

**TRANSCRIPT OF THE LOUISIANA PUBLIC SERVICE COMMISSION BUSINESS
AND EXECUTIVE OPEN SESSION HELD ON AUGUST 20, 2025 IN PLAQUEMINE,
LOUISIANA. PRESENT WERE: CHAIRMAN MIKE FRANCIS, VICE CHAIRMAN
ERIC SKRMETTA, COMMISSIONER DAVANTE LEWIS, COMMISSIONER JEAN-
PAUL COUSSAN, AND COMMISSIONER FOSTER CAMPBELL.**

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2 **BUSINESS AND EXECUTIVE OPEN SESSION HELD ON AUGUST 20,**
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5 **COMMISSIONER DAVANTE LEWIS, COMMISSIONER JEAN-PAUL**
6 **COUSSAN, AND COMMISSIONER FOSTER CAMPBELL.**

7 **CHAIRMAN MIKE FRANCIS:** Call our meeting to order. Can y'all hear me
8 okay? Yeah. It sounds like it's working real well. Okay. Just for housekeeping,
9 little mic, you just push on or off. Well, welcome everybody to Plaquemine,
10 Louisiana to the August meeting of the Public Service Commission Business and
11 Executive Committee Meeting. We're in the presence of Commissioner Davante
12 Lewis and District 3. And let's all rise and we'll start off with our prayer today.
13 And I would call on Davante Lewis to introduce our person who's going to give
14 the prayer.

15 **COMMISSIONER DAVANTE LEWIS:** Thank you, Mr. Chairman. It's a honor
16 to have our meeting here in District 3. And so as part of it, I've asked St. Gabriel's
17 mayor, Mayor Lionel Johnson, Jr. to provide the invocation for today's meeting.
18 So, Mayor Johnson, please come before and take it away.

19 **[MAYOR LIONEL JOHNSON, JR. LEADS IN PRAYER]**

20 **COMMISSIONER JEAN-PAUL COUSSAN:** Thank you.

21 **CHAIRMAN FRANCIS:** Let me call on Secretary Brandon Frey to lead us in the
22 pledge; would you? Is the flag here? Okay. All right.

23 **[SECRETARY BRANDON FREY LEADS IN THE PLEDGE]**

1 **CHAIRMAN FRANCIS:** All right. Y'all be seated. We'll start off with
2 announcements from Commissioner Lewis.

3 **COMMISSIONER LEWIS:** Thank you, Mr. Chairman. It's an honor to be here
4 in Iberville Parish, which is shared by Commissioner Coussan and I, but this is the
5 portion that is in -- I say the best side, District 3. So at this time, I would -- we have
6 some special guests here. I would invite our Parish President Chris Daigle to the
7 table as well as the mayor of this wonderful city to welcome us and provide some
8 comments about Iberville Parish and this wonderful city.

9 **MR. JB BARKER:** Good morning. My name is JB Barker, I'm the mayor of
10 Plaquemine. It is my pleasure and a great honor to welcome the Public Service
11 Commission to our wonderful community of Plaquemine. Local leadership
12 throughout the state, as you all know, plays a vital role in shaping our state's future.
13 And we, as local leaders, appreciate the Public Service Commission's dedication to
14 the public interest. Again, thank you for choosing Plaquemine, and a warm
15 welcome is extended to the Commissioners, the Staff, and all attendees on behalf
16 of myself, our city council, and all the citizens of Plaquemine. Thank you, and have
17 a great meeting.

18 **CHAIRMAN FRANCIS:** Thank you.

19 **VICE CHAIRMAN ERIC SKRMETTA:** Thank you, sir.

20 **CHAIRMAN FRANCIS:** Thank you, mayor.

21 **MR. BARKER:** Well, thank you.

22 **CHAIRMAN FRANCIS:** Okay.

23 **COMMISSIONER COUSSAN:** The parish president.

1 **CHAIRMAN FRANCIS:** Okay.

2 **MR. CHRIS DAIGLE:** Yeah. So thank you. Chris Daigle, Iberville Parish
3 President. So I want to thank, you know, Commissioner Lewis that had reached
4 out to us to host this facility -- this event right here in Plaquemine. So we want to
5 thank y'all. I just agree with the mayor, we're here to be some gracious hosts. If
6 there's anything that we can do for you, please let us know. And we're looking to
7 be great partners. So thank you.

8 **CHAIRMAN FRANCIS:** Well, congratulations to both of you, newly elected
9 public servants. And just for your information, just a few miles down the road,
10 we're fixing to put on a 750-megawatt generator for Magnolia, and we're looking
11 forward to all your support in the parish and the city. Thank y'all for coming. We're
12 glad to be here.

13 **MR. DAIGLE:** Yes, sir. Thank you.

14 **CHAIRMAN FRANCIS:** I wonder if -- can we turn the mic down just a little bit
15 on this speaker? It's so loud. Where's our Staff guy here? Can you turn that
16 volume down just a little bit? One, two, three, four, five. Okay. I think that's
17 better. Can y'all hear in the back okay? Back there -- Shelton, y'all -- uh-oh. Some
18 of you can't hear it? No? Uh-oh. Okay. Turn it back up a little bit. I see former
19 Commissioner Jay Blossman. Is that Blossman back there? Can you hear okay?
20 All right. Good. All right. Let's see. I guess we need to go off with some
21 announcements. Do we have some announcements, Ms. Bowman?

22 **VICE CHAIRMAN SKRMETTA:** I have one.

23 **MS. KATHRYN BOWMAN:** I don't know --

1 **CHAIRMAN FRANCIS:** Okay. Okay. Commissioner Skrmetta.

2 **VICE CHAIRMAN SKRMETTA:** Good morning, everybody. I'd like to

3 confirm that we have scheduled the October B&E will be on Thursday, October 23.

4 It will be held at the Louisiana State Supreme Court Building in New Orleans on

5 Royal Street. Ms. Bowman will produce the information necessary and produce it

6 for everyone to do it. That'll also put you close to southeastern Louisiana for the

7 Friday, Saturday, Sunday that you'll seek to do other things down in the

8 southeastern part of the state. Thank you.

9 **SECRETARY BRANDON FREY:** And just to echo one point on that --

10 **CHAIRMAN FRANCIS:** And the meeting will start at 10:00 like this one?

11 **VICE CHAIRMAN SKRMETTA:** I imagine that'll also start at 10:00.

12 **SECRETARY FREY:** That's typically what we do for out of town. But one thing

13 to add, too, for those of you who haven't attended a meeting there, there's not a

14 whole lot of seating, and the security is pretty tight, as you would expect, to get in.

15 So make sure you give yourself adequate time. We'll re-announce that at the

16 September meeting. But it does take a little while to get through the security at the

17 Supreme Court.

18 **CHAIRMAN FRANCIS:** Okay. We have some other announcements of Foster

19 Campbell's. Commissioner Campbell? Push your button on the left. There you

20 go.

