

STATE OF ALASKA

THE REGULATORY COMMISSION OF ALASKA

Before Commissioners:

Robert M. Pickett, Chairman  
Paul F. Lisankie  
T.W. Patch  
Norman Rokeberg  
Janis W. Wilson

In the Matter of the Tariff Filing Designated as )  
TA37-514 Filed by FAIRBANKS NATURAL GAS, )  
LLC )

U-15-002

ORDER NO. 1

**ORDER SUSPENDING TA37-514, DESIGNATING PARTY, INVITING  
PARTICIPATION BY THE ATTORNEY GENERAL AND INTERVENTION,  
SCHEDULING PREHEARING CONFERENCE, ADDRESSING TIMELINE FOR  
DECISION, DESIGNATING COMMISSION PANEL, AND APPOINTING  
ADMINISTRATIVE LAW JUDGE**

BY THE COMMISSION:

Summary

We suspend TA37-514 filed by Fairbanks Natural Gas, LLC (FNG) for further investigation. We designate the Fairbanks North Star Borough (FNSB) as a party subject to filing a notice of non-participation. The chairman invites participation by the Attorney General (AG) and we invite petitions for intervention. We schedule a prehearing conference. We address a timeline for a final decision in this proceeding. The chairman designates the commission panel and commission docket manager and appoints an administrative law judge.

Background

FNG filed TA37-514 seeking approval of a liquefied natural gas (LNG) sales agreement with Harvest Alaska, LLC.<sup>1</sup> We issued public notice of the tariff filing. The AG filed comments requesting suspension of the filing.<sup>2</sup> FNSB filed a formal

<sup>1</sup>TA37-514, filed November 21, 2014, supplemented November 25, 2014.

<sup>2</sup>*Comments of the Attorney General*, filed December 12, 2014.

1 complaint, protest, and comments requesting suspension.<sup>3</sup> FNG filed a response to the  
2 AG's comments<sup>4</sup> and an answer to FNSB's formal complaint.<sup>5</sup>

### 3 Discussion

#### 4 Suspend for Investigation

5 We may, upon written complaint or on our own motion and after  
6 reasonable notice, suspend the operation of a tariff filing and conduct a hearing to  
7 determine the reasonableness and propriety of the filing.<sup>6</sup> The tariff notice period is  
8 insufficient to evaluate the reasonableness and propriety of FNG's requests in  
9 TA37-514. Additionally, the AG urges us to suspend the tariff filing. Therefore, we  
10 suspend TA37-514 into this docket for further investigation.

#### 11 Decision Timeline and Suspension Period

12 We are required by AS 42.05.175(b) to issue a final decision not later than  
13 270 days after a complete tariff filing is made regarding a tariff filing that does not  
14 change a utility's revenue requirement or rate design. TA37-514 was complete as  
15 supplemented on November 25, 2014. Therefore, we are required to issue a final order  
16 no later than August 22, 2015. However, to accommodate the deadline for our approval  
17 set in the proposed LNG sales agreement, the chairman sets June 1, 2015, as the date  
18 for issuance of a final order in this docket.<sup>7</sup> We suspend TA37-514 until June 1, 2015.

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22 <sup>3</sup>*Fairbanks North Star Borough's Formal Complaint, Protest, and Comments*, filed  
December 16, 2014.

23 <sup>4</sup>*FNG's Response to the Comments of the Attorney General*, filed December 23,  
24 2014.

25 <sup>5</sup>*FNG's Answer to Formal Complaint [3 AAC 48.130]*, filed January 5, 2015.

26 <sup>6</sup>AS 42.05.421(a).

<sup>7</sup>AS 42.04.070(a)(3).

1 Designation of Party

2 Timeline for us to reach a final decision on the tariff revision is June 1,  
3 2015. To expedite matters, we designate FNSB, who has protested the tariff revision,  
4 as a party to this proceeding, without the requirement of filing a formal petition to  
5 intervene.<sup>8</sup> If FNSB does not wish to be a party, it may file a notice of non-participation.

