

LOUISIANA PUBLIC SERVICE COMMISSION
MINUTES FROM FEBRUARY 23, 2022
OPEN SESSION

MINUTES OF FEBRUARY 23, 2022 OPEN SESSION OF THE LOUISIANA PUBLIC SERVICE COMMISSION HELD IN METAIRIE, LOUISIANA. PRESENT WERE CHAIRMAN LAMBERT BOISSIERE, VICE CHAIRMAN MIKE FRANCIS, COMMISSIONER FOSTER CAMPBELL, COMMISSIONER ERIC SKRMETTA, COMMISSIONER CRAIG GREENE, AND EXECUTIVE SECRETARY BRANDON FREY.

Open Session of February 23, 2022, convening at 10:08 a.m., and adjourning at 1:04 p.m., the Copeland Tower, 2601 Severn Avenue, Metairie, Louisiana, with the above-named members of the Commission and Executive Secretary Brandon Frey present.

Ex. 1	<p>Chairman Boissiere called on Commissioner Greene to lead us in prayer, and Captain Andrew Walsdorf of the Jefferson Parish Sheriff's Office to lead us in the Pledge of Allegiance.</p> <p>Commissioner Greene introduced Jacqueline Sanchez, a new employee in his District Office.</p> <p>Commissioner Campbell requested that everyone keep Jim Ellis in their thoughts and prayers, as he is recovering from a serious injury.</p> <p>Executive Secretary Brandon Frey asked for thoughts and prayers for the family of Danny Wilson, former lobbyist for BellSouth and AT&T, who recently passed away.</p> <p>Executive Secretary Brandon Frey announced the B&E Session originally scheduled on March 23, 2022 has been rescheduled to March 30, 2022. The B&E Session originally scheduled on April 29, 2022 has been rescheduled to April 27, 2022 in Many, Louisiana.</p>
Ex. 2	<p>T-36206 – Louisiana Public Service Commission vs. Samuel Jason Odom Sr., d/b/a Odom Vacuum Services/OV Services, In re: Alleged violation of La. R.S. 45:161 through 180.1, by operating Intrastate without LPSC authority to transport saltwater utilized in oil well exploration and production on four (4) counts; allegedly occurring on or about February 01, 2020 through February 10, 2020.</p> <p>In re: Discussion and possible vote pursuant to Rule 57 on Affidavit and Stipulation executed by the Carrier.</p> <p>On motion of Commissioner Skrmetta, seconded by Vice Chairman Francis, with Chairman Boissiere and Commissioner Campbell concurring, and Commissioner Greene temporarily absent, the Commission voted to assert its original and primary jurisdiction and take the matter up pursuant to Rule 57.</p> <p>On motion of Commissioner Skrmetta, seconded by Commissioner Campbell, with Chairman Boissiere and Vice Chairman Francis concurring, and Commissioner Greene temporarily absent, the Commission voted to accept the Affidavit and Stipulation executed on January 13, 2022.</p>

<p>Ex. 3</p>	<p>T-36211 – Louisiana Public Service Commission vs. Stafford Transport of Louisiana, Inc. dba CEI, In re: Alleged violation of 1) Louisiana Revised Statutes Title 45:1177 and General Order dated November 22, 2011 for failure to properly pay to the state fees for the years 2018, 2019, and 2020 for the inspection, control, and supervision of its business service and rates authorized in Common Carrier Certificate Number 5653-M and 2) contempt of Commission Order No. T-35152.</p> <p>In re: Discussion and possible vote pursuant to Rule 57 on Affidavit and Stipulation executed by the Carrier.</p> <p>On motion of Commissioner Greene, 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 Commissioner Greene, seconded by Vice Chairman Francis, and unanimously adopted, the Commission voted to accept the Affidavit and Stipulation executed on January 31, 2022.</p>
<p>Ex. 4</p>	<p>R-36131 – Louisiana Public Service Commission, ex parte. In re: Determination of Commission Jurisdiction Over the Various Methods of Providing Electricity to Electric Vehicles, and the Infrastructure Associated Therewith.</p> <p>In re: Discussion and possible vote to retain outside counsel.</p> <p>Commissioner Greene made a motion to retain Stone Pigman for \$69,000 in fees and \$2,500 in expenses, for a total budget not to exceed of \$71,500. The motion failed due to lack of a second.</p> <p>Commissioner Skrmetta made a motion to retain David Williams for \$47,200 in fees and \$1,400 in expenses, for a total budget not to exceed \$48,600, which was seconded by Vice Chairman Francis and unanimously adopted.</p>
<p>Ex. 5</p>	<p>R-36226 – Louisiana Public Service Commission, ex parte. In re: Evaluation of Louisiana’s electric grid regarding status, maintenance, and whether there is more than could have been done and can be done to benefit Louisiana customers.</p> <p>In re: Discussion and possible vote to retain outside counsel.</p> <p>DEFERRED</p> <p>Present for Questions/Comments: Glenn Tamporello, CEO for SLEMCO Mark Kleehammer, Vice President, Regulatory and Public Affairs for Entergy</p>
<p>Ex. 6</p>	<p>R-36226 – Louisiana Public Service Commission, ex parte. In re: Evaluation of Louisiana’s electric grid regarding status, maintenance, and whether there is more than could have been done and can be done to benefit Louisiana customers.</p> <p>In re: Discussion and possible vote to retain an engineering consultant.</p> <p>DEFERRED</p>