21 **COMMISSIONER FOSTER CAMPBELL:** I want to announce that our

22 December meeting will be in Natchitoches, Louisiana. As you know about

23 Natchitoches, it's the oldest city in Louisiana. It's two year older than New Orleans

1 and we're glad to have you in north Louisiana. It's more like a -- a lot of this houses
2 and all look like they could be in Natchitoches. It has a lot of similarities to this
3 city here. Thanks for having me down today. Look forward to seeing y'all and visit
4 with you. Thank you. I was a good friend of Bobby Freeman when I got in the
5 legislature. Bobby Freeman came from Plaquemine. He was a boxer. And he was
6 -- Edwin Edwards was floor leader. Very smart guy. So when I think of
7 Plaquemine, I think about Bobby Freeman a lot. He's a nice fellow.

8 **CHAIRMAN FRANCIS:** I might add that last month we had a good time in
9 Lafayette Parish with Jean-Paul Coussan and had a good little party the night
10 before. So thank you, Commissioner. All righty. We got some other
11 announcements? We got a real nice crowd. It's amazing what four, five billion can
12 do to draw a good crowd, huh? Well, okay. All right. Let's move on.
13 Commissioner -- I meant Assistant Secretary Bowman, go ahead.

14 **MS. BOWMAN:** So there is an announcement related to the agenda. We are
15 moving up Exhibit Number 5 to the beginning. Exhibit Number 5 will be the
16 beginning, and Exhibit Number 3 will be second to last right before the Executive
17 Session. So just a couple of housekeeping items. Yes, sir. Number 3 will be second
18 to last. And if the Commission's ready, we can start with Exhibit 5.

19 **CHAIRMAN FRANCIS:** Okay. If you don't mind, go ahead with the first
20 exhibit.

21 **MS. BOWMAN:** Exhibit Number 5 is Docket Number U-37425. It's Entergy
22 Louisiana's application for an approval of generation and transmission resources in
23 connection with service to a single customer for a project in north Louisiana. It's

1 a discussion and possible vote pursuant to Rule 57, so this will need two votes. On
2 October 30, 2024, Entergy filed an application seeking Commission's approval of
3 three combined cycle combustion turbines, totaling 2,262 megawatts, a new 500-
4 kV transmission line, new substations, and certain equipment upgrades at an
5 existing 500-kV substation. According to the application, these additions and
6 upgrades are necessary to serve a proposed hyperscale data center owned by
7 Laidley, which is a subsidiary of Meta Platforms. The data center will require
8 significant, firm, around-the-clock power. The application was published in the
9 Commission's Official Bulletin with several intervenors. On July 2, 2025, after
10 submission of direct, cross-answering, and rebuttal testimony, as well as 66 sets of
11 formal discovery, and significant motion practice, the company and Commission
12 Staff executed a final stipulated settlement term sheet which resolved all disputed
13 issues between the company and Staff. A copy of that agreement was provided to
14 the remaining parties to the docket on July 2 and filed into the record as an exhibit
15 to both Entergy and Staff's pre-filed hearing briefs on July 3, 2025. On July 11 of
16 this year, Entergy, Staff, Walmart, Sierra Club, and Southern Renewable Energy
17 Association executed a final stipulated settlement term sheet which resolved all
18 disputes between those parties, and was provided to all the other intervenors on the
19 same day. The Tribunal was informed of the existence of the expanded settlement
20 agreement on July 15 of 2025 at the start of the contested hearing in this docket.
21 The contested hearing in this matter was held on July 15, and continued through
22 July 17, 2025. Seven witnesses presented live testimony while 14 witnesses
23 presented pre-filed testimony. Over the course of the three-day hearing,

1 approximately 100 separate exhibits were introduced into the record. On August
2 7, 2025, Entergy, Staff, Walmart, Sierra Club, and SREA jointly filed a motion to
3 approve the settlement pursuant to Rule 57, with a request that the item be placed
4 on the August agenda. The motion further requested that the Commission find, on
5 the basis of the extensive and well-developed evidentiary record in this matter, that
6 the settlement agreement is in the public interest. The settlement agreement was
7 filed into the record as an exhibit to that motion and some of the main features of
8 the settlement are as follows: The generators and transmission lines will be
9 certified pursuant to the Commission's 1983 General Order and Transmission
10 Citing Order, but are subject to substantial customer protections, as listed below;
11 the actual construction costs of the certified resources will be subject to a review
12 for prudence when the resources are placed into service and any prudent costs will
13 be subject to disallowance; the Commission expressly does not approve any of
14 Entergy's contractual arrangements with Meta and reserves its right to fully review
15 those agreements for prudence any time the Commission feels it's warranted; and
16 Entergy agrees to provide regular reporting on the construction of the certified
17 resources, including prompt notice in the event of cost overruns or delays in-service
18 dates, and Meta's usage, demand, billing data. There are several other agreements
19 to this settlement, which I won't read into the record because it is already in the
20 record. And Staff recommends that the Commission assert its original and primary
21 jurisdiction to take this matter up under Rule 57 and that the Commission accept
22 the settlement agreement filed into the record on August 7, 2025.

23 **VICE CHAIRMAN SKRMETTA:** Move to bring the matter up under Rule 57.

1 **MS. BOWMAN:** And I do have a motion -- I'm sorry. So I'm -- is there a second
2 for the --

3 **CHAIRMAN FRANCIS:** Second by the Chairman. Second that 57.

4 **MS. BOWMAN:** And I do have a motion by Commissioner Campbell.
5 Commissioner Campbell, would you like me to read that into the record?
6 Commissioner Campbell's motion is: I move to approve the stipulated settlement
7 filed into the record. Next year will mark my 50th year in public service. Whether
8 in the Senate or this Commission, my focus has been on providing opportunities for
9 people to lift themselves out of poverty. In the Senate, I created the Louisiana
10 Educational Excellence Fund to improve education using money from the state to
11 back a settlement. Today, this Commission has an opportunity to enable a
12 transformative, economic development project into one of the poorest regions in
13 Louisiana. There are no quick fixes to poverty, but when a great opportunity comes
14 along to provide stimulus and jobs to the community, we need to carefully consider
15 it. I want to commend the LPS Staff for working with Entergy and the other parties
16 to bring the settlement to the Commission that authorizes the construction of
17 generation and transmission to support Meta's data center in Holly Ridge,
18 Louisiana while imposing numerous protective conditions to mitigate that risk that
19 other electric customers throughout Louisiana will be adversely impacted. I
20 recognize that not all parties joined on the settlement, but it says a lot that the
21 settlement is supported by the utility, Commission Staff, an environmental group,
22 a sophisticated large commercial customer, and a renewable energy organization.
23 Therefore, I move that we accept Staff's recommendation and approve the

1 settlement entered into by Entergy Louisiana, LPSC Staff, Sierra Club, Walmart,
2 and Southern Renewable Energy Association.

