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July 15, 2024

Regulatory Commission of Alaska
701 West Eighth Avenue, Suite 300
Anchorage, Alaska 99501

Re: 2024 Second Quarter Gas Cost Balance Account Report and Compliance with U-22-090(2)
Reporting Requirements

Dear Commissioners:

ENSTAR Natural Gas Company and Alaska Pipeline Company (collectively, "ENSTAR") submits its Gas Cost Balance Account Quarterly Report to the Commission for the months of April and May, 2024.

In addition, enclosed are producers' invoices for April and May, 2024. The June 2024 producer invoices and reports will be sent to the RCA by July 31, 2024 or soon thereafter upon receipt of such invoices.

Further, in Order U-22-090(2), page 7, the Regulatory Commission of Alaska required ENSTAR to file a balance of its regulatory asset and a narrative statement detailing the progress of the working group in securing a gas supply with its Second and Fourth Quarterly Gas Cost Balance Account Reports.

ENSTAR continues its focused work with the Utility Working Group made up of its fellow utilities, together with its consultants Berkeley Research Group and Cornerstone Energy, on evaluating alternative solutions to the Cook Inlet gas supply shortage. Since its public presentation at the Commission's June 28, 2023 Public Meeting, the Utility Working Group has done extensive work analyzing the commercial, financing, permitting, technical, and legal requirements of several gas import projects that could be implemented to meet utilities impending gas requirements. Certain of these discussions are subject to non-disclosure agreements. The Utilities Group also has been working with several commercial parties to identify and develop the optimum site for a potential LNG import project. On May 20, 2024, APC filed an 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, one of the sites considered for a potential future LNG terminal. ENSTAR

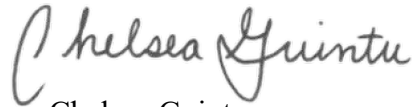
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intends to file a gas sales agreement to purchase LNG by the end of this year. Enclosed is the balance of the regulatory asset as of June 30, 2024.

Please contact me at 334-7620 if you have any questions concerning this filing.

Sincerely,

A handwritten signature in black ink that reads "Chelsea Guintu". The signature is written in a cursive, flowing style.

Chelsea Guintu
Manager of Regulatory and Planning
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Enclosures:

April and May GBCA Reports & Supporting Documentation
LT Gas Supply Balance as of 06-30-24