

LOUISIANA PUBLIC SERVICE COMMISSION
MINUTES FROM MARCH 15, 2017
OPEN SESSION

MINUTES OF MARCH 15, 2017 OPEN SESSION OF THE LOUISIANA PUBLIC SERVICE COMMISSION HELD IN MANY, LOUISIANA. PRESENT WERE COMMISSIONER FOSTER CAMPBELL, COMMISSIONER LAMBERT BOISSIERE, VICE CHAIRMAN ERIC SKRMETTA, CHAIRMAN SCOTT ANGELLE, COMMISSIONER MIKE FRANCIS AND EXECUTIVE SECRETARY EVE KAHAO GONZALEZ.

Open Session of March 15, 2017, convening at 10:41A.M., and adjourning at 1:52P.M., Cypress Bend Resort, 2000 Cypress Bend Parkway, Many, Louisiana 71449, with the above-named members of the Commission and Executive Secretary Eve Kahao Gonzalez.

<p>Ex. 1</p>	<p>Commissioner Francis welcomed the Commission and audience to Toledo Bend and thanked management and other staff of Cypress Bend Resort for their assistance.</p> <p>Commissioner Francis acknowledged the Sabine River Authority and introduced Jim Pratt, the Executive Director of the Sabine River Authority, who gave a brief overview of the Toledo Bend area.</p> <p>Commissioner Francis acknowledged Leslie Quail, Assistant to Congressman Mike Johnson.</p> <p>Commissioner Campbell thanked Commissioner Francis for coordinating the March B&E meeting and requested that the December 2017 meeting be held in Natchitoches.</p> <p>Chairman Angelle requested Staff to explore options for passing items on the agenda.</p> <p>Commissioner Campbell requested Staff to have a representative from DEQ or DHH when the Commission is addressing wastewater or water cases with DEQ or DHH requirements.</p>
<p>Ex. 2</p>	<p>T-34280 - Louisiana Public Service Commission vs. Carroll's Towing, Inc. (Lafayette, Louisiana). In re: Alleged violation of Louisiana Revised Statutes Title 45:1177 for failure to pay to the state a fee for the years 2013, 2014, and 2015 for the inspection, control, and supervision of its business service and rates authorized in Common Carrier Certificate Number 7080-A.</p> <p>In re: Discussion and possible vote on ALJ recommendation.</p> <p>On motion of Chairman Angelle, seconded by Commissioner Francis, and unanimously adopted, the Commission voted to accept the ALJ recommendation finding Carroll's Towing was in violation of La. R.S. 45:1177, shall pay delinquent I&S Fees for 2013, 2014 and 2015, and shall pay a \$25 citation fee and \$1,000 fine for said violation.</p>
<p>Ex. 3</p>	<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: Discussion and possible vote on Uncontested Stipulated Settlement.</p> <p>On motion of Chairman Angelle, seconded by Vice Chairman Skrmetta, and unanimously adopted, the Commission voted to adopt the Uncontested Stipulated Settlement with modifications. In addition to the requirements and conditions in the Stipulated Settlement as filed, Staff and Mo-Dad agreed on the record to the following:</p> <ol style="list-style-type: none"> 1. The rate being granted will be implemented over three years; Year one increase being \$52.10, year two increase being \$57.10, and year three being \$60.10 or upon completion of all capital improvements. 2. The Company shall accomplish the capital improvements and follow the schedule provided in the attached Schedule A, or as modified by LDEQ. The Company shall commence work on the capital improvements by the first quarter following the funding of the loan. 3. The Company shall submit audited financial reports of the previous calendar year by July 1, with the first report being due July 1, 2018, for the duration of the loan. 4. The Company establishes a separate account within the Company's chart of accounts,

