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By the Regulatory Commission of Alaska on Aug 23, 2017

August 23, 2017

Regulatory Commission of Alaska
701 West Eighth Avenue, Suite 300
Anchorage, Alaska 99501-3469

RE: Tariff Advice Letter No. TA361-121
Cost of Power Adjustment – Fourth Quarter 2017

Dear Commissioners:

The tariff filing described below is transmitted for filing in compliance with the Alaska Public Utilities Regulatory Act (AS 42.05), 3 AAC 48.200 - 3 AAC 48.430, and 3 AAC 52.504(c).

Tariff Sheet Number		Cancels Sheet Number		Schedule or Rule Number
<i>Original</i>	<i>Revised</i>	<i>Original</i>	<i>Revised</i>	
101.3	128 th	101.3	127 th	01
101.6.3	5 th	101.6.3	4 th	01
121	164 th	121	163 rd	500

The Cost of Power Adjustment (COPA) rate set forth on Tariff Sheet 101.3 will affect all of ML&P's approximately 31,000 customers. The estimated annual revenue at the current Third Quarter 2017 COPA rate is \$33,419,026. The estimated annual revenue at the proposed Fourth Quarter 2017 COPA rate is \$28,523,278. The current and proposed annual revenue estimates are based on 2017 retail sales.

The Schedule 500 rate set forth on Tariff Sheet 121 will affect ML&P's cogeneration and small power production contract service customers. There is no revenue associated with the Schedule 500 rate.

This filing is not for a new service, it will increase a rate or charge, it will not result in the termination of an existing service, and it will not conflict with any other schedule or rate. This filing will not in any other way adversely affect customers, shippers, or the public.

Date: 12-1-17 Exh # H-52
Regulatory Commission of Alaska
U-16-094 By: APS U-17-008
Northern Lights Realtime & Reporting, Inc.
(907) 337-2221

