

LOUISIANA PUBLIC SERVICE COMMISSION
MINUTES FROM OCTOBER 28, 2015
OPEN SESSION

MINUTES OF OCTOBER 28, 2015 OPEN SESSION OF THE LOUISIANA PUBLIC SERVICE COMMISSION HELD IN NEW ORLEANS, LOUISIANA. PRESENT WERE CHAIRMAN CLYDE HOLLOWAY, COMMISSIONER FOSTER CAMPBELL, COMMISSIONER LAMBERT BOISSIERE, COMMISSIONER ERIC SKRMETTA AND EXECUTIVE SECRETARY EVE KAHAO GONZALEZ. VICE CHAIRMAN SCOTT ANGELLE WAS ABSENT.

Open Session of October 28, 2015, convening at 10:12A.M., and adjourning at 1:44P.M., 400 Royal Street New Orleans, Louisiana, with the above-named members of the Commission and Executive Secretary Eve Kahao Gonzalez. Vice Chairman Scott Angelle was absent.

Ex. 1	<p>Chairman Holloway congratulated Vice Chairman Scott Angelle on behalf of the Commission on his Gubernatorial Race.</p> <p>Public Utility Section of the Louisiana Bar Association will be hosting its annual CLE on December 17, 2015 from 7:30am until 3pm at the City Club in Baton Rouge, LA. For additional information contact Jamie Watts.</p> <p>The Commission will have a Technical Conference on Hedging December 7, 2015 in Baton Rouge, LA.</p> <p>Commissioner Skrmetta thanked his wife, Debbie Skrmetta, for sitting in on the meeting.</p> <p>Commissioner Skrmetta congratulated the Staff on creating a greater dialogue between the Commission's Executive Secretary, the Secretary of DHH and the Secretary of DEQ on issues related to water and sewer regulations.</p> <p>The December B & E Meeting will be held in Natchitoches, Louisiana on December 16, 2015 at 11:00am. Information regarding location TBA.</p>
Ex. 2	<p>U-32507 - Cleco Power LLC., ex parte. In re: Application of Cleco Power LLC for: (i) Authorization to Install Emissions Control Equipment at certain of its Generating Facilities in order to comply with the Federal National Emissions Standards for Hazardous Air Pollutants from Coal and Oil-Fired Electric Utility Steam Generating Units Rule; and (ii) Authorization to Recover the Costs Associated with the Emissions Control Equipment in LPSC Jurisdictional Rates.</p> <p>In re: Discussion and possible vote on ALJ Recommendation.</p> <p>(Ex. 5 on the September 23, 2015 B&E Agenda)</p> <p>PASSED</p>
Ex. 3	<p>U-32913 - Northeast Louisiana Power Cooperative, Inc., ex parte, Panola-Harrison Electric Cooperative, Inc., ex parte, Washington-St. Tammany Electric Cooperative, Inc., ex parte. In re: Notification pursuant to the LPSC's 2011 Net Metering Order (R-31417).</p> <p>In re: Discussion and possible vote on ALJ recommendation.</p> <p>(Ex. 6 on the September 23, 2015 B&E Agenda)</p> <p>PASSED</p>
Ex. 4	<p>U-33410 - South Coast Gas Company, Inc., ex parte. In re: Rate Stabilization adjustment filing for the year ended June 30, 2014.</p> <p>In re: Discussion and possible vote on Joint Report of Proceedings and Draft Order.</p> <p>On motion of Commissioner Skrmetta, seconded by Chairman Holloway, with Commissioner Campbell and Commissioner Boissiere concurring, and Vice Chairman Angelle absent, the Commission voted to accept the Joint Report finding that the total rate adjustment for the TY 2014 is a reduction of \$242,578, order SCG to implement the one-time refund in the amount of \$14,569 on customer's bills issued the first month after LPSC acceptance, and revising the RSP filing dates as proposed.</p>

