

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

The REGULATORY COMMISSION OF ALASKA (Commission) gives notice that Homer Electric Association, Inc. (HEA), filed tariff revision TA371-32, seeking to add economy energy sales to its tariff and to credit the revenue from those sales to its Cost of Power Adjustment through a new cost element. HEA proposes the following conditions for the economy energy transactions:

- Transactions will be only available to utilities having generation capacity to assume their load upon termination of the transaction.
- Transactions will be offered on a "when, as and if" available basis and shall be interruptible at HEA's sole discretion and would not include associated reserves.
- The rate for economy energy shall be determined on a case-by-case basis as agreed between HEA and the buyer, provided that the rate shall be between HEA's incremental energy cost and buyer's decremental energy cost as described below:
  - HEA's Incremental Energy Cost: The total additional fuel and variable operations and maintenance (O&M) and delivery costs, including start-up costs if a unit is started for the transaction.
  - Buyer's Decremental Energy Cost: The total fuel and variable O&M savings from the transaction as measured by the costs avoided by the buyer from not operating its own resources. The decremental energy cost for a unit which would not operate as a result of the economy energy transaction is the average cost of power during the period of the transaction for that unit if it had been used to produce the energy purchased as economy energy.

Additionally, HEA proposes a late payment charge specific to economy energy sales, whereby the total invoiced amount will be increased 0.875 percent per month on invoices unpaid after 25 calendar days from the date the bill for economy energy sales was rendered.

This notice does not contain every pertinent revision or request associated with TA371-32. The Commission may approve a rate or classification which varies from that proposed. You may obtain more information about this filing by contacting James Patras, Regulatory Affairs Coordinator, at HEA at 3977 Lake Street, Homer, AK 99603; phone: (907) 235-3381. 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 TA371-32 in the *Find a Matter* search box.

To comment on this filing, please file your comments by 5:00 p.m., April 30, 2015, at either the Commission address given above or at its website:

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

Please reference TA371-32 and include a statement that you have filed a copy of the comments with HEA at its address given above or by email at [jpatras@homerelectric.com](mailto:jpatras@homerelectric.com).

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](mailto:rca.mail@alaska.gov) by April 23, 2015.

DATED at Anchorage, Alaska, this 31<sup>st</sup> day of March, 2015.

REGULATORY COMMISSION OF ALASKA



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