

## **NOTICE OF FILING PETITION AND MOTION FOR EXPEDITED CONSIDERATION**

The REGULATORY COMMISSION OF ALASKA (Commission) gives notice that on January 12, 2011, ENSTAR Natural Gas Company (ENSTAR) filed a petition requesting authorization to recover in its rates, gas storage costs it will pay to Cook Inlet Gas Storage Alaska, LLC (CINGSA). The costs will be incurred after CINGSA completes construction of a natural gas storage facility and ENSTAR begins using that facility, which is currently estimated to be in early 2012. ENSTAR also filed a motion for expedited consideration of the request as well as a motion to take official notice of the Commission record in Docket U-10-051, which is the docket opened to consider the application by CINGSA for a Certificate of Public Convenience and Necessity and to establish inception rates for CINGSA's gas storage services. The filing also included affidavits from representatives of ENSTAR. The Commission has opened Docket U-11-003 to consider the request.

In its petition to recover gas storage costs in rates, ENSTAR stated that it requests authorization from the Commission to enter into a Firm Storage Services (FSS) Agreement with CINGSA and recover CINGSA's Commission-approved rates, charges, and costs in ENSTAR's tariffed rates. ENSTAR stated that it will recover from its customers only those gas storage fees actually paid to CINGSA. At this time ENSTAR stated that it does not yet know how it will implement the cost recovery in rates. Instead, ENSTAR is requesting that the Commission affirm that it *may* recover CINGSA's gas storage rates once those rates have been approved. When the amount of these charges and the precise mechanism by which they will be incorporated into ENSTAR's rates are known, ENSTAR will make another filing and the Commission will have the opportunity to fully review and approve it.

According to ENSTAR, once CINGSA is operational ENSTAR will be CINGSA's largest customer and ENSTAR needs to know that it will have a source of revenue with which to meet its payment obligations to CINGSA. ENSTAR asserted that recovery of such rates is in the public interest and is consistent with controlling law, and entering

into the FSS Agreement is essential because it is the mechanism that will ensure that gas deliverability is available to ENSTAR to meet the demand of ENSTAR's customers.

ENSTAR requested expedited consideration of its petition with a requested decision issued by no later than January 31, 2011.

You may obtain more information about these filings from Matthew Findley, counsel for ENSTAR from the firm of Ashburn and Mason, 1227 West 9<sup>th</sup> Avenue, Suite 200, Anchorage, AK 99501; phone: (907) 276-4331. You may inspect the filings at the Commission's office at 701 West 8<sup>th</sup> Avenue, Suite 300, Anchorage, Alaska 99501; phone: (907) 276-6222. You may also view the filing at the Commission's website at <http://rca.alaska.gov> by typing Docket "U-11-003" in the *Find the Matter* search box.

The Commission may approve or impose conditions that vary from those proposed. To comment on this filing, please file your comments into Docket U-11-003 by 4:30 p.m., January 21, 2011, and include a statement that a copy of the comments has been delivered or mailed to counsel for ENSTAR. Individuals or groups of people with disabilities who require special accommodations, auxiliary aids or service, or alternative communication formats should contact Joyce McGowan at (907) 276-6222, toll-free at 1-800-390-2782, or TTY (907) 276-4533 by January 18, 2011.

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

REGULATORY COMMISSION OF ALASKA

A handwritten signature in black ink that reads "Robert M. Pickett". The signature is written in a cursive style with a large initial 'R'.

Robert M. Pickett,  
Chairman