

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

The REGULATORY COMMISSION OF ALASKA (Commission) gives notice that Matanuska Electric Association, Inc. (MEA) filed TA504-18, proposing a first amendment to the Gas Sale and Purchase Agreement (GSA) between Hilcorp Alaska, LLC (Hilcorp) and MEA (Hilcorp GSA). Under the Hilcorp GSA, Hilcorp provides a firm supply of natural gas that MEA uses to fuel its Eklutna Generation Station.

The Hilcorp GSA provides that Hilcorp will supply gas to MEA from April 1, 2018 through March 31, 2023. The first amendment to the Hilcorp GSA extends the agreement five additional years, from March 31, 2023 to March 31, 2028. In addition, the first amendment reduces the price of gas for Contract Years 2 through 5. The first amendment revises the Minimum Annual Volume and the Maximum Annual Volume for each contract year. A comparison of the current and proposed prices and volumes are as follows:

<b>Contract Year</b>	<b>Pricing Period</b>	<b>Current Price (Dollars/ Mcf)</b>	<b>Proposed Price (Dollars/ Mcf)</b>	<b>Current Min/Max Volume (MMcf)</b>	<b>Proposed Min/Max Volume (MMcf)</b>
2	4/1/2019 - 3/31/2020	\$7.70	7.38	5,959/6,666	5,900/6,600
3	4/1/2020 - 3/31/2021	\$7.86	7.44	6,019/6,732	5,900/6,600
4	4/1/2021 - 3/31/2022	\$8.01	7.50	6,079/6,800	5,900/6,600
5	4/1/2022 - 3/31/2023	\$8.17	7.56	6,140/6,868	5,900/6,600
6	4/1/2023 - 3/31/2024	N/A	7.62	N/A	5,900/6,600
7	4/1/2024 - 3/31/2025	N/A	7.71	N/A	5,900/6,600
8	4/1/2025 - 3/31/2026	N/A	7.80	N/A	5,900/6,600
9	4/1/2026 - 3/31/2027	N/A	7.89	N/A	5,900/6,600
10	4/1/2027 - 3/31/2028	N/A	7.98	N/A	5,900/6,600

Section 2.3(B) of the Hilcorp GSA provides MEA with a Turndown Option which allows MEA a one-time irrevocable option to lower the Minimum Annual Volume it is required to purchase each contract year. MEA must choose to exercise the Turndown Option no later than August 1, 2021. The first amendment extends the deadline to exercise the Turndown Option until or no later than August 1, 2026. In addition, the first amendment revises Section 2.2(A)(3) to clarify that the commitment priorities listed in the Hilcorp GSA end in Contract Year 5 and do not apply to Contract Years 6 through 10.

This notice does not contain all requested revisions and the Commission may approve a rate or classification which varies from that proposed. You may obtain more information about this filing by contacting Tony Zellers, Director of Power Supply at MEA, at P. O. Box 2929, Palmer, AK 99645; phone: (907) 761-9358. 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 "TA504-18" in the *Find a Matter* search box.

To comment on this filing, please file your comments by 5:00 p.m., March 4, 2019, at the

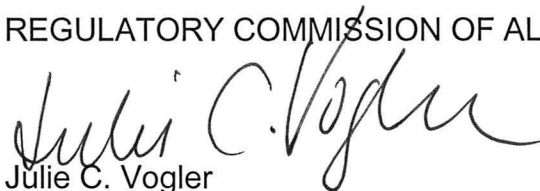
Commission address given above or via our website at:

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

Please reference TA504-18 and include a statement that you have filed a copy of the comments with MEA at its address given above or by email at [tariff-comment@matanuska.com](mailto:tariff-comment@matanuska.com). Individuals or groups of people with disabilities, who require special accommodations, auxiliary aids or service, or alternative communication formats, please contact Valerie Fletcher-Mitchell at (907) 276-6222, toll-free at 1-800-390-2782, TTY/Alaska Relay: 7-1-1 or 1 (800) 770-8973, or send a request via electronic mail to [rca.mail@alaska.gov](mailto:rca.mail@alaska.gov) by February 25, 2019.

DATED at Anchorage, Alaska, this 31<sup>st</sup> day of January, 2019.

REGULATORY COMMISSION OF ALASKA

A handwritten signature in black ink, appearing to read "Julie C. Vogler", is written over the printed name.

Julie C. Vogler  
Finance Section Manager