STATE OF ALASKA

THE REGULATORY COMMISSION OF ALASKA

Before Commissioners: Robert M. Pickett, Chairman
Kate Giard
Paul F. Lisankie
T.W. Patch
Janis W. Wilson

In the Matter of the Petition Filed by ENSTAR NATURAL GAS COMPANY, A DIVISION OF SEMCO ENERGY, INC. for Authorization to Recover Gas Storage Costs	)))))	U-11-3 ORDER NO. 1

ORDER GRANTING EXPEDITED CONSIDERATION, REQUIRING EXPEDITED FILINGS, GRANTING MOTION TO TAKE OFFICIAL NOTICE, ADDRESSING NOTICE OF PETITION, INVITING PARTICIPATION BY THE ATTORNEY GENERAL AND PETITIONS TO INTERVENE, DESIGNATING COMMISSION PANEL, APPOINTING ADMINISTRATIVE LAW JUDGE, AND ADDRESSING TIMELINE FOR DECISION

BY THE COMMISSION:

Summary

We open this docket to consider the petition for authorization to recover gas storage costs filed by ENSTAR Natural Gas Company, a Division of SEMCO Energy, Inc. (ENSTAR).[1] We grant expedited consideration of ENSTAR's Petition and its motion requesting we take official notice of the record in Docket U-10-51. We adopt an expedited filing schedule on the Petition. We grant ENSTAR's Motion to Take Official Notice. We address public notice of the Petition. We invite intervention by interested persons. The chairman invites participation by the Attorney General (AG),

[1] *ENSTAR Natural Gas Company's Petition for Authorization to Recover Gas Storage Costs,* filed January 12, 2011 (Petition).

Regulatory Commission of Alaska
701 West Eighth Avenue, Suite 300
Anchorage, Alaska 99501
(907) 276-6222; TTY (907) 276-4533

designates the commission panel and a docket manager, and appoints an administrative law judge. We address a timeline for a final decision in this proceeding.

Background

Cook Inlet Natural Gas Storage Alaska, LLC (CINGSA) applied for a certificate of public convenience and necessity to provide regulated natural gas storage in Cook Inlet.[2] Issues relating to CINGSA's rates and its tariff for the gas storage facility are currently pending before us in Docket U-10-51. ENSTAR, a party to Docket U-10-51, sought authorization for the recovery of commission approved CINGSA storage rates from ENSTAR's customers in that proceeding. At the hearing in Docket U-10-51, we directed ENSTAR to file a petition requesting the relief it seeks in a separate proceeding and to file a motion seeking expedited consideration of that petition. In response, ENSTAR filed the Petition, a motion for us to take official notice of the record in Docket U-10-51, and a motion requesting expedited consideration of the Petition and of its motion regarding official notice.[3]

[2] *Application for New or Amended Certificate of Public Convenience and Necessity*, filed July 28, 2010.

[3] *ENSTAR Natural Gas Company's Motion for Expedited Consideration of its Petition for Authorization to Recover Gas Storage Costs and Motion to Take Official Notice of Commission Record in Docket No. U-10-51,* filed January 12, 2011 (Motion for Expedited Consideration); *Motion to Take Official Notice of Record in Commission Docket No. U-10-51,* filed January 12, 2011 (Motion to Take Official Notice). ENSTAR filed affidavits in support of the Petition: *Affidavit of Matthew T. Findley in Support of ENSTAR Natural Gas Company's Motion for Expedited Consideration of its Petition for Authorization to Recover Gas Storage Costs and Motion to Take Official Notice of Record in Commission Docket U-10-51,* filed January 12, 2011 (Findley Affidavit); *Affidavit of G. Nanette Thompson in Support of ENSTAR Natural Gas Company's Petition for Authorization to Recover Gas Storage Costs,* filed January 12, 2011.

Regulatory Commission of Alaska
701 West Eighth Avenue, Suite 300
Anchorage, Alaska 99501
(907) 276-6222; TTY (907) 276-4533

Discussion

Motion for Expedited Consideration

ENSTAR requests that we rule upon the Petition and the Motion to Take Official Notice by January 31, 2011.[4] ENSTAR states that it must receive our approval to enter into a firm services agreement with CINGSA allowing for the recovery of the natural gas storage costs in tariffed rates prior to January 31, 2011.[5] ENSTAR further states that the record from Docket U-10-51 must be incorporated into the record for this proceeding in order for us to render a decision on the Petition.[6] ENSTAR maintains that the record from Docket U-10-51 supports the need for it to procure gas storage services in Cook Inlet.[7]

ENSTAR filed the Petition and the motion seeking expedited consideration at our direction during the hearing in Docket U-10-51. No party objected to that procedure at that time.[8] We grant ENSTAR's motion for expedited consideration of the Petition and of its Motion to Take Official Notice.

Motion to Take Official Notice

We grant the Motion to Take Official Notice and take official notice of the record in Docket U-10-51. We incorporate the record from Docket U-10-51 into this proceeding.

---

[4]Motion for Expedited Consideration at 1.

[5]Petition at 3-4; Motion for Expedited Consideration at 1.

[6]Motion to Take Official Notice at 2-3.

[7]Findley Affidavit at 2.