3 **CHAIRMAN FRANCIS:** The Chair seconds that motion. And we're going to
4 have kind of an open house here on proponents, Staff, and opponents of this issue.
5 I think we have a few -- if you don't mind, if you're a proponent or opponent of
6 this issue, raise your hand so I can see how much time we need to allow for
7 discussion. Okay. Thank you for -- that's good. So let's go ahead with proponents.
8 Okay. I'm sorry. I didn't ask for -- are there any objections to this motion?

9 **MS. BOWMAN:** Well, we're not voting -- I mean, we're not voting yet, so the
10 motion and the second is on the table, then to hear all the public comment, and then
11 we will come back and reiterate the motion and the second to see if there's also any
12 objections. We did the Rule 57.

13 **CHAIRMAN FRANCIS:** We have to vote to approve 57?

14 **SECRETARY FREY:** Yeah. I don't know if there was any objection --

15 **MS. BOWMAN:** Oh, I apologize.

16 **SECRETARY FREY:** -- to 57. We need to clarify that. I think that's what
17 Commissioner Coussan --

18 **CHAIRMAN FRANCIS:** Oh, let me clarify. Is there is any opposition to Rule
19 57? That's what I meant to say. [NONE HEARD] Okay.

20 **VICE CHAIRMAN SKRMETTA:** Okay. Now Foster's got something for you.

21 **CHAIRMAN FRANCIS:** Okay. Commissioner Campbell?

22 **COMMISSIONER CAMPBELL:** Is it proper to take [INAUDIBLE] --

23 **MS. BOWMAN:** Oh, Commissioner, you need to use your microphone, please.

1 **VICE CHAIRMAN SKRMETTA:** It's a procedural on the 57 he's talking about.
2 We're not doing opposition about the vote.
3 **COMMISSIONER CAMPBELL:** Okay.
4 **CHAIRMAN FRANCIS:** So is there any opposition by any Commissioner to
5 Rule 57?
6 **MS. BOWMAN:** On Rule 57.
7 **CHAIRMAN FRANCIS:** On Rule 57. Yes. [NONE HEARD] Hearing none,
8 we move past Rule 57. All right. Now, can we go over proponents?
9 **MS. BOWMAN:** Yes, sir. If you would like to hear from, I guess, Entergy and
10 the other signatories on --
11 **CHAIRMAN FRANCIS:** Anybody here with Entergy? Anybody here want to
12 speak on behalf of Entergy for this motion? Do we have cards for all those who
13 want to speak?
14 **MS. BOWMAN:** Yes, sir.
15 **CHAIRMAN FRANCIS:** So if you do want to speak for or against this, you need
16 to fill out one of these cards for us. Looks like everyone has. Okay. Good.
17 **COMMISSIONER CAMPBELL:** Mr. Chairman?
18 **CHAIRMAN FRANCIS:** All right. Commissioner Campbell.
19 **COMMISSIONER CAMPBELL:** Since it's in my area, I would like to speak for
20 it first. This is something that we've been waiting a long, long time for in north
21 Louisiana, and I'd like to give you a few comments, if it's okay.
22 **CHAIRMAN FRANCIS:** That'd be fine. Go ahead, Commissioner Campbell.

1 **COMMISSIONER CAMPBELL:** I've been in the politics 50 years. May 10 will
2 be my 50th anniversary. When I came to the legislature, I came right out of a school
3 classroom up at Haughton High School. Haughton is east of Bossier City. A lot of
4 you know about it, had some good athletes. Joe Delaney came from Haughton. He
5 was a great athlete for the Kansas City Chiefs. He passed away like a hero trying
6 to save by -- someone's life in a lake. But north Louisiana, I've had a lot of great
7 friends that lived down here and worked with them in the legislature, in the Senate.
8 Like I said, Bobby Freeman, Jay Jumonville, just to mention a few. And we've
9 always tried our best to get as many jobs we can for north Louisiana. I remember
10 one time, this might not -- it'll interest you because everybody down here is a big
11 LSU fan. LSU used to be -- I don't know if you know this, with the history of LSU,
12 they played in Shreveport for many years. It was a great thing for Shreveport and
13 a great thing for north Louisiana. The reason they played in Shreveport is
14 Shreveport is halfway between Baton Rouge and Fayetteville. I never will forget I
15 was on Jim Engster's show one morning and this lady called in, said send her to
16 Campbell. I said yes, ma'am. Do you know how far it is from Baton Rouge to
17 Shreveport? I said yes, ma'am, I think it's about the same distance from Shreveport
18 to Baton Rouge. She started laughing. She said and all you want is one game
19 played in Shreveport and we'll have the rest of them played in Baton Rouge? I said
20 yes, ma'am. She said, you know, you're right. I said well, thanks a lot, I appreciate
21 it. We passed that bill out of the Senate and it would've been a great economic
22 benefit for Shreveport, but what happened was, to nobody's real fault, LSU at that
23 time had expanded their stadium and we didn't have the room and they were

1 thinking they were going to lose a lot of money. Mike Foster was the governor.
2 He wasn't for it, and so it didn't pass. But it passed the Senate overwhelmingly,
3 but it got to the House, it got killed. But I still think that Ole Miss and Mississippi
4 State play in Jackson, Oklahoma plays every year in Texas with the University of
5 Texas. I thought it was a great tradition that we shouldn't have lost for north
6 Louisiana and for the state as a whole. I am excited about this project we're talking
7 about today. North Louisiana is a poor part of the state. For 50 years I've been
8 pulling for jobs in north Louisiana and I'm really excited today to see that we're
9 seeing some progress and I think it's really going to happen. There's some parishes
10 up there I will mention, not to make fun of them or not to talk about their problems,
11 but we have some serious problems. Problems like East Carroll Parish. Twenty-
12 one percent of the people of East Carroll Parish have moved in the last 10 years.
13 Tensaw, East Carroll, Morehouse, and Madison. These parishes are some of the
14 poorest in the United States of America. Poorer than Appalachia. So we need to
15 do everything we can. And when I heard about this project coming up that way to
16 help people out, paying a good wage, I never thought anything but something
17 positive about this project. You know, as a politician, I can tell you it's easy -- one
18 thing that's real easy is a politician, you can always be against everything. That's
19 no big deal. You can be against everything and you think that's good politics, but
20 I'm telling you, it's not good politics and it doesn't pay dividends. What's good
21 politics is looking at the subject, thoroughly examining it, and if it's right, take the
22 heat and go ahead. Now, I know there's some people against it today, but I bet you
23 don't live in Lake Providence. I bet you that. You might live some place -- and I

