

Notice of Utility Tariff Filing

The REGULATORY COMMISSION OF ALASKA (Commission) gives notice that ENSTAR Natural Gas Company (ENSTAR) filed TA304-4, its annual revision to fees and allowances for installing new service connections, meters, and main line extensions. The new fees and allowances will be effective for calendar year 2019. With TA304-4, ENSTAR has proposed a revision to its Main Extension cost methodology, which only applies to its Service Line Installation Fee, Meter Installation Charges, and Standard Construction Costs. Specifically, ENSTAR proposes to calculate the standard construction cost, service line extension fee, and the meter installation charge using a five-year average, instead of the three-year average that is currently in place. In addition, ENSTAR proposes placing a 10 percent increase limitation over the previous approved cost per foot.

Service Line Installation Fee

ENSTAR proposes to increase its Service Line Installation Fees for piping less than two inches from \$670 per service line to \$688 per service line.

Meter Installation Charges

The current and proposed rates are as follows:

| <u>Meter Size</u> | <u>Current</u> | <u>Proposed</u> |
|--|----------------|-----------------|
| G1 | \$281 | \$276 |
| G2 | \$462 | \$462 |
| G3 Low | \$1,210 | \$1,201 |
| G3 Mid | \$2,366 | \$2,360 |
| G3 High | \$4,633 | \$4,397 |
| G4 Low | \$5,399 | \$5,395 |
| G4 High | \$5,722 | \$5,559 |
| Meter sized greater than 5,000 | Cost | Cost |
| *Cost includes materials, installations, and overheads | | |

Standard Construction Costs

ENSTAR proposes to increase its Standard Construction Costs for the installed price of two-inch plastic main from \$20.53 per foot to \$21.38 per foot.

Standard Load Allowances

The current and proposed Standard Load Allowances are shown below. Please note that ENSTAR has proposed revisions to the Average Load per Customer for the year 2019 to reflect a seven-year average. ENSTAR states that data to compute a ten-year average is not available as Order U-09-069(10) approved ENSTAR's restructuring of rate classes. ENSTAR states that it will continue adding historical data into the average load calculation until a ten-year average is achieved. The ten-year average will comply with the methodology that was used to calculate average loads in filings prior to the U-09-069 restructuring of rate classes.

| Customer Class | Embedded Cost per Customer | | Average Load per Customer | | Standard Load Allowance per Mcf of Estimated Load | |
|----------------|-------------------------------|----------|------------------------------|----------|--|----------|
| | Current | Proposed | Current | Proposed | Current | Proposed |
| G1 | \$813 | \$709 | 146 | 146 | \$5.57 | \$4.85 |
| G2 | \$2,051 | \$1,808 | 379 | 380 | \$5.41 | \$4.76 |
| G3 | \$6,359 | \$5,565 | 1,189 | 1,192 | \$5.35 | \$4.67 |
| G4 | \$35,779 | \$33,474 | 7,473 | 7,490 | \$4.79 | \$4.47 |

This notice does not contain all requested revisions in TA304-4 and the Commission may approve a rate or classification, which varies from that proposed. You may obtain more information about this filing by contacting Dan Dieckgraeff, Director of Rates and Regulatory Affairs for ENSTAR, at P. O. Box 190288, Anchorage, AK 99519-0288; phone: (907) 277-5551. 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 TA304-4 in the *Find a Matter* search box.

To comment on this filing, please file your comments by 5:00 p.m., May 31, 2018, at the Commission address given above or via our website at:

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

Please reference TA304-4 and include a statement that you have filed a copy of the comments with ENSTAR at its address given above or by email at Dan.Dieckgraeff@enstarnaturalgas.com. 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 by May 24, 2018.

DATED at Anchorage, Alaska, this 1st day of May, 2018.

REGULATORY COMMISSION OF ALASKA



Julie C. Vogler
Finance Section Manager