<p>Ex. 5</p>	<p>U-33456 - Cleco Power LLC versus Washington-St.Tammany Electric Cooperative, Inc. In re: Rule 67 Complaint alleging 300 Foot Rule Violations (Dollar General, 78121 Highway 25 in St. Tammany Parish, Louisiana) by Washington-St. Tammany Electric Cooperative.</p> <p>In re: Discussion and possible vote on ALJ final recommendation. Request was made for oral argument.</p> <p>PASSED</p>
<p>Ex. 6</p>	<p>U-33510 - Entergy Gulf States Louisiana, LLC, ex parte. In re: Application for Approval to Purchase Power Blocks Three and Four of the Union Power Station and Request for Timely Treatment and Cost Recovery.</p> <p>In re: Discussion and possible vote on Uncontested Stipulated Settlement.</p> <p>On motion of Commissioner Skrmetta, seconded by Chairman Holloway, with Commissioner Campbell and Commissioner Boissiere concurring and Commissioner Angelle absent, the Commission approved the Stipulated Settlement filed in LPSC Docket No. U-33510 on September 22, 2015 and submitted at the hearing held October 15, 2015.</p>
<p>Ex. 7</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 to hire outside consultants.</p> <p>On motion of Chairman Holloway, seconded by Commissioner Campbell, with Commissioner Boissiere and Commissioner Skrmetta concurring, and Vice Chairman Angelle absent, the Commission voted to hire Mr. Kahal and Exeter Associates in this matter and authorize a new budget capped at \$30,000 in fees and \$3000 in expenses.</p>
<p>Ex. 8</p>	<p>S-33490 - Northeast Louisiana Power Cooperative Inc., ex parte. In re: Application for Approval of Advanced Metering System Program.</p> <p>In re: Discussion and possible vote on Staff Report and Recommendation.</p> <p>On motion of Chairman Holloway, seconded by Commissioner Campbell, with Commissioner Boissiere and Commissioner Skrmetta concurring, and Vice Chairman Angelle absent, the Commission voted to adopt the recommendations contained in Staff's October 7, 2015 report as read into the record.</p>
<p>Ex. 9</p>	<p>S-33549 - Claiborne Electric Cooperative, Inc., ex parte. In re: 2014 Formula Rate Plan Annual Report filing.</p> <p>In re: Discussion and possible vote on Staff recommendation regarding the 2014 FRP Annual Report filing and a request for FRP Modification.</p> <p>On motion of Commissioner Campbell, seconded by Chairman Holloway, with Commissioner Boissiere and Commissioner Skrmetta concurring, and Vice Chairman Angelle absent, the Commission voted to adopt Staff recommendation as read into the record.</p>
<p>Ex. 10</p>	<p>S-33600 - L&R Utilities, Inc., ex parte. In re: Request for a Letter of Non Opposition to the Proposed Issuance of Taxable Municipal Bonds to Fund Improvements Pursuant to Order U-33203.</p> <p>In re: Discussion and possible vote on Staff Recommendation.</p> <p>(Ex. 4 on the September 23, 2015 B&E Agenda)</p> <p>PASSED</p>
<p>Ex. 11</p>	<p>S-33646 - Cecilia Water Corporation, Inc., ex parte. In re: Supplemental and Amending Petition for Approval of Rate Increase and Capital Financing.</p> <p>In re: Discussion and possible vote on Staff recommendation.</p> <p>PASSED</p>