1 understand. I'm not broke, okay? I'll just tell you, I'm not broke. But I represent
2 a lot of people that need help. And I'm a democrat, and I've always been for people
3 who needed help. And I'm not ashamed of it. I'm the only one up here besides --
4 excuse me, my friend on the end down there. He's with me. But anyway, what I'm
5 telling you, people need help and it's always harder to be for something than it is
6 to be against. I noticed when I was in the legislature, the people that holler the
7 loudest are usually the people that are against something. But this is something that
8 we drastically need in north Louisiana. The shot in the arm. It is -- I don't -- I
9 mean, I understand these people may be from New Orleans or wherever they're
10 coming from saying they're against this program, but like I say, they don't like in
11 Lake Providence. They don't live in Tallulah. They don't live in Columbia. They
12 don't live in Monroe or Delhi. You live somewhere feeling pretty good, I guess, if
13 you live in a nice house and you got your kids going to school. That's exactly what
14 we're trying to do up in northeast Louisiana, and we got to have help to do it. I
15 would hope today that before you start singing the blues and telling everybody how
16 bad it's going to be, think about the people who live up there and think about how
17 many people had to move. We've got children that go to school up there, but they
18 can't get a job when they get out of -- in East Carroll, they can't get a job unless
19 your daddy's a farmer. But you have to move. Either you go to Dallas or Houston,
20 Baton Rouge, New Orleans, some place to get a job. These people are looking.
21 They're good, fine people. They're hardworking, and we need to do everything we
22 can to help. I am so happy today that as I'm lining up my 50th year -- I have another
23 year and a half here, Mr. Skrmetta and I do. We have another year and a half. But

1 this is something that I'll always remember. It's a heck of a way to go out, thinking
2 about giving these people good paying jobs that we've been talking about. And I
3 have voted for everything I could for New Orleans. I never will forget I was in the
4 classroom, eating in the cafeteria, and all of a sudden when I got elected I became
5 what everybody thought was a big deal. I was a math teacher in Haughton High
6 School. I got elected to the Senate and everybody was calling me Senator this and
7 Senator that, and I thought, oh, man, that's a big deal. But anyway, it was a big
8 deal. But I came to Baton Rouge and came to New Orleans, and New Orleans was
9 having trouble with the Superdome at that particular time. That was a hot issue of
10 whether or not we fund the Superdome or whether not. I voted to fund the
11 Superdome and it's been a great investment. We've had a lot of things happen
12 there. But I made a lot of friends in New Orleans when I did that. Now, this is just
13 as important to north Louisiana as the Superdome was to New Orleans. And can
14 you imagine that? Every weekend you hear something about the Superdome. It's
15 beautiful, and you see all the lights. New Orleans, you had all the championship
16 games. You just think about the Superdome and New Orleans and how much we
17 have supported -- people here have supported the Superdome and they call it social
18 engineering. Well, we need some social engineering up in northeast Louisiana, too.
19 What this good -- this company will provide a lot of good paying jobs that we need.
20 So at this particular time, I want to talk to you a little bit about the -- this whole
21 particular area up there, northeast Louisiana, and I like I said, it's some of the
22 poorest places in the United States up and down the Mississippi river. I think East
23 Carroll might be one of the poorest, if not the poorest. But we need help and these

1 people are offering help and good jobs and good pay. And I know there's going to
2 some reasons against it. There's some kind of philosophical reason, but you can be
3 real philosophical when you don't live in Lake Providence. You can come down
4 here and give all the speeches you want to give, but you wouldn't trade places to
5 go live up there with those people and try to raise a family and try to send them off
6 to college. That's the difference in philosophically and a lot of facts. So at this
7 time, I'd like to listen to the testimony. And, Mr. Chairman, when I can be
8 recognized, I would. And thank you in recognizing me today, and I appreciate all
9 you people coming. I appreciate your different viewpoints. That's what makes
10 government work. There's some people for it, some's against it. So whatever you
11 have to say, from the bottom of your heart, let's put it on out there. Let's see what's
12 happening. But I can tell you, I'm not for this project 1%. I'm not for it 10%. I'm
13 not for it 100%. I'm for it 1,000%. I want to see something happen for northeast
14 Louisiana, and this will do it, and I know it'll do it. And you know down deep in
15 your heart it'll do it. So let's go ahead and get this over with and see if we can't
16 pass this and give people up northwest Louisiana, northeast Louisiana some hope.
17 I'm looking for hope, and I think we got a program here for hope. So thank you,
18 Mr. Chairman. I appreciate your patience.

19 **CHAIRMAN FRANCIS:** Well, I recognize myself in support of this and I'm
20 proud to second this motion by Commissioner Campbell and remind everyone that
21 I was born and raised about 50 miles from this location. It's very important to me
22 and all my friends up in that area, too. So let's go ahead and get started with
23 Entergy. If y'all give us your name and all that sort of thing.

1 **MR. LARRY HAND:** Thank you, Mr. Chairman. Can everybody hear me okay?

2 **CHAIRMAN FRANCIS:** Yeah.

3 **MR. HAND:** All right. A little bit closer. How's this?

4 **CHAIRMAN FRANCIS:** We turn it up -- can you turn the sound back up a little

5 bit, please?

6 **MR. HAND:** All right. We're still good? All right.

7 **COMMISSIONER CAMPBELL:** That's better.

8 **MR. HAND:** Good morning. Larry Hand on behalf of Entergy Louisiana. Thank

9 you for the opportunity to appear today and glad to be back in the city of

10 Plaquemine. Early in my law career, I spent a lot of time in the 18th JDC whether

11 it was in the courtroom here, you know, New Roads, all over the place. So good to

12 be back, but even better to be back for the reason we're here today which is to

13 consider the settlement reached in this docket. And I thought it'd be good to

14 provide a little bit of context of how we got here. You've read the settlement,

15 you've read all the record, which is very extensive. This started a while back, we

16 engaged in discussions with Meta. At the time we did, Louisiana was not on their

17 radar. They were looking in the South, but not in Louisiana. We engaged with

18 them and said what is it we can do to get you to consider Louisiana? And we

19 worked with them, we worked with our state partners, our local partners, and we

20 showed them what Louisiana can do when we are aligned. And they said, well, this

21 is where we want to be. And so we worked with them to negotiate the electric

22 service agreement that will power them for the next 15 years at this data center site.

