

**LOUISIANA PUBLIC SERVICE COMMISSION**  
**MINUTES FROM DECEMBER 20, 2017**  
**OPEN SESSION**

**MINUTES OF DECEMBER 20, 2017 OPEN SESSION OF THE LOUISIANA PUBLIC SERVICE COMMISSION HELD IN NATCHITOCHE, LOUISIANA. PRESENT WERE COMMISSIONER FOSTER CAMPBELL, VICE CHAIRMAN LAMBERT BOISSIERE, CHAIRMAN ERIC SKRMETTA, COMMISSIONER MIKE FRANCIS, COMMISSIONER CRAIG GREENE AND EXECUTIVE SECRETARY EVE KAHAO GONZALEZ.**

**Open Session of December 20, 2017, convening at 10:02A.M., and adjourning at 1:02P.M., Natchitoches Events Center, 750 Second Street, Natchitoches, Louisiana, with the above-named members of the Commission and Executive Secretary Eve Kahao Gonzalez.**

<p><b>Ex. 1</b></p>	<p>Commissioner Campbell introduced the President of Northwestern State University, Dr. Chris Maggio, who confirmed that NSU would be receiving another check (in the amount of \$31,000) on behalf of Valley/SWEPCO Capital Credits which would be utilized for scholarships, and thanked the Commission for its role in the program.</p> <p>The Commissioners presented Executive Secretary Eve Kahao Gonzalez with a plaque and flowers in recognition of her retirement and thanked her for her 19 years of service to the Commission.</p> <p>Executive Secretary Gonzalez thanked the Commission and the Commission Staff and wished them continued success.</p> <p>Executive Counsel, Brandon Frey, announced that Transportation Attorney, Justin Bello and his wife Jacqueline, welcomed a new baby girl, Charlotte, on last Thursday.</p> <p>Commissioner Francis introduced Staff member Callie Bates attending in Joan Finley's absence.</p> <p>Commissioner Greene welcomed his new Executive Assistant Bo Staples to the Commission.</p>
<p><b>Ex. 2</b></p> <p><b>EXEC</b></p>	<p>2018 B&amp;E Meeting Schedule</p> <p><b>In re: Discussion and possible vote to accept the proposed 2018 schedule.</b></p> <p>On motion of Commissioner Francis, seconded by Chairman Skrmetta, and unanimously adopted, the Commission voted to approve the 2018 B&amp;E Meeting Schedule as follows:</p> <p>January 17  February 21  March 21  April 18  May 16  June 20  July 25  ***No August Meeting***  September 19  October 17  November 16  December 19</p>
<p><b>Ex. 3</b></p> <p><b>TRANS</b></p>	<p><b>R-34054</b> - Louisiana Public Service Commission, ex parte.</p> <p><b>In re: Discussion and possible vote to reconsider and/or modify the Commission's existing Waste Hauling Rules and Regulations, established by the General Order dated October 18, 2017, to be consistent with the procedure established by Act 278 of the 2017 Regular Session of the Louisiana Legislature, relative to motor carriers and common carrier certificates or contract carrier permits issued by the LPSC.</b></p> <p><b>At the request of Commissioner Campbell.</b></p> <p>On motion of Chairman Skrmetta, seconded by Commissioner Francis, with Commissioner Greene concurring and Vice Chairman Boissiere and Commissioner Campbell opposing, the Commission voted to hear the item after Exhibit 21.</p>