<p>Ex. 12</p>	<p>R-33253 - Louisiana Public Service Commission, ex parte. In re: The United States Environmental Protection Agency's Proposed Rule on Carbon Dioxide Emissions from Existing Fossil-Fuel Fired Electric Generating Units under Section 111(d) of the Clean Air Act.</p> <p>In re: Discussion and possible vote to hire outside counsel.</p> <p>(Ex. 8 on the September 23, 2015 B&E Agenda)</p> <p>On motion of Commissioner Skrmetta, seconded by Chairman Holloway, with Commissioner Boissiere concurring, Commissioner Campbell temporarily absent and Vice Chairman Angelle absent, the Commission voted to retain Liskow and Lewis to provide Staff assistance throughout the process contemplated by the RFP for a budget of \$98,700 in fees, \$505 in direct expenses, for a total not to exceed budget of \$99,205.</p>
<p>Ex. 13</p>	<p>LPSC ex parte. In Re: Directive to Establish a Service Quality Program (SQP) for Cleco Power, LLC</p> <p>In re: Discussion and possible vote to approve budgets for outside counsel and consultants.</p> <p>Commissioner Holloway stated the following: "In connection with the directive issued at the September, 2015 Business and Executive Session, regarding the potential adoption of a Service Quality Program for Cleco Power, I would like to report the following: On October 20, 2015 the Initiation of a Service Quality Program Docket was filed at the Commission. It was assigned Docket No. S-33825. That matter was published in the Commission's Official Bulletin on October 23, 2015 and a 15-day intervention period was established. A copy of the draft Service Quality Program can be found on the Commission's website in Docket No. S-33825. The intervention period expires on November 9, 2015. On November 10, 2015 our Staff will file a letter into the record of Docket No. S-33825 setting the following comment periods on the draft Service Quality Program:</p> <ul style="list-style-type: none"> • 20-day comment period commencing on November 10th with initial comments due by November 30, 2015; and • A 20-day reply comment period commencing on December 1, 2015, with reply comments due by December 21, 2015. <p>Our Staff will then evaluate those comments, incorporate them into the Draft Service Quality Program as appropriate, and circulate them to all parties to the Docket as well as to all of the Commissioners and their Staff. We intend to have the Service Quality Program available for consideration by the Commission at the January, 2016 Business and Executive Session." Commissioner Holloway also stated that the Commission will vote on the service quality program before they vote on the Cleco acquisition, Docket U-33434.</p> <p>On motion of Chairman Holloway, seconded by Commissioner Campbell, with Commissioner Boissiere and Commissioner Skrmetta concurring, and Vice Chairman Angelle absent, the Commission voted to retain Stone Pigman to perform the needed assistance for fees not to exceed \$46,500 and expenses not to exceed \$3,000 and United Professional for fees not to exceed \$34,000 and expenses not to exceed \$3,000.</p>
<p>Ex. 14</p>	<p>LPSC, ex parte, In re: Investigation of the retail load assignment between Entergy Gulf States Louisiana, LLC, Vinton Public Power Authority and Sam Rayburn Municipal Power Agency and certain interstate contracted electric power supply agreement.</p> <p>In re: Discussion and possible vote to hire outside consultant.</p> <p>On motion of Chairman Holloway, seconded by Commissioner Skrmetta, with Commissioner Campbell and Commissioner Boissiere concurring, and Vice Chairman Angelle absent, the Commission voted to retain United Professionals Company (Sisung Group) to assist the Commission for a not to exceed budget of \$45,000 in fees, \$5,000 in expenses, for a total not to exceed budget of \$50,000.</p>

<p>Ex. 15</p>	<p>Southwest Power Pool, Inc., Docket No. ER14-1174-000 et al., and ER14-1736-000 before the Federal Energy Regulatory Commission.</p> <p>In re: Possible executive session pursuant to La. R.S. 42:17 to discuss litigation and potential settlement strategy.</p> <p>At the request of Commissioner Skrmetta.</p> <p>On motion of Commissioner Skrmetta, seconded by Commissioner Boissiere, with Chairman Holloway and Commissioner Boissiere concurring, and Vice Chairman Angelle absent, the Commission voted to enter executive session.</p> <p>On motion of Chairman Holloway, seconded by Commissioner Skrmetta, with Commissioner Campbell and Commissioner Boissiere concurring, and Vice Chairman Angelle absent, the Commission voted to exit executive session.</p>
<p>Ex. 16</p>	<p>1) Reports</p> <p>Final Staff report in Docket X-33192 (Net Metering "Cost Benefit Analysis")</p> <p>David Dismukes of Acadian Consulting Group presented the Commission with a report entitled "Estimating the Impact of Net Metering on LPSC Jurisdictional Ratepayers".</p> <p>The following persons made comment:</p> <p>Casey DeMoss with the Alliance for Affordable Energy Adrian Bruneau with American Consumers for Rate Equality Karla Loeb with PosiGen Solar Solutions</p> <p>2) Resolutions 3) Discussions</p> <p>4) ERSC/OMS Business</p> <p>Discussion and possible vote to ratify the votes taken by Commissioner Skrmetta acting as the Commission's representative on the Board of Directors of the Organization of MISO States.</p> <p>On motion of Commissioner Boissiere, seconded by Chairman Holloway, with Commissioner Campbell concurring, Commissioner Skrmetta abstaining, and Vice Chairman Angelle absent, the Commission voted to ratify Commissioner Skrmetta's vote taken on October 9, 2015, as the Louisiana Public Service Commission's representative to the OMS Board of Directors.</p> <p>5) Directives</p> <p><u>Directive regarding load growth projections at the request of Commissioner Holloway.</u></p> <p>"One electrical utility alone (in our state) has indicated in its filings to the Commission that it projects 1,600 MW of overall load growth through 2020, primarily from industrial load growth. I certainly hope all of this projected new load comes to Louisiana. However, these projections, and the timing of load growth projections, can change as changes occur in the economy.</p> <p>The Commission should obtain updates on these load growth assumptions on a quarterly basis. It is important that we have enough resources in place to reliably serve load growth, and at the same time it is important to closely monitor the forecasts so that ratepayers do not end up paying for excess resources without the load growth and added revenues."</p> <p><u>Commissioner Holloway directs all investor owned electrical utilities file quarterly updates with the Commission on the amount, timing and range of in-service dates for load growth projections, with supporting data broken out by customer class (industrial, commercial and residential). The data should be filed in our MISO Dockets U-32675 and U-32839, for Entergy and Cleco, respectively, and an X docket for SWEPCO. This effort is to be part of our review of transmission planning. The co-ops are exempt at this time, but if a co-op begins generating electricity, the co-ops will be subject to this requirement as well.</u></p>

