



STATE OF ALASKA
DEPARTMENT OF
COMMERCE
COMMUNITY AND
ECONOMIC DEVELOPMENT

Sarah Palin, Governor
Emil Notti, Commissioner
Anthony A. Price, Chairman

Regulatory Commission of Alaska

April 25, 2008

In reply refer to: Tariff Section
File: TA360-1
LO#: L0800135

Constance Hulbert
Secretary-Treasurer
Alaska Electric Light and Power Company
5601 Tongard Court
Juneau, Alaska 99801-7201

Dear Ms. Hulbert:

The Commission approves the Emergency Fuel Cost Rate Adjustment filed by Alaska Electric Light & Power Company's (AELP) in TA360-1. On April 22, 2008, AEL&P filed TA 360-1 after an April 16, 2008 avalanche damaged the transmission lines connecting the Snettisham Hydroelectric Project and the City & Borough of Juneau.

TA360-1 contains a tariff revision implementing an Emergency Fuel Cost Rate Adjustment (EFCRA). Schedule No. 98 of AEL&P's current operating tariff provides for emergency adjustments to AEL&P's cost of power adjustment (COPA). Schedule No. 98 contains the following provision.

In the event of a failure of the Snettisham hydroelectric project or transmission lines extending for a period of ten days or longer, an emergency fuel adjustment may be included in the Cost of Power Adjustment rate, beginning 14 days after the emergency occurs and remaining in effect until energy is again available to the Juneau area from Snettisham and the monthly billing cycle has made a full revolution. The COPA rate shall be recalculated every 30 days until the balancing account has been reduced to less than \$50,000 and greater than (\$50,000).

The EFCRA tariff provision and EFCRA rate calculation were approved in a past Commission Docket U-97-245¹.

¹ In the Matter of the Power Sales Agreement Between ALASKA ELECTRIC LIGHT AND POWER COMPANY, ALASKA INDUSTRIAL DEVELOPMENT & EXPORT AUTHORITY, and ALASKA DEPARTMENT OF FISH & GAME for the Sale and Purchase of the Electric Capability of the Snettisham Hydro Electric Project.

The EFCRA rate is determined using the balance of the COPA account, the estimated cost of diesel fuel and the projected kWh sales. AEL&P submitted the following EFCRA calculation in TA360-1.

Balance of Cost of Power Account of March 31 st	\$0.00
Plus: Estimated cost of Diesel fuel (April 16 – May 30)	<u>\$8,997,598.44</u>
A. Total costs through May 30	\$8,997,598.44
B. Projected kWh sales, May 1 – May 30	20,980,553
Cost of Power Adjustment, per kWh (A. divided by B.)	\$0.428854
This rate shall supersede the current COPA rate of \$0.014024/kWh and will be effective for billings through May 30, 2008. Costs will be updated, and a new rate will effective for billings beginning May 31, 2008.	

AEL&P's TA360-1 filing complies with the provisions allowed in its current operating tariff. Therefore, the Commission approves the EFCRA rate.

Enclosed is a validated copy of Tariff Sheet No. 172.1, filed on April 22, 2008, by AELP, with TA360-1. The effective date of the sheet is May 1, 2008.

BY DIRECTION OF THE COMMISSION

Sincerely,

REGULATORY COMMISSION OF ALASKA



for Anthony A. Price
Chair

cc: Dean D. Thompson
Kempel, Huffman and Ellis, P.C.
Attorneys for Alaska Electric Light and Power Company
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STATE OF ALASKA
REGULATORY COMMISSION OF ALASKA

Alaska Electric Light and Power Company

Regulatory Commission
of Alaska

Schedule No. 98 (Continued)
Calculation of Emergency Fuel Cost Rate Adjustment

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a.) Balance of COPA Account of March 31st	\$ 0.00
b.) Plus: Estimated Cost of Diesel fuel (April 16 – May 30)	8,997,598.44

c.) Total Cost through May 30	\$ 8,997,598.44
d.) Projected kwh sales, May 1 – May 30	20,980,553
e.) Cost of Power Adjustment, per kwh (line c. divided by line d.)	\$0.428854

This rate shall supersede that set forth on tariff sheet 170 and will be effective for billings through May 30, 2008. Costs will be updated, and a new rate will be effective for billings beginning May 31, 2008.

Effective May 1, 2008

Tariff Advice No. 360

Issued by Alaska Electric Light and Power Company

By *Constance Hulbert* Title Secretary-Treasurer