	<p>Commissioner Campbell made a motion, seconded by Vice Chairman Boissiere to: A) repeal the General Order dated 10/18/2017 regarding Docket No. R-34054; B) adopt the proposed staff recommendation filed in Docket No. R-34054 on 8/3/2016, with regard to Section III, titled Conclusions and Recommendations, as amended, to the Commission’s Rules of Practice and Procedure; C) that all future Commission and Staff action be applied in a manner consistent with Act 278, which was effective on June 15, 2017, and essentially adopted the language of the August 3, 2016 proposed staff recommendation; and D) that this order shall apply to all pending applications.</p> <p>Chairman Skrmetta made a substitute motion to reject Commissioner Campbell’s motion, seconded by Commissioner Francis, and opposed by Vice Chairman Boissiere, Commissioner Campbell and Commissioner Greene.</p> <p>After discussion and argument from counsel representing various intervenors in the rulemaking, Commissioner Campbell re-urged his original motion, which was seconded by Vice Chairman Boissiere, with Chairman Skrmetta and Commissioner Greene concurring and Commissioner Francis opposing. The motion passed 4:1.</p>
<p><b>Ex. 4</b></p> <p><b>LEGAL</b></p>	<p><b>Undocketed</b> - Louisiana Public Service Commission, ex parte.</p> <p><b>In re: Adoption and/or update to voting protocols for the Commission’s Entergy Regional State Committee, Organization of MISO States and Southwest Power Pool Regional State Committee representatives.</b></p> <p>On motion of Chairman Skrmetta, seconded by Commissioner Francis, and unanimously adopted, the Commission voted to adopt the following voting protocols for the Commission’s ERSC, OMS and SPP representatives and that the order adopting same be made effective immediately. The voting protocols are as follows:</p> <ol style="list-style-type: none"> <li>1) The LPSC representative to the ERSC, OMS and RSC will have authority to vote on all procedural and administrative matters without any prior approval or <i>ex post facto</i> ratification of the Commission;</li> <li>2) The LPSC representative to the ERSC, OMS and RSC will have the authority to abstain from voting on any matter without any prior approval or <i>ex post facto</i> ratification of the Commission;</li> <li>3) For substantive matters, reasonable efforts will be made by the LPSC representative to the ERSC, OMS and RSC to obtain approval from the Commission at a Business &amp; Executive or Special Session prior to the vote consistent with any public notice requirements; and</li> <li>4) It is essential that the LPSC’s representative to the ERSC, OMS and RSC be authorized to vote and that the vote be effective at the time it is taken. Therefore, in the event that prior approval is not obtained, the LPSC’s representative, or a representative of the LPSC Staff on his or her behalf, will contact by email the Executive Secretary of the Commission and the Chairman of the Commission, explain the nature of the expected vote, and make a recommendation as to how the vote should be cast. The Executive Secretary and the Chairman will then either concur with or oppose the recommendation. If the recommendation is opposed by the Chairman or the Executive Secretary, then the ERSC, OMS or RSC representative, the Executive Secretary, and the Chairman will together timely collaborate on a consensually approved vote. If the Chairman of the Commission is the ERSC, OMS or RSC representative, then approval for votes involving that entity(ies) will be sought from the Executive Secretary and the Vice Chairman. The LPSC ERSC, OMS and RSC representative will be authorized to vote consistent with the approval obtained. This pre-approval process does not prevent the ERSC, OMS or RSC representative from casting a vote on an amended or modified ERSC, OMS or RSC proposal, as long as the amended or modified proposal remains reasonably consistent with the intent of the original ERSC, OMS or RSC proposal. The Commission will be notified of the vote by the matter being placed on the Business &amp; Executive or Special Session Agenda as soon as reasonably possible after the vote for discussion and possible vote by the Commission to ratify or reject the vote of the LPSC representative.</li> </ol>

