

Enstar seeks rate increase for natural gas delivery

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The main supplier of natural gas in South-central Alaska is seeking permission to raise its rates by about 4.7 percent for its residential customers.

The increase would cover Enstar Natural Gas Co.'s cost of delivering the gas. Rates for the gas itself are set separately and have been rising rapidly in recent years as the cost of Cook Inlet area gas Enstar buys has soared.

Enstar's new filing with the Regulatory Commission of Alaska would raise the rate for gas delivery to most residential customers to \$28.47 a month, while businesses would pay \$67.96 a month, Enstar said. The utility company said the rates, if approved, could go into effect sometime next year. The RCA is expected to hold hearings on the rate request, Enstar said Monday.

The Anchorage company said this filing is its first request to raise its base rates since 1984. "The filing includes the proposed recovery of costs incurred to investigate gas storage options, the costs of complying with federal pipeline inspection mandates, and normal increases in the costs of goods and services needed to provide safe, efficient and reliable natural gas service to customers," Enstar said. "Even with this proposed increase, adjusted for inflation over the last 25 years, base rates for service from Enstar will be far less than they were in 1984."