

LOUISIANA PUBLIC SERVICE COMMISSION
MINUTES FROM OCTOBER 26, 2018
OPEN SESSION

MINUTES OF OCTOBER 26, 2018 OPEN SESSION OF THE LOUISIANA PUBLIC SERVICE COMMISSION HELD IN MANY, LOUISIANA. PRESENT WERE CHAIRMAN ERIC SKRMETTA, VICE CHAIRMAN MIKE FRANCIS, COMMISSIONER FOSTER CAMPBELL, COMMISSIONER LAMBERT BOISSIERE, COMMISSIONER CRAIG GREENE AND EXECUTIVE SECRETARY BRANDON FREY.

Open Session of October 26, 2018 convening at 10:18A.M., and adjourning at 12:13P.M., Cypress Bend Resort, 2000 Cypress Bend Parkway, Many, Louisiana 71449, with the above-named members of the Commission and Executive Secretary Brandon Frey.

Ex. 1	<p>Senator Gerald Long welcomed the Commission to Toledo Bend and Sabine Parish.</p> <p>Deputy General Counsel Melissa Watson announced the Public Utilities Section of the Louisiana State Bar Association will be hosting its annual CLE scheduled for November 30, 2018 at the City Club in Baton Rouge. . You can register online at www.lsba.org.cle. If you have any questions, please contact Melissa Watson.</p>
Ex. 2	<p>U-33011 - Mo-Dad Utilities, LLC ("Mo-Dad"), ex parte. In re: Application for Rate Increase and Request for Letter of Non-Opposition to Borrowing Funds.</p> <p>In re: Update and Report from Mo-Dad on Status of Loan and Improvements at the request of Chairman Skrmetta.</p> <p>(Ex. 4 on the September 19, 2018 B&E Agenda)</p> <p>DEFERRED</p>
Ex. 3	<p>U-34688 - Entergy Louisiana, LLC, ex parte. In re: Complaint and Petition for Declaratory Ruling on Proper Formula for the Pole Attachment Rental Rate under LPSC Order dated September 4, 2014.</p> <p>In re: Discussion and Possible Vote on Joint Report of Proceedings, Draft Order and Stipulated Term Sheet.</p> <p>On motion of Chairman Skrmetta, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to accept the Joint Report, Draft Order and the Stipulated Term Sheet between ELL and the LCTA.</p>
Ex. 4	<p>U-34690 - Water Treatment & Controls Company, d/b/a Peoples Water Service Company of Bastrop, ex parte. In re: Application for Increase in Rates for Water and Water Service in the City of Bastrop and its Environs.</p> <p>In re: Discussion and possible vote on Stipulated Settlement.</p> <p>(Ex. 8 on the September 19, 2018 B&E Agenda)</p> <p>On motion of Chairman Skrmetta, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to adopt the uncontested stipulated settlement filed into the record on July 18, 2018 with the revision agreed to by the parties subsequent to the settlement and read into the record.</p>
Ex. 5	<p>U-34742 - Community Utilities of Louisiana, Inc. and Utilities Inc. of Louisiana, ex parte. In re: Request for Statewide Consolidation of Assets, Request for Uniform Rate Structure, Request for the Establishment of Formula Rate Plan, and Application for Adjustment in Retail Rates, as well as Reservation of Rights to Request Interim Rates.</p> <p>In re: Discussion and possible vote on Recommendation of the Administrative Law Judge and Draft Order.</p> <p>On motion of Chairman Skrmetta, seconded by Vice Chairman Francis, and unanimously adopted, the Commission voted to adopt the ALJ Recommendation and Draft Order with clarifications and amendments as read into the record.</p>