<p>Ex. 7</p>	<p>R-36227 – Louisiana Public Service Commission, ex parte. In re: Assessment of Louisiana’s current electric utility infrastructure for resilience and hardening for future storm events.</p> <p>In re: Discussion and possible vote to retain outside counsel.</p> <p>DEFERRED</p>
<p>Ex. 8</p>	<p>R-36227 – Louisiana Public Service Commission, ex parte. In re: Assessment of Louisiana’s current electric utility infrastructure for resilience and hardening for future storm events.</p> <p>In re: Discussion and possible vote to retain an engineering consultant.</p> <p>DEFERRED</p>
<p>Ex. 9</p>	<p>U-35991 – Entergy Louisiana, LLC, ex parte. In re: Application for Recovery in Rates of Costs Related to Hurricanes Laura, Delta, Zeta and Winter Storm Uri and for Related Relief.</p> <p>In re: Discussion and possible vote on Uncontested Stipulated Settlement.</p> <p>Vice Chairman Francis made the following motion: I move that we approve the uncontested settlement submitted by the parties in this case. The proposed securitization will allow for low cost financing at a AAA bond rate and save customers approximately \$2.5 billion relative to traditional utility financings. There is significant uncertainty and volatility in current bond markets and it’s important that the Commission act now to protect ratepayers from future potential bond rate increases. I also understand that the projected bond structure may require a higher payment in the first months and, if the settlement is approved, I direct that the Company, Staff and Intervenors work together to agree on a plan to mitigate, if necessary, approximately \$6 million a month for June and July 2022 from customer bills, with those amounts to be deferred and recovered from customers in a future period, without a return on equity. This mitigation period would reduce customer bills for the months where settlement charges approved today would likely be in place before prior financial storm charges for Hurricanes Gustave and Ike are removed from bills. I ask that any agreed upon plan be presented to the Commission at its March meeting. So, I move approval of the Stipulated Settlement and, separately, move approval of a directive to Staff and Entergy.</p> <p>After discussion, on motion of Vice Chairman Francis, seconded by Commissioner Greene, with Chairman Boissiere and Commissioner Skrmetta concurring, and Commissioner Campbell opposing, the Commission voted to approve the Stipulated Settlement and the issuance of a Quantification Order, the Financing Order, and the Ancillary Order.</p> <p>Present for Questions/Comments: William Barta, Henderson Ridge (Staff Consultant) Mark Gooding, Estrada Hinojosa Paul Zimmering, Stone Pigman (Staff Counsel) Mark Kleehammer, Vice President, Regulatory and Public Affairs for Entergy Phillip May, President and CEO for Entergy Louisiana</p> <p>Commissioner Campbell directed Staff to: Investigate alternative methods to allocate damage-recovery costs to geographical classes of customers. I further direct Staff to determine whether such alternative forms of damage recovery are being employed in other jurisdictions, and whether costs can be passed on/shared by the shareholders of the utility. This investigation should examine historical data on the path of storms affecting Louisiana beginning with Katrina and Rita in 2005 and concluding with Hurricane Ida in 2021. It should distinguish various categories of electric-utility storm damage including distribution, transmission and generation systems.</p>