[8]ENSTAR states that its request for expedited consideration is not opposed by Chugach Electric Association, Inc., Homer Electric Association, Inc. and Alaska Electric and Energy Cooperative Inc. (collectively, HEA), Municipality of Anchorage d/b/a Municipal Light & Power Department, and the AG. Findley Affidavit at 2.

Regulatory Commission of Alaska
701 West Eighth Avenue, Suite 300
Anchorage, Alaska 99501
(907) 276-6222; TTY (907) 276-4533

Inviting Participation by the AG and Petitions to Intervene

The chairman invites the AG to participate in this proceeding to represent the public interest.[9] In doing so, the commission is exercising due diligence in ensuring that the public interest is well represented.

We invite those with an interest in this proceeding to file a petition to intervene after examining 3 AAC 48.110, the regulation that explains standards and procedures for filing and evaluating petitions to intervene as a party in a proceeding. Any petition to intervene must be accompanied by a request for a hearing.

Public Notice

We will issue public notice of the Petition. The notice requires any comments in response to the Petition be filed by January 21, 2011. We require ENSTAR to immediately publish notice of the Petition on its website and to provide actual notice of the Petition to each of its transport customers.

Commission Panel

The chairman designates Commissioners Kate Giard, Paul F. Lisankie, T.W. Patch, and Janis W. Wilson and himself as the commission panel[10] and further designates Commissioner Lisankie as the commission docket manager.

Administrative Law Judge

Under AS 42.04.070(b), the chairman appoints Administrative Law Judge Debra J. Brandwein to facilitate conduct of the docket. The administrative law judge will issue procedural orders in this docket including discovery orders, unless the commission docket manager determines that a particular procedural order should be

[9] AS 42.04.070(c).

[10] Under AS 42.04.080(a), the chairman designates a commission panel to hear, or, if a hearing is not required, to otherwise consider and decide docketed matters.

Regulatory Commission of Alaska
701 West Eighth Avenue, Suite 300
Anchorage, Alaska 99501
(907) 276-6222; TTY (907) 276-4533

issued by the commission panel.[11] Orders issued by the administrative law judge will be considered orders of the commission for purposes of petitions for reconsideration under AS 42.05.171.[12]

Timeline for Decision

The statutory timeline for the commission to issue a final order in this docket is no later than 180 days after our receipt of the initiating petition which would be Monday, July 11, 2011.[13] We acknowledge ENSTAR's request that we issue a final determination in this proceeding by Monday, January 31, 2011.[14]

ORDER

THE COMMISSION FURTHER ORDERS:

1. *ENSTAR Natural Gas Company's Motion for Expedited Consideration of its Petition for Authorization to Recover Gas Storage Costs and Motion to Take Official Notice of Commission Record in Docket No. U-10-51,* filed January 12, 2011, is granted.

2. The *Motion to Take Official Notice of Record in Commission Docket No. U-10-51,* filed January 12, 2011, is granted, and the record of Docket U-10-51 is incorporated into this proceeding.

---

[11]The commission docket manager, after consultation with other members of the panel, may delegate to the administrative law judge whatever authority to issue procedural orders he or she considers necessary or advisable in this docket.

[12]AS 42.05.171 states, in pertinent part:

> A party may file a petition for reconsideration of, or an administrative appeal of, a decision by a hearing examiner, an arbitrator, a mediator, or an administrative law judge that has been approved by the commission, or a decision of a hearing panel.

[13]AS 42.05.175(i).

[14]Motion for Expedited Consideration.

Regulatory Commission of Alaska
701 West Eighth Avenue, Suite 300
Anchorage, Alaska 99501
(907) 276-6222; TTY (907) 276-4533

3. ENSTAR Natural Gas Company, a Division of SEMCO Energy, Inc. shall publish notice of *ENSTAR Natural Gas Company's Petition for Authorization to Recover Gas Storage Costs* on its website and shall provide actual notice of the petition to each of its transport customers.

4. By 4 p.m., January 21, 2011, any interested person shall file a petition to intervene in accordance with 3 AAC 48.110. Any petition to intervene shall be accompanied by a request for a hearing.

5. By 4 p.m., January 25, 2011, ENSTAR Natural Gas Company, a Division of SEMCO Energy, Inc. may file a response to any petition to intervene.

6. By 4 p.m., January 21, 2011, any interested person may file an opposition or response to *ENSTAR Natural Gas Company's Petition for Authorization to Recover Gas Storage Costs*.

7. By 4 p.m., January 25, 2011, ENSTAR Natural Gas Company a Division of SEMCO Energy, Inc. may reply to any opposition or response.

8. The commission panel shall consist of Commissioners Kate Giard, Paul F. Lisankie, T.W. Patch, Robert M. Pickett, and Janis W. Wilson.

9. Commissioner Paul F. Lisankie is designated as the commission docket manager.

10. Debra J. Brandwein is appointed as administrative law judge in this docket.

DATED AND EFFECTIVE at Anchorage, Alaska, this 14th day of January, 2011.

BY DIRECTION OF THE COMMISSION

Regulatory Commission of Alaska
701 West Eighth Avenue, Suite 300
Anchorage, Alaska 99501
(907) 276-6222; TTY (907) 276-4533