<p>Ex. 6</p>	<p>U-34819 - Beaugard Electric Cooperative, Inc., ex parte. In re: Formula Rate Plan Annual Report for test year ending December 31, 2017.</p> <p>In re: Discussion and Possible Vote on Joint Report and Draft Order.</p> <p>(Ex. 9 on the September 19, 2018 B&E Agenda)</p> <p>On motion of Chairman Skrmetta, seconded by Vice Chairman Francis, and unanimously adopted, the Commission voted to accept the Joint Report and Draft Order filed into the record August 13, 2018.</p>
<p>Ex. 7</p>	<p>U-34822 - Concordia Electric Cooperative, Inc., ex parte. In re: Formula Rate Plan Annual Report for test year ending December 31, 2017.</p> <p>In re: Discussion and possible vote on Joint Report and Draft Order.</p> <p>(Ex. 10 on the September 19, 2018 B&E Agenda)</p> <p>On motion of Commissioner Campbell, seconded by Chairman Skrmetta, and unanimously adopted, the Commission voted to issue the Draft Order accepting the Joint Report filed into the record on August 29, 2018.</p>
<p>Ex. 8</p>	<p>Undocketed - Jefferson Davis Electric Cooperative, Inc., ex parte.</p> <p>In re: Discussion and possible vote to approve site-specific contract with Commonwealth Projects, LLC.</p> <p>(Ex. 7 on the September 19, 2018 B&E Agenda)</p> <p>On motion of Chairman Skrmetta, seconded by Vice Chairman Francis, and unanimously adopted, the Commission voted to acknowledge JDEC’s exclusive right to serve Commonwealth and approved the concept of JDEC serving Commonwealth through a site-specific contract, subject to terms and conditions as read into the record.</p>
<p>Ex. 9</p>	<p>S-34965 - Ascension Wastewater Treatment, Inc., ex parte. In re: Request for a Letter of Non Opposition to Enter into a Credit Facility Agreement with Regions Bank.</p> <p>In re: Discussion and Possible Vote on Staff’s Recommendation.</p> <p>On motion of Chairman Skrmetta, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to adopt Staff’s recommendation.</p>
<p>Ex. 10</p>	<p>S-34986 - Total Environmental Solutions, Inc., ex parte. In re: Request for a Letter of Non-Opposition to Refinance Existing Debt through CoBank with Related Security Interest.</p> <p>In re: Discussion and possible vote on Staff Recommendation.</p> <p>On motion of Chairman Skrmetta, seconded by Vice Chairman Francis, and unanimously adopted, the Commission voted to adopt Staff’s recommendation.</p>
<p>Ex. 11</p>	<p>U-34966 Entergy Louisiana, LLC, Cleco Power LLC and Southwestern Electric Power Company. In re: Joint Application for Approval of Toledo Bend Hydroelectric Power Sales Agreement.</p> <p>In re: Discussion and possible vote on uncontested stipulated settlement.</p> <p>On motion of Chairman Skrmetta, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to accept the uncontested stipulated settlement filed into the record on October 12, 2018.</p>
<p>Ex. 12</p>	<p>U-34735 - Entergy Louisiana, LLC, ex parte. In re: Application for Approval of Natural Gas Cost Stabilization Pilot Program, Transaction Parameters, and Other Relief.</p> <p>In Re: Discussion and possible vote pursuant to Rule 57 on Proposed Stipulated Settlement.</p> <p>On motion of Chairman Skrmetta, seconded by Vice Chairman Francis, and unanimously adopted, the Commission voted to assert its original and primary jurisdiction and take the matter up pursuant to Rule 57.</p>

	<p>On motion of Chairman Skrmetta, seconded by Vice Chairman Francis, and unanimously adopted, the Commission voted to adopt the Proposed Stipulated Settlement filed on October 9, 2018.</p>
<p>Ex. 13</p>	<p>U-35019 - Entergy Louisiana, LLC, ex parte. In re: Application for Authorization to Make Available Experimental Renewable Option and Rate Schedule ERO.</p> <p>In re: Discussion and possible vote to obtain J. Kennedy to assist Staff.</p> <p>On motion of Chairman Skrmetta, seconded by Commissioner Boissiere, and unanimously adopted, the Commission voted to retain J. Kennedy and Associates, Inc. to assist Staff for \$30,000 in consulting services and \$1,000 for expenses, for a total not to exceed budget of \$31,000.</p>
<p>Ex. 14</p>	<p>R-34754 - Louisiana Public Service Commission, ex parte. In re: Consideration of appropriate manner to flow through to ratepayers the benefits of the reduction in corporate income taxes as a result of the Tax Cuts and Jobs Act, treatment of the regulatory liability ordered by the Commission to be recorded by utilities pursuant to the Commission’s Special Order 13-2018, and related matters.</p> <p>In re: Discussion and possible vote on Recommended Proposed Rule.</p> <p>On motion of Chairman Skrmetta, seconded by Vice Chairman Francis, and unanimously adopted, the Commission voted to adopt the Proposed Rule filed October 5, 2018 superseding General Order dated May 30, 2018.</p> <p>On motion of Chairman Skrmetta, seconded by Vice Chairman Francis, and unanimously adopted, the Commission voted to reconsider Exhibit 14.</p> <p>On motion of Vice Chairman Francis, seconded by Chairman Skrmetta, and unanimously adopted, the Commission voted to adopt the Proposed Rule filed October 5, 2018 with one change to Section VII, to ensure that regardless of the type of proceeding selected by the utility, or whether they use a separate proposal, that all utilities are required to file to implement refunds and flow backs owed to ratepayers as a result of the federal Tax Cuts and Jobs Act not later than January 31, 2019.</p> <p>Specifically, Section VII is revised to read as follows:</p> <p>VII. Regardless of the methodology or type of proceeding selected or separate proposal filed, <u>utilities subject of this Rule must file to implement the TCJA changes not later than January 31, 2019, and</u> it shall be the policy of this Commission to implement the TCJA changes for all jurisdictional tax-paying utilities regulated on a cost-of-service basis as soon as possible, including all refunds, amortizations and flowbacks.</p>
<p>Ex. 15</p>	<p>1) Reports</p> <p>A. Follow-up Report from Staff regarding DEMCO Audit - DEFERRED</p> <p>B. Report from Staff on Status of Electric Cooperative Research and Review – Executive Secretary Brandon Frey gave status report on the Electric Cooperative Research and Review. Commissioner Campbell made the following directive:</p> <p><u>Consistent with the initial report provided by Staff, Commissioner Campbell directed Staff to open a rulemaking docket to propose best practices and rules and regulations for electric cooperatives operating in Louisiana.</u></p> <p>C. Report from Entergy regarding Billing and Meter issues in New Orleans Metro Area.</p> <p>Report was given by Larry Hand and Philip May of Entergy. Mr. Hand confirmed that any customer affected by this billing and meter issue would be allowed deferred payment plans or payment arrangements. Mr. Hand also confirmed that any payments made by customers based on the contractor’s errors will be returned to the customer as a credit.</p>