<p><b>Ex. 5</b></p> <p><b>AGENDA</b></p>	<p><b>S-34607</b> - Community Utilities of Louisiana, Inc., ex parte. (CULI-WTSO). In re: Request for a Letter of Non Opposition to Establish a Regulatory Asset, Subsequent Ratification by the Commission of Regulatory Asset, and for Approval of a Regulatory Asset Rate Rider Related to the Great Flood of 2016 pursuant to Special Order 09-2017.</p> <p><b>In re: Discussion and possible vote on Staff's recommendation.</b></p> <p>(Ex. 8 on the November 17, 2017 B&amp;E Agenda)</p> <p><b>PASSED</b></p>
<p><b>Ex. 6</b></p> <p><b>AGENDA</b></p>	<p><b>S-34608</b> - Community Utilities of Louisiana, Inc., ex parte. (CULI-DENSITY). In re: Request for a Letter of Non Opposition to Establish a Regulatory Asset, Subsequent Ratification by the Commission of Regulatory Asset, and for Approval of a Regulatory Asset Rate Rider Related to the Great Flood of 2016 pursuant to Special Order 09-2017.</p> <p><b>In re: Discussion and possible vote on Staff's recommendation.</b></p> <p>(Ex. 9 on the November 17, 2017 B&amp;E Agenda)</p> <p><b>PASSED</b></p>
<p><b>Ex. 7</b></p> <p><b>LEGAL</b></p>	<p><b>S-34623</b> - The Baton Rouge Water Company, ex parte. In re: Request for a Letter of Non Opposition to issue up to \$15,000,000 of Senior notes or loans from the Louisiana Department of Health's "Drinking Water Revolving Loan Fund" and/or from other lending entities dependent on terms and availability of funds.</p> <p><b>In re: Discussion and possible vote on Staff Report and Recommendation.</b></p> <p>On motion of Chairman Skrmetta, seconded by Commissioner Francis, and unanimously adopted, the Commission voted to accept Staff's recommendation and express its non-opposition to the Company's borrowing up to \$8,000,000 from the LDH-DWRLF subject to the terms and conditions.</p>
<p><b>Ex. 8</b></p> <p><b>LEGAL</b></p>	<p><b>S-34689</b> - Cameron Communications, LLC, Cameron Telephone Company, LLC, Elizabeth Telephone Company, LLC and LBH, LLC, ex parte. In re: Request for Approval or Non Opposition to Issuance of Guarantees and Pledge of Assets as Security in Connection with Debt Incurrence by American Broadband Holding Company and Cameron Holdings of NC, Inc.</p> <p><b>In re: Request for Approval or Non Opposition to Issuance of Guarantees and Pledge of Assets as Security in Connection with Debt Incurrence by American Broadband Holding Company and Cameron Holdings of NC, Inc.</b></p> <p>On motion of Commissioner Francis, seconded by Chairman Skrmetta, and unanimously adopted, the Commission voted to approve the Letter of Non Opposition to the Proposed Transaction subject to conditions.</p>
<p><b>Ex. 9</b></p> <p><b>LEGAL</b></p>	<p><b>U-34250</b> - H2O Systems, Inc., ex parte. In re: Amended Application for Emergency and Permanent Rate Relief.</p> <p><b>In re: Discussion and possible vote on Stipulated Settlement.</b></p> <p>On motion of Commissioner Francis, seconded by Commissioner Greene, with Chairman Skrmetta and Vice Chairman Boissiere concurring, and Commissioner Campbell temporarily absent, the Commission voted to accept the Uncontested Stipulated Settlement entered into between Staff and H2O and filed into the record on October 27, 2017 and entered as an exhibit at the stipulation hearing on November 8, 2017 which authorizes a rate increase for H2O subject to terms and conditions.</p>

