proceed if the project (1) cannot be funded in AWWU's six-year Capital Improvement Plan, (2) hinders AWWU's ability to construct higher priority projects, or (3) is not economically feasible for AWWU.

AWWU proposes to revise Rule 8.2.B.1 (Levy Upon Construction) to address assessments for the cost of distribution, transmission or connecting mains constructed by AWWU itself rather than through an improvement district or development agreement process. The proposed process requires AWWU to send physical copies of the notice to any benefited parcel owner stating the estimated assessment amount, and the date and location of an information meeting to be held by AWWU on the proposed project.

AWWU also proposes to revise Rule 8.2.B.2 (Water Mains Constructed under a Water Main Extension Agreement) to provide an assessment process for AWWU-constructed water mains under a water main extension agreement. The proposed process is similar to the process for AWWU-constructed projects without water main extension agreements, except that the assessment shall be levied upon a parcel if the date of connection occurs within three years of acceptance of improvements. With each proposed revision to its assessment methods, AWWU proposes to remove the 25 percent reduction currently used to calculate the benefited area for a parcel larger than four acres.

AWWU also proposes to revise Rule 9 (Service Connections and Service Extensions) to add language outlining conditions when direct connection to a transmission or connecting main can occur. In addition, AWWU proposes to add a new tariff rule allowing for private/public joint infrastructure coordination agreements to coordinate the study, design or construction of water infrastructure.

This notice does not contain every pertinent revision or request associated with the filing. The Commission may approve a rate or classification, which varies from those proposed. You may obtain more information about this filing by contacting Karen Bell, Regulatory Affairs Manager, AWWU at 3000 Arctic Boulevard, Anchorage, AK 99503-3898; phone: (907) 786-5504. 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 at the Commission's website at http://rca.alaska.gov by typing "TA160-122" in the *Find a Matter* search box.

To comment on this filing, please file your comments by 5:00 p.m., February 21, 2017, at the Commission address given above or via our website at:

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

Please reference TA160-122 and include a statement that you have filed a copy of the comments with AWWU at its address given above or by email at <u>info@awwu.biz</u>. 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 <u>rca.mail@alaska.gov</u> by February 14, 2017.

DATED at Anchorage, Alaska, this 19th day of January, 2017.

REGULATORY COMMISSION OF ALASKA

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Bernie Smith Engineering Section Manager