	<p>2) Resolutions</p> <p>3) Discussions</p> <p>Update and presentation from AT&T and CenturyLink regarding the status of Connect America Fund “CAF” broadband deployment in Louisiana. - DEFERRED</p> <p>(Ex. 17 on the September 19, 2018 B&E Agenda)</p> <p>4) ERSC/OMS/SPP</p> <p>5) Directives</p> <p><u>Directive to Staff, with the assistance of outside counsel and technical consultants, to open a docket to conduct an investigation into the service company costs that are included in the retail rates of Entergy Louisiana LLC.</u></p> <p>At the request of Chairman Skrmetta.</p> <p>No opposition</p>
Ex. 16	<p>Louisiana Public Service Commission v. Entergy Corp., Docket No. EL09-61 at the Federal Energy Regulatory Commission.</p> <p>In re: Possible Executive Session to discuss litigation strategy related to the issuance of FERC Order No. 565 on October 18, 2018.</p> <p>At the request of Chairman Skrmetta.</p> <p>On motion of Vice Chairman Francis, seconded by Commissioner Boissiere, and unanimously adopted, the Commission voted to enter executive session.</p> <p>On motion of Chairman Skrmetta, seconded by Commissioner Boissiere, and unanimously adopted, the Commission voted to exit executive session.</p>
Ex. 17	<p>FERC Consolidated Docket Nos. ER17-1368-000, ER17-1669-000, ER18-1237-000, Cleco Power, LLC</p> <p>In re: Discussion and possible vote on Uncontested Offer of Settlement.</p> <p>In re: Possible Executive Session to discuss litigation strategy pursuant to the revised statutes.</p> <p>At the request of Chairman Skrmetta.</p> <p>On motion of Vice Chairman Francis, seconded by Commissioner Boissiere, and unanimously adopted, the Commission voted to enter executive session.</p> <p>On motion of Chairman Skrmetta, seconded by Commissioner Boissiere, and unanimously adopted, the Commission voted to exit executive session.</p>
Ex. 18	<p><u>Directive for Staff to investigate feasibility of sustainability programs which allow for use agreements of capital assets via operating expenses with built in replacement reserves and to report back whether it is a product that utilities can consider for use.</u></p> <p>At the request of Chairman Skrmetta.</p> <p>No opposition.</p>
Ex. 19	<p><u>Directive for Staff to open an audit of DEMCO and issue an RFP for outside consultant to assist with Staff.</u></p> <p>At the request of Commissioner Greene.</p> <p>DEFERRED</p>

Ex. 20	Report from Entergy regarding 10/19/2018 outage in downtown Baton Rouge. At the request of Commissioner Boissiere. A report was given by Larry Hand and by Philip May of Entergy. The Commission requested continued updates and information as the process moves forward.
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On motion of Chairman Skrmetta, seconded by Vice Chairman Francis, and unanimously adopted, the Commission voted to adjourn.

MEETING ADJOURNED

The next Business and Executive Session will be held on Friday, November 16, 2018 at 9:00am in Baton Rouge, Louisiana.