<p><b>Ex. 10</b></p> <p><b>LEGAL</b></p>	<p><b>U-34629</b> - Ascension Water Company, ex parte. In re: Request for an increase in rates and fees for water service.</p> <p><b>In re: Discussion and possible vote on Uncontested Stipulated Settlement.</b></p> <p>On motion of Commissioner Greene, seconded by Vice Chairman Boissiere, and unanimously adopted, the Commission voted to accept the Proposed Uncontested Stipulated Settlement filed into the record on November 22, 2017 authorizing Ascension Water Company to earn a ROE of 11.25% and a ROR of 7.99%, an increase in rates to generate additional revenues in the amount of \$2,479,603, and other terms and conditions.</p>
<p><b>Ex. 11</b></p> <p><b>LEGAL</b></p>	<p><b>U-34666</b> - South Coast Gas Company, Inc., ex parte. In re: Rate Stabilization Adjustment for the year ended June 30, 2017.</p> <p><b>In re: Discussion and possible vote on Uncontested Joint Report of Proceedings and Proposed Order Accepting Report.</b></p> <p>On motion of Commissioner Greene, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to approve the Proposed Order accepting the Joint Report filed into the record on November 30, 2017.</p>
<p><b>Ex. 12</b></p> <p><b>OGC/ DONNA</b></p>	<p><b>U-34676</b> - (RFP 17-16) Jefferson Davis Electric Cooperative, Inc., ex parte. In re: Application for Approval of Formula Rate Plan and Initial Revenue Adjustment.</p> <p><b>In re: Discussion and possible vote to hire outside consultant.</b></p> <p>On motion of Chairman Skrmetta, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to retain Henderson Ridge Consulting, Inc. for a not to exceed budget of \$50,100 in fees and \$4,800 in expenses for a total not to exceed budget of \$54,900.</p>
<p><b>Ex. 13</b></p> <p><b>OGC/ DONNA</b></p>	<p><b>I-34694</b> - (RFP 17-17) Entergy Louisiana, LLC, ex parte. In re: Request to Initiate 2017 Integrated Resource Planning (“IRP”) Process Pursuant to the General Order No. R-30021 (Corrected) dated April 20, 2012.</p> <p><b>In re: Discussion and possible vote to hire outside consultant.</b></p> <p>On motion of Chairman Skrmetta, seconded by Commissioner Greene, and unanimously adopted, the Commission voted to retain United Professionals Company to assist in this proceeding for a not to exceed budget of \$42,000 in fees and \$3,000 in expenses for a total not to exceed budget of \$45,000.</p>
<p><b>Ex. 14</b></p> <p><b>OGC/ DONNA</b></p>	<p><b>I-34693</b> - (RFP 17-18) Cleco Power LLC, ex parte. In re: Request to Initiate 2017 Integrated Resource Planning process Pursuant to the General Order R-30021 (Corrected) issued April 20, 2012.</p> <p><b>In re: Discussion and possible vote to hire outside consultant.</b></p> <p>On motion of Chairman Skrmetta, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to retain United Professionals Company to assist in this proceeding for a not to exceed budget of \$42,000 in fees and \$3,000 in expenses for a total not to exceed budget of \$45,000.</p>
<p><b>Ex. 15</b></p> <p><b>LEGAL</b></p>	<p><b>R-34366</b> - Louisiana Public Service Commission, ex parte. In re: Consideration of Changes to the Louisiana Public Service Commission Avoided Cost General Order dated April 26, 2007 due to Implications of the Federal Energy Regulatory Commission Decision in Docket QM14-3-000.</p> <p><b>In re: Discussion and Possible Vote on Final Proposed General Order.</b></p> <p>On motion of Chairman Skrmetta, seconded by Commissioner Francis, and unanimously adopted, the Commission voted to adopt the Final Proposed General Order filed into the record on November 22, 2017, clarifying the Commission's Avoided Cost Rules.</p>