23 But we knew this was a very significant investment in Louisiana. It's a very

1 significant load addition to our system, and also a very significant addition of
2 generation to support that load. And because of that, we approached it differently
3 than we have in the past in terms of how we serve large industrial loads. We made
4 sure that Meta's deal would ensure that they would pay enough to cover the
5 generation costs that they are contributing to such that we mitigate the effect of
6 Meta becoming a customer. We mitigated the risks or the impacts that that would
7 have on other customers. Entergy's goal, and I believe I can safely speak for Meta,
8 their goal was not to come to Louisiana and cause costs to be shifted to other
9 customers. We took painstaking -- went through painstaking lengths to make sure
10 the service agreement did not do that. As good of a job as we thought we did when
11 we filed it at the Commission, we had a very robust, regulatory proceeding with
12 many intervenors and the LPSC Staff leading the charge looking at what we had
13 brought them to make sure it did in fact mitigate the risk to other customers. The
14 LPSC Staff listened to and heard concerns of all the parties, and at the end of the
15 day, we worked with the LPSC Staff to reach a settlement. That settlement does
16 authorize us to move forward with the generation and the transmission we have
17 proposed, but very importantly, the Staff insisted on a number of protective
18 conditions that took into account concerns raised by the parties, and we believe the
19 settlement that we reached with the Staff does mitigate the risk of cost shift to other
20 customers, but also enables this project to go forward. We weren't satisfied with
21 just getting the LPSC Staff to sign onto a settlement. We also engaged other parties
22 to see what more we could add to it to get their support. Those efforts led to
23 additional protective conditions and signatories by Walmart, the Sierra Club, as

1 well as the Southern Renewable Energy Association. So at the end of the day, while
2 not all parties have signed on, we do have a very broad cross section of support for
3 the settlement that's before you today. And I do want to point out that this is needed
4 to, you know, allow this project to move forward. We are doing it in a sensible
5 way. There are risks. I think Commissioner Campbell hit it on the head. There's
6 a lot of good that comes out of this. The saying that perfection is the enemy of the
7 good is equally true here. We can't come up with a -- it's a 15-year deal, so we
8 can't predict everything, but the things we have put in there, the Staff has put in
9 there, other parties, we believe reasonably mitigate the risk of those things to come.
10 At the end of the day, we believe the net impact on a monthly bill for a customer -
11 - it's going to change over time, but it's going to be plus or minus a dollar or so, up
12 or down. And to think about this transformational, once in a generation investment
13 opportunity, and the cost or the benefit of that is plus or minus a dollar is just
14 absolutely mind blowing that we have this opportunity, very low risk opportunity.
15 There's been some concerns about what happens after 15 years. The generation
16 we're building, the 2,200 plus megawatts that have been referred to, if Meta doesn't
17 renew the deal. First off, I would question the logic there that Meta is investing
18 \$10 plus billion in Richland Parish to walk away after 15 years. But I do agree, as
19 a utility planner, we can't assume that, right? We have to plan for the unexpected.
20 What if they don't? And the planning there was, in 2041 when the 15-year term
21 expires, MISO South region, Arkansas, Louisiana, Mississippi, and a part of Texas,
22 we will have 37,000 megawatts of generation that's in service today that in 2041,
23 the combined cycle units, the combined cycle and the simple cycle gas units, the

1 newer ones, will be over 30 years old, some approaching 40. So you'll have about
2 17,000 megawatts of combined cycle generation approaching 30 to 40 years old.
3 The legacy steam, the older units, at that point and time -- there's about 10,000
4 megawatts of those -- those will be over 55 years old. I can speak to how old that
5 it because I am over 55 years old and it's not going to last forever. So if they don't
6 renew, we have a gift paid for by Meta, half paid for generators that we can use to
7 replace the aging fleet that will exist in 2041. We hope they renew. I expect them
8 to renew. And that will drive even greater benefits for Louisiana. So I think this is
9 as close as you can get in regulatory space to a no regrets type of deal. We think
10 we've mitigated the risks. So I thank you for your consideration and support, and
11 I will just stop there. I know a lot of other people want to speak. Happy to answer
12 any questions you have now, or I'm happy to come up after the commentary.
13 Whatever the Commission's pleasure is.

14 **CHAIRMAN FRANCIS:** Any -- yes. Go ahead, Commissioner Lewis.

15 **COMMISSIONER LEWIS:** Thank you, Mr. Chairman. Thank you, Mr. Hand.
16 I do have some questions for you. First, I want to thank you and Meta for the
17 countless amount of hours that we have spent talking about this proposal. I do not
18 take that lightly. You have answered ever call, every text message, every email,
19 every question that I've had, even up until this morning. So I want to first start by
20 thanking you for your collegiality and your cooperation in discussing this matter.
21 As you know, this is an extremely important deal. It's an impactful project. And
22 you know I'm a very much details-oriented person, especially here on the
23 Commission, and I take that job extremely seriously. So I'm going to want you to

1 response to some of the questions that people have asked and we have heard of and
2 address that. So the major question that we have gotten is first, can you explain
3 why we did not put out for bid these three generators as the MBM Order would do?
4 What was the reason you could not go to market like our rules normally require and
5 come back with real world evidence that the self-build gas units are the most
6 economical option to supply Meta with power?

7 **MR. HAND:** And I will address that question. It's a couple of parts, high level,
8 and I will ask my colleague, my counsel, Skylar Rosenbloom to get more into the
9 details. But at a high level, the reason we could not follow the normal RFP process
10 that we have followed is speed to market. We, Louisiana, and the rest of the country
11 is living in a power first world. If you can get power first, you can attract economic
12 development. To get Meta, and to meet their timelines, we needed to move fast.
13 As a utility, and we asked y'all as a Commission to move quickly. Even with that,
14 it's going to take -- this proceeding has been 300 days so far, so there's almost a
15 year there. There's three to four years to build it, so there's a window there. What
16 we did was to meet Meta's timelines, we figured out a way, how can we
17 demonstrate to the Commission without a formal RFP-- which would've added
18 another year on the front end. How can we demonstrate to the Commission that
19 these generators are the lowest reasonable cost? I'll let Mr. Rosenbloom speak to
20 that. But in terms of why -- I think you asked why gas is needed to serve them.
21 Data centers like Meta, it's a large load, and so we've planned three generators over
22 2,200 megawatts. These are highly efficient base load generators. Because of their
23 high efficiency, able to operate in 24/7 mode. Generate power around the clock to

1 align with Meta's usage. The one thing you never want to do when you're trying
2 to serve large load like a data center that has a high capacity factor is try to
3 mismatch the resources to serve them with the energy requirements. We're seeing
4 that more and more in other markets in the U.S. that are trying to serve data centers
5 without adding the appropriate amount and the right type of generation. When you
6 don't have the appropriate amount of generation, which in this case is combined
7 cycle, you can see power prices -- wholesale power prices spike up because you
8 create an imbalance in supply and demand. So these generators will better align
9 with the usage that Meta's profile is to mitigate any wholesale power prices and
10 keep those prices low. And I would ask Mr. Rosenbloom to explain the alternative
11 evidence we have without a formal market test, how we believe we can demonstrate
12 the generation we're bringing to bear, which I said earlier, Meta is paying for it
13 over 15 years, how that generation is in fact the lowest, reasonable cost alternative
14 we have to bring.