	<p>separate from the Company's operations, to track and restrict the expenditures of the capital improvements loan.</p> <p>5. The Company establishes a separate account within the Company's chart of accounts to be separated from the Company's operations and restricted to use as a reserve fund in an amount not to exceed \$850,000.00.</p> <p>6. The Company shall notify the customers of the capital improvements to their system and the timeline for completion of work at least 30 days prior to the commencement of work on the capital improvements.</p> <p>Vice Chairman Skrmetta directed Staff to solicit proposals under the amount of \$50,000 for an engineer to inspect the capital improvements.</p> <p>Vice Chairman Skrmetta states he believes a dialogue needs to happen between Mo-Dad, parish government and the Governor's office to develop a mechanism to build a discharge pipe that will not have any environmental consequences.</p> <p>Chairman Angelle suggested that Mo-Dad reach out to the Coastal Protection and Restoration Authority regarding their interest in the discharge.</p>
<p>Ex. 4</p>	<p>U-33592 - Occidental Chemical Corporation versus Entergy Louisiana, LLC. In re: Entergy Louisiana, LLC's refusal to recognize Occidental Chemical Corporation's right, as a Qualified Facility under the Public Utility Regulatory Policies Act of 1978, to create a legally enforceable obligation.</p> <p>In re: Discussion and possible vote on ALJ recommendation.</p> <p>Vice Chairman Skrmetta called upon Luke Piontek, counsel on behalf of Occidental Chemical Corporation, to come forward and asked if Occidental Chemical Corporation would stipulate to the ALJ's recommendation. Upon a response by Occidental, through counsel, that it could not so stipulate, the item was passed.</p> <p>PASSED</p>
<p>Ex. 5</p>	<p>U-34020 - Allen's Consulting Services, Inc. versus Bellsouth Telecommunications, LLC d/b/a AT&T Louisiana. In re: Petition alleging AT&T overcharging the Rapides Parish Sheriff's Office telephone bill.</p> <p>In re: Discussion and possible vote on ALJ recommendation.</p> <p>After oral argument and discussion, on motion of Vice Chairman Skrmetta, seconded by Chairman Angelle, and unanimously adopted, the Commission voted to adopt the ALJ recommendation dismissing the Petition against BellSouth Telecommunications, LLC d/b/a AT&T Louisiana.</p>
<p>Ex. 6</p>	<p>U-34358 - St. Amant Gas Company, ex parte. In re: Application for Interim Emergency Storm Relief in Retail Rates and approval of a Storm Recovery Rider.</p> <p>In re: Discussion and possible vote on an Interim Rate Increase pursuant to Rule 57.</p> <p>(Ex. 15 on the February 17, 2017 B&E Agenda, at the request of Chairman Skrmetta.)</p> <p>PASSED</p>
<p>Ex. 7</p>	<p>S-34210 - Pointe Coupee Electric Membership Corporation, ex parte. In re: Application for Approval of a Letter of Non-Opposition for the CFC Bridge Loan for \$4 million dollars.</p> <p>In re: Discussion and possible vote on Staff recommendation.</p> <p>On motion of Vice Chairman Skrmetta, seconded by Commissioner Francis, with Commissioner Campbell and Chairman Angelle concurring, and Commissioner Boissiere temporarily absent, the Commission voted to accept Staff recommendation to issue the non-opposition to the CFC Bridge Loan, subject to conditions.</p>