<p><b>Ex. 16</b></p> <p><b>OGC/ DONNA</b></p>	<p><b>Docket TBD</b> (RFP 17-19) In re: Atmos Energy Corporation rate stabilization clause filings for its regulatory divisions Trans La and LGS, inclusive of depreciation study</p> <p><b>In re: Discussion and possible vote to hire outside consultant.</b></p> <p>On motion of Chairman Skrmetta, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to retain Henderson Ridge Consulting, Inc. for a not to exceed budget of \$31,950 in fees and \$2,400 in expenses for a total not to exceed budget of \$34,350.</p>
<p><b>Ex. 17</b></p> <p>M &amp; F</p>	<p>Louisiana Public Service Commission</p> <p><b>In re: Executive session and possible vote regarding the Executive Secretary position pursuant to La. R.S. 42:16 et. seq.</b></p> <p>Chairman Skrmetta made a motion to enter executive session; Commissioner Greene seconded, with Commissioner Francis concurring and Vice Chairman Boissiere and Commissioner Campbell opposing. The motion failed to receive the requisite four votes, failing with a 3:2 vote. Therefore, the Commission did not hold executive session for Exhibit 17.</p> <p>Commissioner Francis made a motion to appoint Brandon Frey to Executive Secretary on a permanent basis effective January 3, 2018 at the same compensation level as the current Executive Secretary. The motion was seconded by Chairman Skrmetta.</p> <p>Commissioner Campbell made a substitute motion that a Staff member be appointed as interim Executive Secretary, excluding Mr. Frey if he wanted to apply for the Executive Secretary's position and that a Nationwide Search be held to fill the position. The motion was seconded by Vice Chairman Boissiere, with Chairman Skrmetta and Commissioner Francis and Commissioner Greene opposing. The motion failed with a 2:3 vote.</p> <p>Commissioner Francis re-urged his original motion, which was seconded by Chairman Skrmetta. Commissioner Campbell objected.</p> <p>Commissioner Greene made a substitute motion to appoint Brandon Frey as Interim Executive Secretary effective January 3, 2018 and conduct a search to fill the vacant Executive Secretary seat by February 20, 2018. Acting Interim Executive Secretary is permitted to apply for the permanent position. The motion was seconded by Commissioner Campbell, with Vice Chairman Boissiere concurring and Chairman Skrmetta and Commissioner Francis opposing. The motion passed with a 3:2 vote.</p>
<p><b>Ex. 18</b></p> <p><b>LEGAL</b></p> <p><b>AGENDA</b></p>	<p>1) Reports 2) Resolutions 3) Discussions 4) <b>ERSC/OMS Business</b></p> <p><b>Discussion and possible vote to ratify the vote taken by Vice Chairman Boissiere acting as the Commission's representative on the Board of Directors of the Organization of MISO States.</b></p> <p>On motion of Chairman Skrmetta, seconded by Commissioner Greene, with Commissioner Campbell and Commissioner Francis concurring and Vice Chairman Boissiere abstaining, the Commission voted to ratify Vice Chairman Boissiere's vote taken November 14, 2017 as the Louisiana Public Service Commission representative to the OMS Board of Directors.</p> <p>5) <b>Directives</b></p> <p><b><u>Directive to Staff to open a rulemaking to consider possible modifications to the Commission's "Electric Transmission Facility Certification and Siting Rules" adopted in the Commission's General Order dated October 10, 2013 and to solicit a proposal from Stone Pigman to assist the Staff since they worked on the prior rulemaking docket.</u></b></p> <p>(Ex. 13 on the November 13, 2017 B&amp;E Agenda)</p> <p><b>At the request of Commissioner Campbell - PASSED</b></p>