<p>Ex. 10</p>	<p>U-36133 – Dixie Electric Membership Corporation, NextEra Energy Marketing, LLC and Amite Solar, LLC, ex parte. In re: Joint Application for Approval of Power Supply Agreements.</p> <p>In re: Discussion and possible vote to retain outside counsel.</p> <p>Commissioner Greene made a motion to retain Patrick Miller for a budget of \$78,995 in fees and \$4,950 in expenses, for a total budget not to exceed \$83,945, which was seconded by Commissioner Skrmetta.</p> <p>Vice Chairman Francis made a substitute motion to retain Stone Pigman for a budget of \$117,000 in fees and \$5,000 in expenses for a total budget not to exceed \$122,000, which was seconded by Commissioner Campbell, with Chairman Boissiere concurring, and Commissioner Skrmetta and Commissioner Greene opposing.</p>
<p>Ex. 11</p>	<p>U-36135 – Jefferson Davis Electric Cooperative, Inc. and NextEra Energy Marketing, LLC, ex parte. In re: Joint Application for Approval of Power Supply Agreement.</p> <p>In re: Discussion and possible vote to retain outside counsel.</p> <p>On motion of Commissioner Skrmetta, seconded by Vice Chairman Francis, and unanimously adopted, the Commission voted to retain Patrick Miller for a budget of \$68,995 in fees and \$4,750 in expenses, for a total budget not to exceed \$73,745.</p>
<p>Ex. 12</p>	<p>U-36173 – South Coast Gas Company, Inc., ex parte. In re: Rate Stabilization Adjustment Filing for the Test Year Ending June 30, 2021.</p> <p>In re: Discussion and Possible Vote on Joint Report and Draft Order.</p> <p>On motion of Commissioner Greene, seconded by Chairman Boissiere, and unanimously adopted, the Commission voted to accept the Joint Report and Draft Order filed into the record on February 8, 2022.</p>
<p>Ex. 13</p>	<p>U-36180 – Pierre Part Natural Gas Company, Inc., ex parte. In re: Rate Stabilization Plan Filing for Test Year Ended June 30, 2021.</p> <p>In re: Discussion and Possible Vote on Joint Report and Draft Order.</p> <p>On motion of Commissioner Greene, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to accept the Joint Report and Draft Order filed into the record on February 8, 2022.</p>
<p>Ex. 14</p>	<p>U-36222 – Entergy Louisiana, LLC, ex parte. In re: Prudence Review of the Management of the Construction of Lake Charles Power Station.</p> <p>In re: Discussion and possible vote to retain Henderson Ridge Consulting.</p> <p>On motion of Commissioner Greene, seconded by Chairman Boissiere, and unanimously adopted, the Commission voted to retain Henderson Ridge Consulting for a budget of \$144,800 in fees and \$3,600 in expenses, for a total budget not to exceed \$148,400.</p>

<p>Ex. 15</p>	<p>U-36254 – Dixie Electric Membership Corporation, ex parte. In re: Application for Interim and Final Emergency Rate Relief Pursuant to the Extraordinary Cost Provision of its Formula Rate Plan and Request for Order of the Commission Directing DEMCO Recognize Paycheck Protection Plan Loan Forgiveness in 2022.</p> <p>In re: Discussion and possible vote pursuant to Rule 57 on interim emergency rate relief. At the request of Commissioner Greene.</p> <p>On motion of Commissioner Greene, 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>Commissioner Greene made the following motion: Considering DEMCO’s Application filed January 18, 2022 requesting interim and final emergency rate relief to address the extraordinary costs it has incurred as a result of recent storms and cost increases associated with the COVID-19 pandemic and the fact that notice of the Application was published in the Commission’s Bulletin for a 15-day intervention period and in the requisite official journals and no party has intervened. I move that the Commission grant DEMCO’s request for an interim rate increase in the amount 6.24 mills per kWh, subject to the following conditions:</p> <ol style="list-style-type: none"> 1. DEMCO shall file into the record of this proceeding a revised tariff reflecting the interim rates in compliance with the Commission’s Electric Tariff Filing Rules within (5) business days; 2. DEMCO shall submit to the Executive Secretary and file into the record of this proceeding a protective bond or security in the amount of \$11,500,000 to ensure refund of the interim rates, if necessary; and 3. The interim rates shall be effective upon the first billing cycle after the Commission’s receipt and acceptance of items (1) and (2) and shall remain in effect pending the issuance of a final Commission Order on the merits of DEMCO’s Application filed January 18, 2022 or December 31, 2022, whichever is sooner. <p>After discussion, on motion of Commissioner Greene, seconded by Chairman Boissiere, with Vice Chairman Francis and Commissioner Campbell concurring, and Commissioner Skrmetta abstaining, the Commission voted to approve DEMCO’s interim emergency rate relief, subject to conditions.</p>
<p>Ex. 16</p>	<p>X-35741 – Concordia Electric Cooperative, Inc., Pointe Coupee Electric Membership Corporation and Southwest Louisiana Electric Membership Corporation. In re: Request for Proposals for Power Purchases Contracts and/or Generating Capacity Pursuant to the Commission’s Market Based Mechanism Order.</p> <p>In re: Discussion and possible vote to retain outside counsel.</p> <p>Commissioner Skrmetta made a motion to retain Patrick Miller for \$205,995 in fees and \$7,495 in expenses, for a total budget not to exceed \$213,490. The motion failed due to lack of a second.</p> <p>Commissioner Campbell made a motion to retain Stone Pigman for \$269,000 in fees and \$5,000 in expenses, for a total budget not to exceed \$274,000, which was seconded by Vice Chairman Francis, with Chairman Boissiere and Commissioner Skrmetta concurring, and Commissioner Greene absent.</p>