<p>Ex. 8</p>	<p>S-34357 - Budget Prepay, Inc., D/B/A Budget Phone dba Budget Phone, Inc., ex parte. In re: Request of Budget PrePay, Inc. to Relinquish Its Wireline, Lifeline-only Eligible Telecommunications Designation.</p> <p>In re: Discussion and possible vote on Staff recommendation.</p> <p>On motion of Commissioner Francis, seconded by Vice Chairman Skrmetta, and unanimously adopted, the Commission voted to accept Staff recommendation permitting Budget PrePay, Inc. to relinquish its wireline, Lifeline-only ETC designation.</p>
<p>Ex. 9</p>	<p>S-34377 - French Settlement Water Company, Inc., ex parte. In re: Application for Letter of Non Opposition to Establishing a Regulatory Asset, Subsequent Ratification by the Commission of Regulatory Asset, and Approval of a Regulatory Asset Rate Rider Related to the Great Flood of 2016.</p> <p>In re: Discussion and possible vote on Staff recommendation.</p> <p>On motion of Commissioner Francis, seconded by Vice Chairman Skrmetta, and unanimously adopted, the Commission voted to accept Staff recommendation granting the requested relief subject to conditions, with the following modification: that such approval is subject to (1) the receipt of an affidavit indicating that the Company has identified every customer that was inadvertently disconnected and has refunded all reconnect fees that were charged, and (2) subsequent confirmation by Staff.</p>
<p>Ex. 10</p>	<p>S-34378 - Baton Rouge Water Company, ex parte. In re: Application for Letter of Non Opposition to Establishing a Regulatory Asset, Subsequent Ratification by the Commission of Regulatory Asset, and Approval of a Regulatory Asset Rate Rider Related to the Great Flood of 2016.</p> <p>In re: Discussion and possible vote on Staff recommendation.</p> <p>On motion of Commissioner Francis, seconded by Vice Chairman Skrmetta, and unanimously adopted, the Commission voted to accept Staff recommendation granting the requested relief subject to conditions, with the following modification: that such approval is subject to (1) the receipt of an affidavit indicating that the Company has identified every customer that was inadvertently disconnected and has refunded all reconnect fees that were charged, and (2) subsequent confirmation by Staff.</p>
<p>Ex. 11</p>	<p>S-34379 - Louisiana Water Company, ex parte. In re: Application for Letter of Non Opposition to Establishing a Regulatory Asset, Subsequent Ratification by the Commission of Regulatory Asset, and Approval of a Regulatory Asset Rate Rider Related to the Great Flood of 2016.</p> <p>In re: Discussion and possible vote on Staff recommendation.</p> <p>On motion of Commissioner Francis, seconded by Vice Chairman Skrmetta, and unanimously adopted, the Commission voted to accept Staff recommendation granting the requested relief subject to conditions, with the following modification: that such approval is subject to (1) the receipt of an affidavit indicating that the Company has identified every customer that was inadvertently disconnected and has refunded all reconnect fees that were charged, and (2) subsequent confirmation by Staff.</p>
<p>Ex. 12</p>	<p>S-34380 - Parish Water Company, ex parte. In re: Application for Letter of Non Opposition to Establishing a Regulatory Asset, Subsequent Ratification by the Commission of Regulatory Asset, and Approval of a Regulatory Asset Rate Rider Related to the Great Flood of 2016.</p> <p>In re: Discussion and possible vote on Staff recommendation.</p> <p>On motion of Commissioner Francis, seconded by Vice Chairman Skrmetta, and unanimously adopted, the Commission voted to accept Staff recommendation granting the requested relief subject to conditions, with the following modification: that such approval is subject to (1) the receipt of an affidavit indicating that the Company has identified every customer that was inadvertently disconnected and has refunded all reconnect fees that were charged, and (2) subsequent confirmation by Staff.</p>

<p>Ex. 13</p>	<p>S-34384 - Ascension Water Company, ex parte. In re: Application for Letter of Non Opposition to Establishing a Regulatory Asset, Subsequent Ratification by the Commission of the Regulatory Asset, and Approval of a Regulatory Asset Rate Rider Related to the Great Flood of 2016.</p> <p>In re: Discussion and possible vote on Staff recommendation.</p> <p>On motion of Commissioner Francis, seconded by Vice Chairman Skrmetta, and unanimously adopted, the Commission voted to accept Staff recommendation granting the requested relief subject to conditions, with the following modification: that such approval is subject to (1) the receipt of an affidavit indicating that the Company has identified every customer that was inadvertently disconnected and has refunded all reconnect fees that were charged, and (2) subsequent confirmation by Staff.</p>
<p>Ex. 14</p>	<p>Docket No. TBD; Entergy Louisiana, LLC - Request for recovery of August 2016 Flood Costs for Entergy Louisiana, LLC retail gas operations.</p> <p>In re: Expansion of scope of work and budget for United Professionals Company to assist Staff with this proceeding.</p> <p>On motion of Vice Chairman Skrmetta, seconded by Commissioner Francis, and unanimously adopted, the Commission voted to accept the expansion of scope of work and budget proposal of United Professionals and retain them to assist Staff with the instant proceeding a not-to-exceed budget of \$44,000 with estimated expenses of \$3,000 for a total increase of \$47,000.</p>
<p>Ex. 15</p>	<p>LPSC Special Order 6-2009.</p> <p>In re: Discussion and possible vote to amend or repeal Special Order 6-2009 dated January 14, 2009.</p> <p>At the request of Commissioner Francis.</p> <p>PASSED</p>
<p>Ex. 16</p>	<p>R-32786 - Louisiana Public Service Commission, ex parte. In re: Rulemaking to establish “Best Practices” protocols for disaster planning and response by all LPSC-jurisdictional utilities.</p> <p>In re: Discussion and possible vote on proposed rule.</p> <p>(Ex. 10 on the February 17, 2017 B&E Agenda)</p> <p>On motion of Vice Chairman Skrmetta, seconded by Chairman Angelle, and unanimously adopted, the Commission voted to adopt the final proposed rules issued March 3, 2017 with the following paragraph to be inserted after Section II(C):</p> <p style="padding-left: 40px;">D. A wireless service provider or local natural gas distribution company may comply with Subsection II.C by (1) annually reporting that its internal policies and practices include a continuity of operations plan that substantially achieves the requirements of that subsection, and (2) reporting the Emergency Contact information provided to the FCC or FERC, which shall remain confidential and may be filed under seal. Nothing in this section shall prohibit the Commission from undertaking any actions, or adopting any modifications it deems necessary to exercise its jurisdiction.</p> <p>Commissioner Angelle would like a review 12 months from now.</p>
<p>Ex. 17</p>	<p>1) Reports 2) Resolutions 3) Discussions 4) ERSC/OMS Business 5) Directives</p> <p><u>Directive from Chairman Angelle regarding rules related to combined heat and power ("CHP")</u></p> <p>(Ex. 12 on the February 17, 2017 B&E Agenda) - PASSED</p> <p><u>Directive from Vice Chairman Skrmetta directing Staff to research alternatives to address the Commission's budget issues.</u></p> <p>No objection.</p>

