

STATE OF ALASKA

THE REGULATORY COMMISSION OF ALASKA

Before Commissioners:

Robert A. Doyle, Chairman
John Espindola
Keith Kurber II
Robert M. Pickett

In the Matter of the Application Filed by)
ALASKA PIPELINE COMPANY, LLC)
To Amend Certificate of Public Convenience)
and Necessity No. 141)
_____)

U-24-013

**ALASKA PIPELINE COMPANY’S MOTION FOR EXPEDITED
CONSIDERATION OF APPLICATION TO AMEND CERTIFICATE OF
PUBLIC CONVENIENCE AND NECESSITY NO. 141**

Pursuant to 3 AAC 48.091(g), Alaska Pipeline Company, LLC (“APC”) moves for expedited consideration of its primary Application to Amend Certificate of Public Convenience and Necessity No. 141 (“Application”).

APC submits its primary Application to propose the expansion of its authorized service territory to encompass the corridor required for a new transmission pipeline that would connect APC’s existing pipeline system to the tidewater terminal at Port MacKenzie (“Port MacKenzie Expansion”). This will allow ready access to a deep water dock where a liquefied natural gas (“LNG”) import terminal could be developed to diversify Southcentral Alaska’s natural gas supply. APC also proposes to amend its

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service area to include a portion of its Beluga Pipeline corridor that was inadvertently omitted from the service area description.

There has been ample reporting on the lack of diversification that could result in gas supply shortages in Southcentral Alaska.¹ APC and its jointly-regulated affiliate ENSTAR Natural Gas Company, LLC (“ENSTAR”) boast a reliability rate of 99.99%, a reflection of the company’s commitment to its customers to provide safe, reliable and reasonably continuous natural gas service.² ENSTAR has negotiated diligently and in good faith with Cook Inlet producers to obtain locally-sourced gas for future years, but despite those efforts, ENSTAR faces significant gaps in volumes beginning as early as the winter of 2025.³ While ENSTAR remains optimistic that some volumes of Cook Inlet gas will become commercially available in the coming years, it must diversify its supply sources. The Port MacKenzie Expansion is an important step toward ensuring access to a tidewater facility to bring globally available LNG to supplement local production.⁴

It has become apparent to ENSTAR that in order to meet its statutory obligation to serve its customers with safe and reliable utility service, it must act with great urgency. APC and ENSTAR are not seeking increased rates with this application, rather authorization to amend CPCN No. 141 to construct this pipeline extension. Any

¹ Affidavit of John Sims, Paragraph 5.

² *Id.* at Paragraph 6.

³ *Id.* at Paragraphs 7-8.

⁴ *Id.* at Paragraph 10.

incremental rate increases resulting from construction of a pipeline will be addressed in a subsequent rate case.

The amended service area will also provide assurances that ENSTAR will be able to continue to provide reliable service to its customers. APC is seeking expedited consideration for this request because securing the service area amendment is the first step in moving forward with the development of this new gas supply option for Southcentral Alaska. APC respectfully requests a ruling on this application by July 5th, 2024.

DATED this 20th day of May 2024, at Anchorage, Alaska.

DILLON FINDLEY & SIMONIAN, P.C.
Attorneys for Alaska Pipeline Company, LLC

By: /s/John P. Wood

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_____)

AFFIDAVIT OF JOHN SIMS

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

I, John Sims, being first duly sworn, state as follows:

1. I am president of Alaska Pipeline Company (“APC”) in the above captioned matter. I am also the president of ENSTAR Natural Gas Company, LLC (“ENSTAR”).
2. I am submitting this Affidavit in support of APC’s Motion for Expedited Consideration of Application to Amend Certificate of Public Convenience and Necessity No. 141.
3. APC is submitting its Application to propose the expansion of its authorized service territory to encompass the corridor required for a new transmission pipeline that

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would connect APC's existing pipeline system to the tidewater terminal at Port Mackenzie ("Port MacKenzie Expansion").

4. This expansion will allow ready access to a deep water dock where a liquified natural gas ("LNG") import terminal could be developed to diversify Southcentral Alaska's natural gas supply.

5. There has been ample reporting on the lack of diversification that could result in gas supply shortages in Southcentral Alaska.

6. ENSTAR boasts a reliability rate of 99.99% and this is a reflection of the company's commitment to its customers to provide safe, reliable and reasonably continuous natural gas service.

7. ENSTAR has negotiated diligently and in good faith with Cook Inlet producers to obtain locally-sourced gas for future years.

8. Despite this, ENSTAR faces significant gaps in volumes beginning as early as the winter of 2025.

9. While ENSTAR remains optimistic that some volumes of Cook Inlet gas will become commercially available in the coming years, it must diversify its supply sources.

10. The Port MacKenzie Expansion is an important step toward ensuring access to a tidewater facility to bring globally available LNG to supplement local production.

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11. It has become apparent to ENSTAR that in order to meet its statutory obligations to serve its customer with safe and reliable utility service, it must act with great urgency.

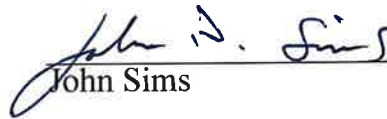
12. APC and ENSTAR are not seeking increased rates with the Application, rather authorization to amend CPCN No. 141 to construct this pipeline extension.

13. Any incremental rate increases resulting from construction of a pipeline will be address in a subsequent rate case.

14. APC is seeking expedited consideration for this request because securing the service area amendment is the first step in moving forward with the development of this new gas supply option for Southcentral Alaska.


15. APC respectfully requests a ruling on this application by July 5th, 2024.

FURTHER THIS AFFIANT SAYETH NAUGHT.


John Sims

SUBSCRIBED AND SWORN to before me this 20th day of May 2024, at Anchorage, Alaska.




Notary Public for the State of Alaska
My Commission Expires: 10/15/2027