<p>Ex. 17</p>	<p>U-33325 - Louisiana Public Service Commission, ex parte. In re: Audit of Louisiana Retail Fuel Adjustment Clause of Cleco Power, LLC for 2009-2013.</p> <p>In re: Discussion and possible vote on Staff recommendation pursuant to Rule 57.</p> <p>At the request of Commissioner Holloway.</p> <p>On motion of Commissioner Skrmetta, seconded by Chairman Holloway, with Commissioner Campbell and Commissioner Boissiere concurring, and Vice Chairman Angelle absent, the Commission voted to assert its original and primary jurisdiction and take this matter up pursuant to Rule 57.</p> <p>On motion of Commissioner Skrmetta, seconded by Chairman Holloway, with Commissioner Campbell and Commissioner Boissiere concurring, and Vice Chairman Angelle absent, the Commission voted to accept Staff’s recommendation.</p>
<p>Ex. 18</p>	<p>X-33755 - Louisiana Public Service Commission, ex parte. In re: Notice of Settlement Agreement in FERC Docket No. ER 14-75.</p> <p>In re: Discussion and possible vote to approve settlement agreement.</p> <p>At the request of Commissioner Holloway.</p> <p>The Commission heard comments from the Staff, Louisiana Energy Users Group, Entergy and Special Counsel concerning issues related to transmission and replacement capacity for the Purchase Power Agreements between EGSL and Entergy Texas, Inc. that would terminate under the settlement upon termination of the System Agreement and rate recovery for that capacity.</p> <p>Karen Freese, on behalf of Entergy, read the following language into the record: “Entergy agrees that nothing in the proposed settlement or creation of a separate Transmission Pricing Zone (“TPZ”) for Entergy New Orleans shall preclude or be used as a basis for opposition to, efforts for MISO to change its cost allocation for economic transmission projects to better allocate costs to all utilities that benefit from such projects (including ENO), including but not limited to: (1) lowering the 345 kV voltage threshold for Market Efficiency Projects, or (2) creating a new class of lower voltage economic transmission projects with costs allocated in proportion to benefits.”</p> <p>Chairman Holloway made the following motion: “I move to approve, without modification, the Proposed Settlement filed August 17, 2015 in Docket No. X-33755 by Entergy Louisiana, LLC and Entergy Gulf States Louisiana, L.L.C., both predecessors in interest to the new Entergy Louisiana, LLC (‘New ELL’).</p> <p>In approving this motion, the Commission hereby takes notice of, and incorporates into this Order approving the settlement, the attached letter of October 26, 2015 from Entergy Louisiana, LLC (‘New ELL’) to Executive Secretary Eve Gonzalez, to the extent that letter contains: 1) the commitment under the heading ‘Spindletop Gas Storage Facility,’ ensuring that New ELL will remove from retail rates any revenue requirement for the Spindletop Gas Storage Facility upon termination of the Sabine Purchase Power Agreement, and 2) the commitment under the heading ‘Future Obligations between ELL and ETI,’ ensuring that New ELL will have no further obligations to Entergy Texas, Inc. arising from the Jurisdictional Separation Plan PPAs upon termination of the System Agreement. The Commission takes notice of the third commitment, under the heading ‘Purchases to Replace JSP PPA Capacity,’ but makes no finding with respect to the prudence of any particular resource plan for replacing the JSP PPA capacity or the appropriate cost recovery method for the replacement capacity, and reserves its right to review those and any related issues.”</p> <p>On motion of Chairman Holloway, seconded by Commissioner Boissiere with Commissioner Campbell and Commissioner Skrmetta concurring and Vice Chairman Angelle absent, the Commission voted to approve Chairman Holloway’s motion including the language read into the record by Ms. Freese.</p>