<p>Ex. 18</p>	<p><u>Directive from Vice Chairman Skrmetta regarding opening a Rulemaking Docket to consider exercising the Commissions authority over future generation retirement and deactivation decisions.</u></p> <p>At the request of Vice Chairman Skrmetta.</p> <p>Vice Chairman Skrmetta directed Staff to open a generic rulemaking docket that will be properly noticed and open to all interested stakeholders. That rulemaking docket shall examine: 1) Whether or not the Commission should determine to exercise its authority over future utility generation deactivation and retirement decisions; and 2) The rules and procedures that could apply to any such exercise of authority.</p> <p>Because of this new rulemaking docket, the issues relating to future retirement and deactivation decisions of ELL that currently have been raised in Docket No. U-33950 should be dismissed from that docket and be allowed to proceed on a generic basis applicable to all jurisdictional utilities in the rulemaking proceeding.</p> <p>No objection.</p>
<p>Ex. 19</p>	<p><u>Directive from Vice Chairman Skrmetta regarding the 1983 General Order 120-day requirement.</u></p> <p>At the request of Vice Chairman Skrmetta.</p> <p>Vice Chairman Skrmetta directed Staff to open a rulemaking docket to consider limited modification to the Commission’s General Order dated May 27, 2009 regarding certification prior to acquisition or construction of certain utility resources, commonly referred to as the 1983 General Order, most recently amended in Docket No. R-30517. This rulemaking is specifically to address the reasonableness and possible amendment of the provision of the General Order which states as follows:</p> <p style="padding-left: 40px;">The Commission shall schedule a public hearing promptly on each application and render its decision within 120 days of the filing date, subject to Paragraph 7 below.</p> <p>No objection.</p>
<p>Ex. 20</p>	<p>U-34303 - Entergy Louisiana, LLC, ex parte. In re: Application for Authorization to Amend a Contract for the Purchase of Capacity and Electric Power from Occidental Chemical Corporation's Taft Facility.</p> <p>In re: Discussion and possible vote on Uncontested Stipulated Settlement Term Sheet</p> <p>At the Request of Commissioner Francis</p> <p>On motion of Vice Chairman Skrmetta, seconded by Commissioner Francis, and unanimously adopted, the Commission voted to approve the Uncontested Stipulated Settlement Term Sheet certifying the Oxy PPA subject to the terms and conditions contained therein.</p>
<p>Ex. 21</p>	<p>LPSC, ex parte. Undocketed</p> <p>Follow up on Staff Report and Technical Conference regarding “Status of electric rates in Louisiana; where are we and where are we going”.</p> <p>At the request of Chairman Angelle.</p> <p>Chairman Angelle would like a series of Technical Conferences, with the first being held prior to the April B&E Meeting. Staff has received a bid solicitation from UPC for under \$50,000 to assist Staff with this matter.</p>

On motion of Vice 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, April 19, 2017 at 9:00am in Baton Rouge, Louisiana.