15 **MR. SKYLAR ROSENBLOOM:** Skylar Rosenbloom on behalf of Entergy
16 Louisiana. Thank you for having us here today. I think the heart of your question,
17 Commissioner, really arises from a misconception that while it is true we did not
18 follow the MBMO process that's laid out in the Commission's rules. However,
19 these generators have been market tested as far as pricing. With generation you
20 have two major components. There's your power island equipment, which is also
21 referred to as PIE, and then you have your EPC contractor. In this case, due to the
22 speed to market that we needed to reach, we were able to leverage a RFP for the
23 power island equipment that was conducted by Entergy Texas for a unit that they

1 were constructing. So the power island equipment did come out of an RFP that was
2 -- it had three bidders. The best, most qualified bidder was selected and that's the
3 bidder that we've used for the power island equipment for the generation at issue
4 here. Additionally, for the EPC portion of the contract, we again leverage the work
5 that was done by Entergy Texas for their generation that they were building. That
6 along with the -- just our general knowledge of the industry, the construction of
7 generation across our entire service territory, not just that of Entergy Louisiana.
8 We had a very good feel for what the market pricing was for an EPC contractor.
9 We utilized that for the first two generation units. The third generating unit does
10 not need to come on quite as quickly as the first two. As to the third unit, we did
11 conduct an RFP that allowed us to then select a competitively bid EPC contractor.
12 The results of that RFP were slightly higher than the EPC contracts that we signed
13 for generator one and two. There are some timing differences based on when those
14 contracts were entered into that really account for that price differential, but I think
15 that is an excellence sign that the deals we reached on generators one and two are
16 consistent with what the market would be showing.

17 **COMMISSIONER LEWIS:** Thank you. And so just for my understanding, to
18 make sure I'm correct, you have locked in those prices; is that correct?

19 **MR. ROSENBLOOM:** It is my understanding, yes, that we've locked in those
20 prices. There are certain escalations within the EPC contract. That's nothing
21 unique to this particular arrangement. That happens in all of our -- in all of our
22 arrangements. The only way that you could really, fully lock in all components of

1 an EPC contract is to pay a very, very significant premium for that. That just
2 increases rates for everyone else, and it's generally not our practice to do that.

3 **MR. HAND:** Commissioner, I think as I understood the question -- I heard your
4 question is speaking to the major equipment. We have in fact locked in the orders
5 for and the pricing for the power island equipment, the transformers, the major long
6 lead equipment, and that is what really drives up a lot of the prices. If you don't
7 have it now, it's going to escalate. So we do have that. I think what Mr.
8 Rosenbloom is referring to is the EPC, the labor, the concrete, the steel at the
9 facility, the kind of stick build stuff that remains to be negotiated and locked in.

10 **COMMISSIONER LEWIS:** Got you. And so, you know, as the nation has been
11 building a lot more gas power plants, we've been seeing a gas price spike. So I'm
12 just curious under what circumstances where you see the current pricing for
13 turbines changing before it goes into operation or other scenario that you see that
14 those prices that are estimated as of now because of the demand that we are seeing
15 across the country for gas turbines. What would that do to the pricing of this deal
16 for you?

17 **MR. HAND:** With the three generators being proposed today and hopefully
18 approved today, the pricing for the power island equipment is locked in. It will not
19 change even with the demand growing for that equipment across the country. Your
20 question also got to, you know, the natural gas demand. I don't know if you're
21 asking about natural gas prices today. You know, they're down below \$3. It's been
22 like 2.70, 2.80, so it's down a little bit. Not historic lows. So the gas price -- you

1 said gas prices spike. I don't know if you were referring to the commodity or the
2 demand for the gas generators.

3 **COMMISSIONER LEWIS:** I was mostly talking about the gas generators on that
4 point. We can circle back later on gas pricing. A significant question has been
5 arisen by my constituents that I would want to give you a chance to respond about
6 not having the settlement go through our ALJ process and having the ALJ submit
7 a recommendation based off of the stipulated settlement that is before us today. So
8 could you provide the public and us why we did not go through that process or why
9 we not allow a little bit more of an independent analysis before having the
10 Commission take up this stipulated settlement?

11 **MR. HAND:** Thank you, Commissioner. Yes. So, look, when we reached the
12 settlement with the Staff, tried to get all parties on board, that was not possible. So
13 we had a choice to make there. We had a settlement with many parties, but not all,
14 so we could proceed through the full -- we went to the hearing with the ALJ, we
15 could do briefing, we can get an ALJ recommendation. At the end of the day, with
16 the settlement with multiple parties, our intent was going to be to submit that
17 settlement to the Commission for consideration. As opposed to the ALJ's
18 recommendation, we didn't ask for -- you know, we don't know what that
19 recommendation would be and it may not have all of the protective conditions that
20 we worked very hard with the LPSC Staff and other parties to build into it. So that
21 was going to be what was asked of the Commission today or after the ALJ
22 recommendation to approve this settlement. And to be respectful of the
23 Commission's time, the ALJ Division, their time, resources, we thought let's be

1 upfront and bring to the Commission the settlement that we would ask them to
2 approve now and not spend the time and effort at the Hearing Division to get a
3 separate recommendation. Because at the end of the day, the settlement that's
4 before you today is what would be presented -- requested by Entergy at least to be
5 approved at the end of the day.

6 **COMMISSIONER LEWIS:** Okay. Thank you for that answer. While we're on
7 what's in the settlement, there is a commitment that is in the stipulated settlement
8 of about 1,500 megawatts of solar in a renewable portfolio. Are you committed, or
9 is Entergy committed to moving your renewable portfolio in a more expedient
10 matter given that the added capacity that Meta is asking you under the Geaux Zero
11 tariff?

12 **MR. HAND:** Commissioner, I would say we were committed before the settlement
13 agreement, just generally committed to trying to accelerate economic solar
14 resources in Louisiana. Frankly, they haven't materialized at the pace we would
15 like. We came to y'all a few years ago, and y'all did approve a three-gigawatt
16 process. We've gone through multiple procurement windows to get resources.
17 We've had a lot of volume bid into those, but all the -- not all, but the vast majority
18 of the bids were far over the transaction parameters that y'all approved as being
19 economic for customers. So we've been trying. The market hasn't reacted the way
20 we want. We have an ongoing third window in that three-gigawatt process and a
21 lot of interest, lot of volume. We are hopeful that with the federal legislation kind
22 of closing the window -- that's not necessarily a good thing, but it may cause
23 bidders to really sharpen their pencil like this is the time to, you know, sell their

1 asset economically to us. So we're hopeful that that process will do it. Beyond
2 that, because of the commitment with Meta, they want to have us align up to 1,500
3 megawatts of solar with their usage. We're even more committed going forward
4 to continue those efforts outside of the three-gigawatt process to bring more
5 resources -- more renewable resources to market and to have not just Meta, but
6 other industrials who want it, have the opportunity to underwrite and subscribe to
7 those megawatts to further reduce the cost for our customers.