<p>Ex. 19</p>	<p><u>Directive to Staff to obtain NARUC's position on jurisdiction and preemption issues regarding recent FCC ruling on inmate phone rates at the request of Commissioner Skrmetta.</u></p> <p>At the request of Commissioner Skrmetta.</p> <p>On motion of Commissioner Skrmetta, seconded by Chairman Holloway, with Commissioner Campbell and Commissioner Boissiere opposing, and Vice Chairman Angelle absent, the directive failed due to 2:2 vote.</p>
<p>Ex. 20</p>	<p><u>Directive from Commissioner Boissiere for Staff to open a Rulemaking to consider possible modifications to the Commission's existing Towing and Recovery Rules and Regulations.</u></p> <p>At the request of Commissioner Boissiere.</p> <p>Commissioner Boissiere directs Staff to open a Rulemaking Docket to look into possible changes that to the existing <i>Schedule of Prescribed Rates and Requirements for Towing and Recovery</i>, that would give the Commission more authority to sanctions, and/or penalize companies for acts of non-compliance and failing to adhere to said revised rules and regulations. These changes should be adopted in a manner that they would not conflict with other regulatory agencies that have jurisdiction over towing and recovery companies.</p> <p>Specifically, I'd like Staff to look into requiring towing companies to file with the Commission a copy of the company's Standard Operation Procedures (SOP) or Rules and Regulations that should be followed during the conduct of the business operations, that would include a step-by-step process and checklist that drivers should perform upon arriving at the scene of a tow, that would insure the personal safety and well being, i.e.:</p> <ul style="list-style-type: none"> · Conduct a physical inspection of the scene where the tow is located. · Conduct a physical inspection, both inside and outside, of the vehicle about to be towed. · Make inquiries to identify the driver of the vehicle if possible. · Exercise due diligence to insure the safety and well being of all concerned during the conduct of the tow. <p>No opposition.</p>
<p>Ex. 21</p>	<p>Sierra Club v. EPA, Case No. 1:15-cv-01555, United States District Court, District of Columbia.</p> <p>In re: Possible executive session pursuant to La. R.S. 42:17 to discuss litigation strategy.</p> <p>At the request of Commissioner Skrmetta.</p> <p>On motion of Commissioner Skrmetta, seconded by Commissioner Boissiere, with Chairman Holloway and Commissioner Boissiere concurring, and Vice Chairman Angelle absent, the Commission voted to enter executive session.</p> <p>On motion of Chairman Holloway, seconded by Commissioner Skrmetta, with Commissioner Campbell and Commissioner Boissiere concurring, and Vice Chairman Angelle absent, the Commission voted to exit executive session.</p>

On motion of Chairman Holloway, seconded by Commissioner Skrmetta, with Commissioner Campbell and Commissioner Boissiere concurring, and Vice Chairman Angelle absent, the Commission voted to adjourn.

MEETING ADJOURNED

The next Business and Executive Session will be held on Wednesday, November 18, 2015 at 9:00 a.m. in Baton Rouge, Louisiana.