

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

The REGULATORY COMMISSION OF ALASKA (Commission) gives notice that ENSTAR Natural Gas Company (ENSTAR) filed TA316-4, seeking Commission approval of the Third Amendment to its Gas Sale and Purchase Agreement (GSA) between Alaska Pipeline Company (APLC) and Furie Operating Alaska, LLC (Furie). The Second Amendment to the GSA was filed as TA315-4 and approved in Letter Order No. L1900468. APLC is the sister company of ENSTAR and owns the natural gas transmission pipeline that delivers gas to ENSTAR's service area. Historically, the Commission has regulated ENSTAR and APLC as a single entity.

Under the Third Amendment to the GSA, ENSTAR proposes to revise the quantities of gas that it will purchase from Furie during the remaining term of the contract to reflect Furie's reduced production capacity. The Third Amendment reduces the Firm Annual Contract Quantity (ACQ) for Contract Years 4 and 5. A comparison of ACQ is as follows:

Contract Year	Beginning Date	Second Amendment ACQ (Bcf)	Third Amendment ACQ (Bcf)
4	April 1, 2021	3.103	1.551
5	April 1, 2022	2.373	1.186

The Third Amendment also adjusts Firm Daily Contract Quantity (DCQ) for Contract Years 4 and 5. A comparison of the DCQ is as follows:

Contract Year	Beginning Date	Second Amendment DCQ (MMcf/day)	Third Amendment DCQ (MMcf/day)
4	April 1, 2021	8.5	4.25
5	April 1, 2022	6.5	3.25

Under the Third Amendment, ENSTAR will have the right of first refusal (ROFR) for any available volumes up to the original commitments set out by the Second Amendment (up to 8.5 MMcfd during the Contract Year 4, and up to 6.5 MMcfd during Contract Year 5). This ROFR gas will be priced at the same price as the Firm Gas.

Volumes	Cost per Mcf	
	Contract Year beginning April 1, 2021	Contract Year beginning April 1, 2022
Firm Gas	\$6.71	\$6.85
ROFR Gas	\$6.71	\$6.85
Discretionary Gas	Not to exceed \$9.85	Not to exceed \$10.05

Finally, under the Third Amendment the amount of the irrevocable standby letter of credit levels are reduced, by contract year, to reflect the reduced volume commitments by Furie. The current credit level which stands at \$ 6 million will change to the following levels: April 1, 2020 - \$3 million; April 1, 2021 - \$2.5 million; and April 1, 2022 - \$2 million.

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 Chelsea N. Guintu, Supervisor of Rates and Regulatory

Affairs for ENSTAR, at P. O. Box 190288, Anchorage, AK 99519-0288; phone: (907) 376-7979. 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 "TA316-4" in the *Find a Matter* search box.

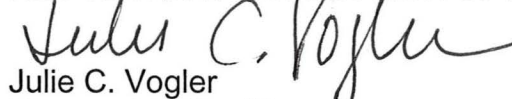
To comment on this filing, please file your comments by 5:00 p.m., April 6, 2020, at the Commission address given above or via our website at:

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

Please reference TA316-4 and include a statement that you have filed a copy of the comments with ENSTAR 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 Valerie Fletcher-Mitchell at (907) 276-6222, toll-free at 1-800-390-2782, or TTY/Alaska Relay: 7-1-1 or 1-800-770-8937, or send a request via electronic mail to [rca.mail@alaska.gov](mailto:rca.mail@alaska.gov) by March 27, 2020.

DATED at Anchorage, Alaska, this 6<sup>th</sup> day of March 2020.

REGULATORY COMMISSION OF ALASKA



Julie C. Vogler  
Finance Section Manager