8 **COMMISSIONER LEWIS:** Thank you for that. I mean, I think that's extremely
9 important. I mean, part of this deal is this 1,500 megawatts of solar I think to at
10 least curb the additional 200 -- I mean, 2,000 megawatts of gas that we were being
11 added. While we're on commitments, in the stipulated settlement in the corporate
12 sustainability rider, Entergy and Meta commits up to a million dollars to The Power
13 to Care program. How certain are we we would actually hit a million dollars, so
14 that we could at least \$30 million worth of commitments to help being our seniors
15 and our disabled individuals in Louisiana be able to afford their power bills?

16 **MR. HAND:** I can tell you that I'm quite certain. So Meta for their part -- this is
17 voluntary in their part. They heard about our program and said, you know, we'd
18 like to contribute to that. And part of the reason they wanted to commit up to -- it's
19 up to a million dollars a year for the contract term to the Power to Care foundation
20 we have -- or the Power to Care program was they realized most of the benefits for
21 this project will be felt in north Louisiana, an area that really needs it. But they also
22 said you have customers all over the state. We want to make sure not only do we
23 not harm them, we want to benefit them. And they viewed our Power to Care

1 program as a way for Meta to contribute to our reach across the 58 parishes in
2 Louisiana where we serve. So they offered up, we want to match your contribution.
3 So on behalf of ELL I can commit here today that over the 15-year term, we will
4 contribute an additional \$1 million to the Power to Care that will be matched by
5 Meta. So you can bank on \$2 million a year times 15 years, another \$30 million
6 being available to help, you know, elderly and disabled customers across the state.
7 **COMMISSIONER LEWIS:** I thank you for that commitment, especially in the
8 federal budget season that we're seeing where LIHEAP dollars that are utilized to
9 ensure that people can have heating and cooling assistance in our state are in
10 jeopardy. As I wrap up, I think one of the last questions that I have for you is back
11 to kind of shareholders. Do your shareholders have any skin in this game? Or it's
12 all upside for them? Or based off of the parent guarantee? What risks are Entergy
13 shareholders having? Because we know there's some risks that Entergy customers
14 are having. So what is the risk that Entergy shareholders have in this proposal?
15 **MR. HAND:** Yeah. And I would preface my comments my comments by saying,
16 if you look back the last 8 or 10 years at Entergy's earnings that are allowed through
17 the formula rate plan process, in all but two years, we have earned -- our earned
18 ROE in each of those years, except for two, was below the target authorized return
19 on equity by the Commission. So our shareholders absorbed that loss below. So
20 we earned below the target. The Commission said your cost of capital is 9.5% --
21 your cost of equity is 9.5% or 9.7. We've earned below that in all but two of the
22 years if you look back eight plus years. So that's a demonstration in the past of
23 how our shareholders have skin in the game and have risk. In terms of the Meta

1 project itself, that risk continues when you embark on a major infrastructure
2 development like this. We are laying out a lot of capital, a lot of resources. There's
3 no one for one revenue coming in. So there's financial risk when you deploy this.
4 If we have a storm -- and I know the Katrina anniversary is coming up, we don't
5 want to live that again. But when we have those major storms, that can really upset
6 the -- in many of the years I talked about where we underearned, it's because we
7 had a storm. So we bear that financial risk every day. The other big risk we have
8 here is the execution risk. Embarking on building out three generators, a lot of
9 transmission substations associated with this project, and load serving generally in
10 north Louisiana, there's execution risk. And that's one of the features in the
11 settlement agreement is multiple provisions regarding the Commission and the
12 Commission Staff's ability to look at our actions after we complete them to make
13 sure that we acted as a reasonable prudent utility in executing all these projects. If
14 the Commission finds after due evidence in accordance with the law that we did
15 not act reasonably, that we imprudently managed the projects, our shareholders can
16 be disallowed some of the investment. So we talk about investing, you know, 3.2
17 billion in the generators. If the Commission finds that, you know, 200 million of
18 that was imprudently incurred, we could've done it at a more reasonable price and
19 didn't based on the facts that we knew at the time, that's shareholder risk. The
20 Commission can disallow that if it finds it was imprudently incurred. So there's a
21 lot of risk for everybody, but we're mitigating that risk in many ways. The
22 settlement mitigates the risk for customers and we think we need to properly
23 manage these projects and be held accountable by the Commission. You're going

1 to check our work, and that's going to hold us accountable. So we do have a lot of
2 skin in the game to align with our customers, and thankfully this is an extremely
3 unique situation. We also have, you know, Meta's agreement in this case. To the
4 extent we have cost overruns on the generation and that -- before we put it in
5 service, we're going to true that up and Meta's minimum bills will be adjusted to
6 compensate for that, so Meta is with it too. So this is not, customer, you take it all.
7 This is, customers, there's some risk for you. Shareholders, there's some risk for
8 you. And, Meta, there's some risk for you. Again, I think this is a really balanced,
9 carefully crafted deal.

10 **COMMISSIONER LEWIS:** Thank you, Mr. Hand. And my last question for
11 you at this time is Meta's projected load capacity has shifted throughout this
12 proceeding. I mean, we have heard numbers anywhere from 2.2 gigawatts to a
13 future scenario by Meta CEO Mark Zuckerberg of 5 gigawatts. This is important
14 because that has ratepayer impact about how much load we're going to be adding
15 to our grid and the reliability of our grid. We have seen data centers across this
16 nation cause certain state's grids to be vulnerable because of the additional load.
17 We can look at our -- I guess you can call them the South, Virginia and some of the
18 challenges they have there. So can you give a clearer picture as how are you
19 planning those scenarios and assumptions for future growth, or changing load
20 capacity for this project for Meta?

21 **MR. HAND:** Yeah. So we, you know -- first off, we plan to the peak requirements
22 of Meta and it is that -- on the compute side, the 2.2, you know, gigawatt number
23 you put out. We don't know exactly how, when they're going to use it, but we know

1 they could use up to the 2.2. And there's some ancillary load, but I'm just answering
2 your question at 2.2. We plan to that. And so we plan to that because we want to
3 have the right type of resources available to back up Meta's load. If we were not
4 adding -- and this Commission thankfully enacted what's called the minimum
5 capacity obligation order, and it kind of makes sure that, utilities, you do back up
6 your load with the right amount of generation. What's happened and we see this in
7 the national press with data centers in some states -- some markets, primarily,
8 thinking about the PJM market, which is Pennsylvania, New Jersey, and Maryland.
9 You know, in that market, they don't have a full regulated regime like you. They
10 can't make utilities make sure they plan resources. They rely on the market to send
11 price signals, and the market's not sending the right price signals. So in those
12 markets, a lot of data center load is being added, but at the same time, generation is
13 not being added to support it. You vastly, in those markets, increase the supply --
14 the demand on electricity, but they're not taking the steps to increase the supply,
15 and we all know what happens when you imbalance supply and demand.
16 Wholesale energy prices can skyrocket. That's what they're facing. You know,
17 here in Louisiana, we're doing it the right way. We want to avoid that circumstance,
18 so we are proposing to add the right amount and type of generation so that we
19 balance the supply and demand effects associated with Meta's load addition in
20 Louisiana. So we think we're mitigating the risk of increases to wholesale energy
21 prices by those actions.