6 Participation by the AG and Petitions to Intervene

7 We believe it is in the public interest for the AG to participate in this  
8 proceeding as a party. The chairman therefore invites the AG to do so.<sup>9</sup>

9 We invite others with an interest in this proceeding to consider filing a  
10 petition for permission to intervene as a party after examining 3 AAC 48.110.

11 Prehearing Conference

12 We schedule a prehearing conference to establish a procedural schedule  
13 and address any other matters that may expedite the orderly conduct and disposition of  
14 this proceeding.

15 Commission Panel

16 The chairman designates Commissioners Paul F. Lisankie, T.W. Patch,  
17 Norman Rokeberg, and Janis W. Wilson and himself as the commission panel<sup>10</sup> and  
18 further designates himself as the commission docket manager.

19 Administrative Law Judge

20 Under AS 42.04.070(b), the chairman appoints Administrative Law Judge  
21 John P. Wood to facilitate conduct in this docket. The administrative law judge will  
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23 <sup>8</sup>FNSB is a customer of FNG and was granted discretionary intervention in FNG's  
24 ongoing rate case proceeding. See Order U-14-102(4), *Order Granting Fairbanks North  
Star Borough Petition to Intervene*, dated September 15, 2014.

25 <sup>9</sup>AS 42.04.070(c).

26 <sup>10</sup>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.

1 issue procedural orders in this docket, unless the commission docket manager  
2 determines that a particular procedural order should be issued by the commission  
3 panel.<sup>11</sup> Orders issued by the administrative law judge will be considered orders of the  
4 commission for purposes of petitions for reconsideration under AS 42.05.171.

5 **ORDER**

6 THE COMMISSION FURTHER ORDERS:

7 1. The tariff filing designated as TA37-514, filed November 21, 2014, as  
8 supplemented November 25, 2014, by Fairbanks Natural Gas, LLC is suspended into  
9 this docket for further investigation until June 1, 2015.

10 2. Fairbanks North Star Borough is designated as party to this proceeding  
11 subject to filing a notice of non-participation by January 15, 2015.

12 3. By January 15, 2015, any interested person shall file a petition to  
13 intervene in accordance with 3 AAC 48.110.

14 4. A prehearing conference is scheduled to convene at 9:30 a.m.,  
15 January 16, 2015, in the East Hearing Room of the Regulatory Commission of Alaska,  
16 701 West Eighth Avenue, Suite 300, Anchorage, Alaska.<sup>12</sup>

17 5. Commissioners Paul F. Lisankie, T.W. Patch, Robert M. Pickett,  
18 Norman Rokeberg, and Janis W. Wilson are designated as the commission panel.

19  
20 <sup>11</sup>The commission docket manager, after consultation with other members of the  
21 panel, may delegate to the administrative law judge whatever authority to issue  
procedural orders he or she considers necessary or advisable in this docket.

22 <sup>12</sup>If you are a person with a disability who may need a special accommodation,  
23 auxiliary aid or service, or alternative communication format to participate in the  
24 scheduled event, please contact Joyce McGowan at 1-907-276-6222, toll free at  
1-800-390-2782, or TTY at 1-907-276-4533, or send your request by electronic mail to  
[rca.mail@alaska.gov](mailto:rca.mail@alaska.gov) at least three business days before the scheduled event to make  
the necessary arrangements.

25 Any party wishing to appear telephonically at the scheduled event must advise us  
26 in advance and provide a telephone number where it may be reached for that  
appearance.

1                   6. Commissioner Robert M. Pickett is designated as the commission  
2 docket manager.

3                   7. John P. Wood is appointed to serve as administrative law judge.

4 DATED AND EFFECTIVE at Anchorage, Alaska, this 7th day of January, 2015.

5                   BY DIRECTION OF THE COMMISSION

