



# REGULATORY COMMISSION OF ALASKA

House Energy Committee  
February 11, 2025

John M. Espindola – Chair, RCA  
John C. Springsteen – Commissioner, RCA  
Julie C. Vogler – Utility Master Analyst, RCA



# RCA AUTHORITY

- AS 42.04 (Regulatory Commission of Alaska)
- AS 42.05 (Alaska Public Utilities Regulatory Act)
- AS 42.06 (Pipeline Act)
- AS 42.08 (In-State Pipeline Contract Carrier)
- AS 42.45 (Rural & Statewide Energy Programs)

\*Power Cost Equalization\*



# Natural Gas Supply Chain and RCA Jurisdiction: General Framework

## Natural Gas Producers

Reservoir  
Well  
Processing/Treatment Plant

## Liquefied Natural Gas Producers

Reservoir  
Well  
Processing/Treatment Plant  
Liquefaction Facility  
Export Terminal  
LNG Tanker  
LNG Import Terminal with Storage

## Independent Power Producers

Generation (Hydro, Wind, Solar, Geothermal, Micronuclear, Coal, Biomass, Waste, Other)

### RCA Jurisdiction Limit

In-State Oil and  
Natural Gas Pipelines

Public Utilities (Electric and Natural Gas)  
Generation      Transmission      Distribution

In-State Natural Gas Storage  
And In-State LNG Storage

Railbelt Reliability Council  
Railbelt Transmission Organization

## State Owned Generation and Transmission

AIDEA – Hydro and Transmission

AEA – Hydro and Transmission



# RCA Jurisdiction for Electric Utilities



# What does the RCA see as its role in supporting affordable energy production in Alaska for the Railbelt?

The RCA is guided by statutory guidelines including:

- Ensuring regulated entities have adequate, efficient, and safe service and facilities (AS 42.05.291)
- Preventing utilities from engaging in discriminatory service practices (AS 42.05.301)
- Ensuring rates charged by regulated entities for service are just and reasonable (AS 42.05.381) and nondiscriminatory (AS 42.05.391)

The RCA facilitates affordable energy production by:

- Reviewing Integrated Resource Plans
- Preapproving Large Projects
- Reviewing Power Purchase Agreements
- Calculating PCE Amounts

# What is the RCA's responsibility to managing Alaska's remaining natural gas resources?

The RCA plays a somewhat indirect role by encouraging energy conservation measures and approving power purchase agreements. In addition, the RCA:

- Has oversight authority over natural gas storage to enhance available gas supply (AS 42.05)
- Considers and approves gas supply contracts (AS 42.05.141(d))

## Other Agencies

- Natural resources management and oversight falls within the purview of the Alaska Department of Natural Resources (AS 38.05 and AS 44.37.020)
- Oil and natural gas extraction falls under the oversight of the Alaska Oil and Gas Conservation Commission (AS 31.05.030)

# What is the RCA's responsibility to managing Alaska's remaining natural gas resources? (cont.)

- Should a gas line be constructed, a regulatory structure is in place for ratemaking and an equal access requirement for an in-state gas line from the North Slope (AS 42.08)
- The Legislature has found that the Alaska Gasline Development Corporation:
  - Is financially fit, willing, and able
  - Is managerially fit, willing, and able
  - That a pipeline is required by present and future public convenience and necessity
- The RCA determines whether the applicant is technically fit, willing, and able

# In the face of Cook Inlet gas shortages, what is being done to ensure utilities are meeting their obligations to consumers?

Date of Presentation	Entity and Topic
5/25/2022	Advanced Nuclear Energy Overview
6/8/2022	Cook Inlet Natural Gas Storage Alaska, LLC (CINGSA) Operations Update
10/26/2022	CINGSA Operations Update
5/10/2023	CINGSA Operations Update
6/28/2023	ENSTAR/Berkley Research Group – Cook Inlet Gas Supply, Phase I Assessment
10/25/2023	CINGSA Operations Update
1/24/2024	Homer Electric Association, Inc. (HEA) - Utility Tariff Provisions Concerning Forced Outages, Curtailment of Services and Rolling Blackouts
2/14/2024	Plains CO <sub>2</sub> Reduction/University of Alaska Fairbanks Technical and Economic Report
3/13/2024	National Renewable Energy Laboratory – Achieving an 80% Renewable Portfolio in Alaska’s Railbelt: Cost Analysis
3/13/2024	Matanuska Electric Association, Inc. (MEA) – Utility Tariff Provisions Concerning Forced Outages, Curtailment of Services and Rolling Blackouts
3/27/2024	Chugach Electric Association, Inc.’s (Chugach) Planned Actions in Response to Curtailment and Blackouts



# In the face of Cook Inlet gas shortages, what is being done to ensure utilities are meeting their obligations to consumers? (cont.)