<p>Ex. 17</p>	<p>X-36125 – Louisiana Public Service Commission, ex parte. In re: Audit of Fuel Adjustment Clause Filings for Southwestern Electric Power Company for the Period of January 2019 through December 2020.</p> <p>In re: Discussion and possible vote to retain an outside consultant.</p> <p>On motion of Commissioner Skrmetta, seconded by Commissioner Campbell, with Chairman Boissiere and Vice Chairman Francis concurring, and Commissioner Greene absent, the Commission voted to retain United Professionals for a budget of \$55,000 in fees and \$2, 000 in expenses, for a total budget not to exceed \$57,000.</p>
<p>Ex. 18</p>	<p>Undocketed – Motion to Require Entergy Louisiana, LLC and Cleco Power LLC to provide written notice of withdrawal from membership to MISO under the requirements of the MISO Transmission Owner Agreement.</p> <p>In re: Discussion and possible vote on Motion.</p> <p>(Exhibit 15 on January 25, 2022 B&E).</p> <p>PULLED</p>
<p>Ex. 19</p>	<p>1) Reports 2) Resolutions 3) Discussions</p> <p>-Update from Charter Communications regarding outstanding bills owed to subcontractors assisting in storm restoration from Hurricane Ida. DEFERRED</p> <p>4) ERSC/OMS/SSP</p> <p>-Discussion and possible vote to ratify LPSC interventions in RTO or ERSC related FERC proceedings.</p> <p>On motion of Commissioner Skrmetta, seconded by Chairman Boissiere, with Vice Chairman Francis and Commissioner Campbell concurring, and Commissioner Greene absent, the Commission voted to ratify the Louisiana Public Service Commission’s interventions filed in FERC proceedings ER22-914 (docless intervention), RM22-5, and ER22-995.</p> <p>-Discussion and possible vote to ratify votes taken by Vice Chairman Francis acting as the Commission’s representative on the Regional State Committee of the Southwest Power Pool.</p> <p>On motion of Commissioner Skrmetta, seconded by Chairman Boissiere, with Commissioner Campbell concurring, Vice Chairman Francis abstaining, and Commissioner Greene absent, the Commission voted to ratify Commissioner Francis’ RR 483 – HITT C2 –Byway Cost Allocation vote taken on January 24, 2022 as the Louisiana Public Service Commission’s representative to the Regional State Committee of the Southwest Power Pool.</p> <p>On motion of Chairman Boissiere, seconded by Commissioner Skrmetta, with Commissioner Campbell concurring, Vice Chairman Francis abstaining and Commissioner Greene absent, the Commission voted to ratify Commissioner Francis’ RR476– Storage As A Transmission Asset vote taken on January 24, 2022 as the Louisiana Public Service Commission’s representative to the Regional State Committee of the Southwest Power Pool.</p> <p>5) Directives</p>

Ex. 20	<p>U-35806 – Cleco Power LLC, ex parte. In re: Request for Recovery of Lost Revenues Related to LPSC Special Order Nos. 22-2020, 28-2020, and 43-2020, and Request for Accounting Order.</p> <p>In re: Discussion and possible vote on Uncontested Proposed Partial Stipulated Settlement, pursuant to Rule 57.</p> <p>At the request of Vice Chairman Francis.</p> <p>On motion of Vice Chairman Francis, seconded by Commissioner Skrmetta, with Chairman Boissiere and Commissioner Campbell concurring, and Commissioner Greene absent, the Commission voted to assert its original and primary jurisdiction and take the matter up pursuant to Rule 57.</p> <p>On motion of Vice Chairman Francis, seconded by Commissioner Skrmetta, with Chairman Boissiere and Commissioner Campbell concurring, and Commissioner Greene absent, the Commission voted to accept the Uncontested Proposed Partial Stipulated Settlement filed into the record on February 15, 2022.</p>
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On motion of Chairman Boissiere, seconded by Commissioner Skrmetta, with Vice Chairman Francis and Commissioner Campbell concurring, and Commissioner Greene absent, the Commission voted to adjourn.

MEETING ADJOURNED

The next Business and Executive Session will be held on Wednesday, March 30, 2022, at 9:00 a.m. at the Galvez Building in Baton Rouge, Louisiana.