

Notice of Utility Tariff Filing

The REGULATORY COMMISSION OF ALASKA (Commission) gives notice that Golden Valley Electric Association, Inc. (GVEA) filed TA379-13, requesting approval of a revision to the Agreement for Purchase and Sale of Coal (Agreement) with Usibelli Coal Mine, Inc. The Agreement governs the coal supply for GVEA's Healy Unit 1 and Healy Unit 2 coal power plants and has been in place since 2009, as extended in 2014, until December 31, 2023. The term of the revised Agreement is from January 1, 2024, through December 31, 2029. Some of the key revisions are as follows:

Coal quality: Waste Coal purchases have been removed. All coal must meet the following specifications: the base Btu for coal was increased from a minimum of 7,000 Btu/lb to a minimum of 7,300 Btu/lb, and the weighted monthly average of sulfur was lowered from 0.25 percent to a daily weighted average of 0.18 percent.

Contract price: With the target quality of 7,300 Btu/lb, the contract target price is \$4.35/MMBtu. The current price is \$4.34/MMBtu with target quality of 7,800 Btu/lb. The Agreement provides for adjustments to the contract price for changes in diesel costs, inflation, labor, and law.

Removal of ash: The Ash Removal Price increased from \$10.38/ton to \$12.81/ton, and the multiplier on the Total Moisture Content reduced from 1.6 to 1.4. The Agreement provides for adjustments in the Ash Removal Price for changes in inflation, diesel costs, labor, and law.

Notice of intent to end purchases: GVEA must provide 12 months' notice before ending its purchase of coal for either Healy Unit 1 or Healy Unit 2.

Minimum purchase guarantee: The minimum purchase guarantee determination has been changed from a three-year rolling average to the total purchases for the one-year period that just ended. If GVEA does not meet the minimum purchase guarantee, it will pay the base coal price for the prior year. Through December 31, 2027, GVEA's minimum purchase guarantee is 4,000,000 MMBtu with a price discount of 2 percent up to 4,000,000 MMBtu and a 6 percent price discount for purchases between 4,000,000 to 5,000,000 MMBtu. Any purchases over 5,000,000 MMBtu will be discounted at 10 percent. On or after January 1, 2028, if GVEA does issue a notice of intent to end purchases, then twelve months after the notice is issued, the minimum purchase guarantee will be reduced to 2,000,000 MMBtu with no discount. For any purchases above 2,000,000 MMBtu, GVEA will receive a 5 percent discount.

This notice does not contain all requested revisions and the Commission may approve a rate or classification that varies from those proposed. You may obtain more information about this filing by contacting Daniel Heckman, GVEA Regulatory Manager, at PO Box 71249, Fairbanks, AK 99707; phone: (907) 458-5706. The complete filing is also available for inspection at the Commission's office, at 701 West 8th 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 "TA379-13" in the *Find a Matter* search box.

To comment on this filing, please file your comments by 5:00 p.m., September 20, 2024, at either the Commission address given above or at its website:

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

Please reference TA379-13 and include a statement that you have filed a copy of the comments with GVEA 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 Sam Vukasin at (907) 276-6222, toll-free at 1-800-390-2782, or TTY/Alaska Relay: 7-1-1 or 1 (800) 770-8973 or send a request via electronic mail to rca.mail@alaska.gov by September 13, 2024.

DATED at Anchorage, Alaska, this 6th day of September, 2024.

REGULATORY COMMISSION OF ALASKA

A handwritten signature in black ink that reads "Becki Alvey". The signature is written in a cursive style with a horizontal line underneath it.

[Becki Alvey \(Sep 6, 2024 10:50 AKDT\)](#)

Becki Alvey

Advisory Section Manager