Date of Presentation	Entity and Topic
4/10/2024	Golden Valley Electric Association, Inc.'s (GVEA) Planned Actions in Response to Curtailment and Blackouts
5/8/2024	ENSTAR's Tariff Provisions on Curtailment and Rolling Blackouts
5/22/2024	Spring 2024 CINGSA Operations Update
10/23/2024	CINGSA Operations Update
11/27/2024	HEA – Update: Utility Tariff Provisions for Curtailment of Services and Fuel Supply for Power Generation
1/15/2025	Future Gas Supply Options for Southcentral Alaska including the Potential for Liquefied Natural Gas Imports
1/22/2025	GVEA – Update: Utility Tariff Provisions for Curtailment of Services and Fuel Supply for Power Generation
2/12/2025 (upcoming)	Chugach – Update: Utility Tariff Provisions for Curtailment of Services and Fuel Supply for Power Generation
2/12/2025 (upcoming)	MEA – Update: Utility Tariff Provisions for Curtailment of Services and Fuel Supply for Power Generation

## In the face of Cook Inlet gas shortages, what is being done to ensure utilities are meeting their obligations to consumers? (cont.)

- Cook Inlet Natural Gas Storage Alaska, LLC certificated (Docket U-10-051)
- Firm storage expansion agreement approved (TA55-733)
- Service area expansion for the Alaska Pipeline Company, LLC approved (Docket U-24-013)
- Homer Electric Association, Inc. and ENSTAR Natural Gas Company LLC special contract (TA460-32 and TA342-4)



# What is the RCA's role in relation to the RTO and RRC?

- The RCA's role with the Railbelt Reliability Council:
  - Certificate the RRC (Docket E-22-001)
  - Review Tariff Filings (3 AAC 46.320-.430)
  - Review Integrated Resource Plans (AS 42.05.780(b))
  - Review RRC Surcharge Filings (3 AAC 46.160 and 4 AAC 46.320-.430)
  - Review Rule Filings (AS 42.05.762)
  - Holds an Ex-officio Seat (AS 42.05.762(4)(A))
- The RCA's role with the Railbelt Transmission Organization:
  - Certificate the RTO (AS 44.83.700(d)) (Docket U-24-042)
  - Review Transmission Cost Recovery Mechanism (AS 44.83.710)
  - Review Open Access Transmission Tariff (AS 44.83.710)



# What is the RCA's responsibility to managing Alaska's remaining natural gas resources and future development?

## Roles:

- RCA is a quasi-judicial body that regulates public utilities and pipeline carriers in the State
- Natural resources management and oversight falls within the purview of the Alaska Department of Natural Resources (AS 38.05 and AS 44.37.020)
- Oil and natural gas extraction falls under the oversight of the Alaska Oil and Gas Conservation Commission (AS 31.05.030)
- The RCA does not manage Alaska's remaining natural gas resources
- The RCA does promote energy conservation which helps displace the use of natural gas

# What is the RCA's responsibility to managing Alaska's remaining natural gas resources and future development? (cont.)

- In prior proceedings the RCA has addressed:
  - Net Metering requirements for larger utilities
  - Removal of demand charges for electric vehicle charging
  - Approval of time of use rates
  - Approval of cost recovery for contracts of power purchases with independent power producers
- Dockets pending before the RCA related to renewable generation:
  - Dockets U-24-034/U-24-040 for Puppy Dog Lake Solar Farm by Solstice Energy, LLC and the agreement between Homer Electric Association, Inc. and Solstice Energy, LLC
  - Docket U-24-036 for the application for certificate of public convenience and necessity for Juneau Hydropower, Inc.
  - Docket R-24-003 addressing an increase to the cap for all interconnected net metering systems
  - Docket R-24-004 addressing regulations for community energy facilities

# What statutory changes might ensure that the RCA takes a more holistic approach?



This will be discussed at the RCA's next regularly scheduled public meeting.



# What statutory supports does the RCA have to execute its duties?

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The RCA may do all things necessary and proper within the jurisdictional boundaries established by the Legislature to make or require just, fair, and reasonable rates, services, and facilities for regulated public utilities (AS 42.05.141) and pipeline carriers (AS 42.06.140).





What are the various processes each natural gas project, recently announced, needs to go through at the RCA?





What role does the RCA have in assessing multiple projects which may duplicate infrastructure and costs to customers?

## Certificates Required (AS 42.05.221)







# THANK YOU



# CONTACT INFORMATION



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