

Notice of Depreciation Filing

The REGULATORY COMMISSION OF ALASKA (Commission) gives notice that on April 21, 2026, Homer Electric Association, Inc. (HEA), on behalf of itself and its wholly-owned subsidiary, Alaska Electric and Energy Cooperative, Inc. (AEEC), filed a depreciation study proposing revised depreciation rates, as required by Order U-21-007(2). Docket U-26-012 was opened to address this matter.

Depreciation expense is a material cost of business that may be recovered through regulated utility rates. Changes in depreciation expense may lead to changes in the utility rates paid by consumers. No change in consumer rates is proposed by this filing. However, HEA indicates that it intends to file a proposed rate revision incorporating the requested HEA and AEEC depreciation rates with its next quarterly simplified rate filing.

The depreciation study is based upon HEA plant balances as of December 31, 2024, and AEEC plant balances as of the same date. HEA's plant largely consists of distribution and general plant assets, while AEEC's plant is primarily comprised of generation and transmission assets. The proposed depreciation rates would reduce HEA's depreciation expense by \$188,220, a decrease of 2.19 percent; and increase AEEC's depreciation expense by \$1,119,220, an increase of 11.67 percent.

The Commission may approve, deny, or modify, in whole or in part, the depreciation rates proposed by HEA. The Commission may set conditions for approval.

You may obtain more information about the filing from Jessica Spuhler, Attorney for HEA, at 3977 Lake Street, Homer, AK 99603; phone: (907) 283-5831. The complete filing is also available for inspection at the Commission's office at 701 West 8th Avenue, Suite 300, Anchorage, AK; phone (907) 276-6222; or at the Commission's website at <http://rca.alaska.gov> by typing "U-26-012" in the *Find a Matter* search box.

To comment on this filing, please file your comments by 5:00 p.m., May 28, 2026, at the Commission's address given above or via our website at:

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

Please reference U-26-012 and include a statement that you have filed a copy of your comments with HEA at its address given above. Individuals or groups of people with disabilities who require special accommodations, auxiliary aids or services, or alternative communication formats, please contact Shelby Lopez at (907) 263-2171, 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 by May 21, 2026.

DATED at Anchorage, Alaska, this 28th day of April, 2026.

REGULATORY COMMISSION OF ALASKA

John Paul Manaois

for

John M. Espindola

Chair