TOTAL COST OF POWER For the Quarter ending June 30, 2017		April 2017	May 2017	June 2017	Quarter Total
3					
4	ML&P Natural Gas Costs				
5					
6	BRU Gas Costs				
7	Gas Volume from BRU (McF)	Page 1 of Exhibits 1, 2, 3 465,501	439,507	401,739	1,306,747
8	Interfund Transfer Price	Exhibits 1, 2, 3 \$ 4,574.57	\$ 4,574.57	\$ 4,574.57	
9	Total BRU Gas Costs	Row 7 * Row 8 \$ 2,129,468.28	\$ 2,010,553.25	\$ 1,837,785.01	\$ 5,977,807
10					
11	Stored Gas Costs				
12	Gas Volume from CINGSA (McF)	Exhibits 1, 2, 3 40,767	29,716	9,800	80,283
13	Average Inventory Price	Exhibits 1, 2, 3 \$ 4.88	\$ 4.91	\$ 4.92	
14	Total Stored Gas Costs	Row 12 * Row 13 \$ 198,931	\$ 145,927	\$ 48,232	\$ 393,110
20					
21	Hilcorp (Firm)				
22	Gas Volume Purchased from Hilcorp (Firm) (McF)	Exhibits 4, 5, 6 360,000	372,000	360,000	1,092,000
23	Price from Hilcorp (Firm)	Exhibits 4, 5, 6 \$ 7.72	\$ 7.72	\$ 7.72	
24	Total Hilcorp (Firm) Gas Costs	Row 22 * Row 23 \$ 2,779,200	\$ 2,871,840	\$ 2,779,200	\$ 8,430,240
30					
31	AIX Energy (Interruptible)				
32	Gas Volume Purchased from AIX Energy (McF)				
33	Price from AIX Energy				
34	Total AIX Energy Gas Costs	Row 32 * Row 33 \$ -	\$ -	\$ -	\$ -
40					
41	Total 3rd Party Purchased Gas (McF)	Sum of Rows 22, 23, 32, 33 360,000	372,000	360,000	1,092,000
42	Average Price of Purchased Gas	Row 43 / Row 41 \$ 7.72	\$ 7.72	\$ 7.72	
43	Total 3rd Party Purchased Gas (\$)	Sum of Rows 24, 29, 34, 39 \$ 2,779,200	\$ 2,871,840	\$ 2,779,200	\$ 8,430,240
44					
45	Total Gas Volume Purchased from All Sources (McF) ¹	Sum of Rows 7, 12, 22, 32 866,268	841,223	771,539	1,779,030
46	Average Gas Price - Purchased (\$/McF)	Row 48 / Row 45 \$ 5.90	\$ 5.98	\$ 6.05	\$ 5.97654
47					
48	Total Natural Gas Costs	Sum of Rows 9, 14, 19, 24, 29, 31, 39 \$ 5,107,619	\$ 5,028,320	\$ 4,665,217	\$ 14,801,157
49	Average Heat Rate (McF/kWh)	0.009077	0.009287	0.009117	0.009161
50					
51	ML&P Natural Gas Transportation Costs				
52					
53	Enstar Natural Gas Company				
54	Plant 1 Gas Volume Delivered (McF)	Exhibits 7, 8, 9 75,926	52,704	40,760	169,390
55	Plant 2 Gas Volume Delivered (McF)	Exhibits 7, 8, 9 560,605	537,513	519,919	1,618,037
56	Variable Transportation Rate (\$/McF)	Exhibits 7, 8, 9 \$ 0.23865	\$ 0.23865	\$ 0.23865	
57	Variable Transportation Charge (\$)	Sum of Rows (54 * 55) * 56 \$ 151,896	\$ 140,844	\$ 133,925	\$ 426,665
58					
59	Chugach Electric Association, Inc.				
60	Gas Volume Delivered to SPP (McF)	Exhibits 10, 11 216,863	-	302,467	419,330
61	Variable Transportation Rate (\$/McF)	Row 62 / Row 60 \$ 0.3629		\$ 0.3777	
62	Variable Transportation Charge (\$)	Exhibits 10, 11 \$ 78,707	\$ -	\$ 76,972	\$ 155,179
63					
64	Hilcorp Harvest Alaska, LLC				
65	Transported Purchased Gas (McF)	Exhibits 12, 13, 14 \$ 211,737	\$ 195,056	\$ 205,694	\$ 612,487
66	Variable Transportation Rate (\$/McF)	\$ 0.3705	\$ 0.3705	\$ 0.3705	
67	Subtotal Variable Transportation Charge (\$)	Row 65 * Row 66 \$ 78,449	\$ 71,527	\$ 76,210	\$ 226,185
68	RCC Charge (\$)	\$ 499	\$ 455	\$ 485	\$ 1,439
69	Net Variable Transportation Charge (\$)	Sum of Rows 67 and 68 \$ 78,947	\$ 71,982	\$ 76,694	\$ 227,624
70					
71	Total Natural Gas Transportation Cost	Sum of Rows 57, 62, 69 \$ 309,550	\$ 212,826	\$ 287,091	\$ 809,467
72	Average Gas Price - Delivered (\$/McF)	\$ 6.25	\$ 6.23	\$ 6.42	\$ 6.29707
73					
74	ML&P Gas Storage Costs				
75					
76	Cook Inlet Natural Gas Storage Alaska, LLC (CINGSA)				
77	Capacity Charge	Exhibits 15, 16, 17 \$ 51,300	\$ 51,300	\$ 51,300	\$ 153,900
78	Reservation Charge	Exhibits 15, 16, 17 \$ 79,005	\$ 79,005	\$ 79,005	\$ 237,015
79	Withdrawal Fee	Exhibits 15, 16, 17 \$ 506	\$ 368	\$ 122	\$ 996
80	Overrun Withdrawal Fee	Exhibits 15, 16, 17 \$ -	\$ -	\$ -	\$ -
81	RCC Charge	Exhibits 15, 16, 17 \$ 1,546	\$ 1,548	\$ 623	\$ 3,718
82	CINGSA Tax Credit	\$ -	\$ -	\$ -	\$ -
83	CINGSA Tax Credit RCC	\$ -	\$ -	\$ -	\$ -
84	Total CINGSA Costs	Sum of Rows 77 through 83 \$ 132,351	\$ 132,221	\$ 131,050	\$ 395,626
85					
86					
87	Subtotal Cost of Gas	Sum of Rows 48, 71, 84 \$ 5,549,526	\$ 5,373,368	\$ 5,083,358	\$ 16,006,252
88	Less: Transportation of Retail Gas	\$ -	\$ (223,344)	\$ (557,800)	\$ (831)
89	Less: Value of Retail Gas	Attach 3, Sum of Rows 15, 35, 55, 76 \$ (1,499,268)	\$ (1,121,699)	\$ (1,319,332)	\$ (3,940,300)
90	Cost of Retail Natural Gas²	Row 87 + Row 88 + Row 89 \$ 4,050,258	\$ 4,251,395	\$ 3,763,468	\$ 12,065,121
91	¹ Volume purchased differs from volume delivered due to pipeline storage and loss effects.				
92	² Retail Gas is gas used to produce power for retail energy sales and does not include prior period adjustments.				