<p>Ex. 18 Ct'd</p> <p>LEGAL</p> <p>LEGAL</p>	<p><b><u>Directive to Staff to open a rulemaking docket to memorialize and establish written rules regarding electric utility tariff filings and site-specific rate filings.</u></b></p> <p><b>At the request of Chairman Skrmetta.</b></p> <p><b>No opposition.</b></p> <p><b>The following directives were made regarding railroad crossings:</b></p> <ol style="list-style-type: none"> <li>1. Directive to Staff to investigate the closing of a private railroad crossing by Norfolk Southern in Slidell, LA; particularly to determine whether the crossing was closed in violation of the Commission's General Order dated May 14, 20119 issued in Docket R-30712.</li> <li>2. Directive to Staff to reopen Docket R-30712 to establish fines and penalties for failure to comply with the provisions.</li> </ol> <p><b>No opposition</b></p>
<p>Ex. 19</p> <p>LEGAL</p>	<p><b>U-34324</b> - Louisiana Public Service Commission, ex parte. In re: Audit of Purchased Gas Adjustment Filings for Trans Louisiana Gas Company and the Louisiana Gas Service Company (Rate Divisions of Atmos Energy Corporation) from April 2014 to March 2016.</p> <p><b>In re: Discussion and possible vote on Joint Report and Draft Order.</b></p> <p><b>At the request of Chairman Skrmetta.</b></p> <p>On motion of Chairman Skrmetta, seconded by Commissioner Francis, and unanimously adopted, the Commission voted to adopt the Draft Order concluding the audit and finding that the costs recovered by Atmos Energy through the consolidated PGA were prudent and other findings as set forth therein.</p>
<p>Ex. 20</p> <p>LEGAL</p>	<p><b>U-32220</b> - Southwestern Electric Power Company, ex parte. In re: Application for extension of Formula Rate Plan.</p> <p><b>In re: Discussion and possible vote to extend Service Quality Improvement Plan ("SQIP")</b></p> <p><b>At the request of Commissioner Campbell.</b></p> <p>On motion of Commissioner Campbell, seconded by Commissioner Francis, and unanimously adopted, the Commission voted to adopt the Staff recommendation as follows: 1) The Commission should extend SWEPCO's Service Quality Improvement Plan ("SQIP") through December 31, 2019; The Commission should extend SWEPCO's SQIP through December 31, 2019; 2) The \$10 annual vegetation management budget for the legacy SWEPCO territory should remain in place until December 31, 2019; 3) The up to \$8 million vegetation management budget for the legacy Valley territory should remain in place until December 31, 2018; 4) The Commission will review the appropriateness of the annual budgets in SWEPCO's next base rate proceeding as required by Order No. U-32220-A; and 5) A review of the appropriate spending levels shall take place no later than 2019 regardless of whether SWEPCO is relieved of its obligation to file a base rate proceeding in 2018.</p>
<p>Ex. 21</p> <p>NA</p>	<p>Louisiana Public Service Commission, et al. v. Louisiana State Legislature, Docket No. 659,999 19th Judicial District Court.</p> <p><b>In re: Possible executive session to discuss litigation strategy pursuant to La. R.S. 42:16, et. seq.</b></p> <p><b>At the request of Chairman Skrmetta.</b></p> <p>Chairman Skrmetta made a motion to enter executive session; Commissioner Francis seconded, with Commissioner Greene concurring and Vice Chairman Boissiere and Commissioner Campbell opposing, the motion failed to receive the requisite four votes. The motion failed with a 3:2 vote. Therefore, the Commission did not hold executive session for Exhibit 21.</p>

<b>Ex. 22</b>	<p>Louisiana Public Service Commission v. Entergy Corp., et al, Docket No. EL09-61 at the Federal Energy Regulatory Commission.</p> <p><b>In re: Possible executive session to discuss litigation strategy pursuant to La. R.S. 42:16, et. seq.</b></p> <p><b>At the request of Commissioner Francis.</b></p> <p>Commissioner Campbell made a motion to enter executive session; Commissioner Greene seconded..</p> <p>Chairman Skrmetta made a substitute motion not to go into executive session; Commissioner Francis seconded, with Commissioner Greene concurring and Vice Chairman Boissiere and Commissioner Campbell opposing, the Commission voted not to hold executive session for Exhibit 22.</p> <p>Commission Special Counsel, Mike Fonham, briefed the Commission regarding the status of the proceedings including the ruling by FERC overturning the ALJ’s decision and advised the Commission of the need to file an intervention into the pending appeal to defend issues the Commission won and to pursue an appeal on behalf of the Commission on the issue that was lost.</p>
<b>SPECIAL COUNSEL</b>	
<b>LEGAL</b>	<p>Chairman Skrmetta directed utilities to provide reports at the February B&amp;E regarding savings for ratepayers as a result of the new federal tax laws taking effect in 2018.</p>

On motion of Chairman Skrmetta, seconded by Commissioner Francis, and unanimously adopted, the Commission voted to adjourn.

**MEETING ADJOURNED**

The next Business and Executive Session will be held on Wednesday, January 17, 2018 at 9:00am in Baton Rouge, Louisiana.