1 **COMMISSIONER LEWIS:** Thank you. Thank you, Mr. Hand and Mr.
2 Rosenbloom, for your questions. Mr. Chairman, at this time I have no further
3 questions for Entergy.

4 **CHAIRMAN FRANCIS:** Okay. Commissioner Coussan.

5 **COMMISSIONER COUSSAN:** Okay. Thank you, Mr. Chairman. Larry, y'all
6 teed it up perfectly for me because I want to start talking about the rest of the world
7 watching what we're doing today and watching this deal. It's been described as
8 extraordinary, you know, unique in many circumstances. Do you think the
9 settlement that has been reached could stand as a template for deals not only in
10 Louisiana, but for the rest of the country?

11 **MR. HAND:** I think it does. In full disclosure, I know the inside and out of this
12 deal, because I was a part of it. I don't know the inside and out of other deals,
13 tariffs. But when you look at the trade press, it seems like the rest of the world is
14 looking to how Meta and ELL did this in a balanced way. Other states -- think
15 about Virginia, their data centers kind of grew up granularly. They would do 50
16 smaller additions and they're having problems getting the genie back in the bottle
17 because they didn't kind of require that load to support the generation that came
18 with it. So I do think what we have before this Commission is a model for -- not
19 only for Louisiana, but for the region. And, you know, to the extent we are
20 engaging with other, you know, tax center loads, this is the floor to which we're
21 going to seek to hold them. You know, throughout this process, we always learn
22 and we learned and we hope to do even better if we do any more of these. So it's a
23 great template, it's a great model, but I look forward to trying to make it even better.

1 **COMMISSIONER COUSSAN:** Can you describe how the model could apply to
2 our industrial users and, you know, large loads that we have now that might be
3 expanding or other industry that's looking to relocate or locate into Louisiana?

4 **MR. HAND:** I would answer that question by saying it's a case by case analysis.
5 You have the Meta data center, very large load, significant construction jobs, but
6 on a permanent basis, I think they're targeting, you know, 500 or so permanent jobs
7 at the data center even with a multiplier and they look at data centers. Generally,
8 they apply a five -- a multiplier of five for kind of indirect jobs created. So even
9 with 2,500 jobs, it's not a 10,000, 15,000 job thing. So if you have something like
10 a steel mill for example, we need to look at that on its own to see what really fits
11 for them. But we're in a world where we're at equilibrium in terms of supply and
12 demand of capacity. So we need to be very thoughtful about entering into
13 commitments on behalf of the utility to serve new load because no matter who the
14 load is, we don't want to burden other customers with it. Your very difficult job as
15 a Commissioner is to balance the public interest because we've talked a lot about
16 the electrical aspects of this. There's also the job, the taxes, the stimulus effects
17 that that is part of the public interest and you, as elected officials, have to balance
18 that because your constituents, you know, live in those areas, work those jobs. So
19 I think we'll look at each one individually, whether it's a new industrial load or
20 even an expanding load, we're very careful to make sure they are contributing an
21 appropriate amount to make sure we mitigate the risk for our existing customers.

22 **COMMISSIONER COUSSAN:** Let's talk about this customer. Part of this
23 settlement includes some guarantees -- underlying guarantees. Can you just talk

1 about the counterparty risk and the scale of your counterparty in this situation so
2 that my constituents and the rest of the state kind of understands what we're dealing
3 with here? As we know, we have a lot of different entities and data centers and
4 developers all looking at the state. Meta seems to be a little bit different and unique
5 in so far as the magnitude of their balance sheet. So could you get into that a little
6 bit?

7 **MR. HAND:** Absolutely. And appreciate the question. Typically for industrial
8 customers, an existing customer, they might pay a two or three month -- you know,
9 whatever two- or three-month usage, that's their deposit. They might have a, you
10 know, letter of credit, whatever, but you look at the next two or three months and
11 as long as they're paying, it's good. With something of Meta's size and the
12 generation that goes with it, we couldn't rely on that. We didn't think that
13 adequately protected our customers. So we sought in this deal minimum bill
14 commitments and also because over the 15-year term, the size of that obligation, if
15 Meta were to default, walk away, we made sure we got a parent guarantee from
16 Meta Platforms, Inc., their parent company. Some have said why don't you go to
17 a bank and get a letter of credit? I haven't checked the stock market today. I try
18 not to watch it, but Meta Platforms, Inc. is approaching a \$2 trillion market cap.
19 And so you take the five biggest banks in the United States, they're not that big. So
20 we thought a parent guarantee from Meta Platforms, Inc. to cover the obligations
21 they are incurring is the best way to mitigate the risks. We also wanted to make
22 sure -- the Staff actually tested us and they wanted us to get a legal opinion from a
23 New York law firm to look at the parent guarantee to make sure it comported with

1 New York law and was enforceable, so we did get that. So that's how we're
2 approaching the risk in terms of Meta as a counterparty.

3 **COMMISSIONER COUSSAN:** And I appreciate that. You referenced the RTO
4 up in the northeast. What, if any, does the MISO queue reform -- how does that
5 impact or affect this deal? How does Meta and Entergy play in the MISO queue or
6 not? And what is MISO's stance at this point on this deal?

7 **MR. HAND:** So the queue reform, it's very much in flux. So it's going to be a
8 challenging question to answer, and I'll start this way --

9 **COMMISSIONER COUSSAN:** That's why you're at the table.

10 **MR. HAND:** I'll start this way, you know, MISO did implement and FERC did
11 approve what's called the ERAS process. I don't know -- Taylor Swift fan, Eras,
12 whatever. But, that's not a queue reform, that is a band-aid for the immediacy that
13 we face today. How can we get the generation needed not only in our state, but
14 other states? How can we get the generation needed for resource adequacy and
15 load growth through that queue timely? So that process, we did submit these three
16 units that are at issue here. We submitted that into that process, and we are very
17 optimistic -- highly optimistic that those units, the Franklin Farms 1 and 2 and
18 Waterford 5 will be evaluated for interconnection through that ERAS process in a
19 timely way. Longer term, we have more work to do with MISO on queue reform.
20 I know Meta and others are looking at it, you know, the entire footprint of MISO is
21 looking at how do we accomplish long-term queue reform and make sure we
22 manage, you know, serving load reliably, but also accommodating load growth.

1 **COMMISSIONER COUSSAN:** And part of that discussion is kind of the
2 collocation, right? Of generation and data center load; is that part of the discussion?

3 **MR. HAND:** Absolutely. And some folks are like why don't you have Meta just
4 build it themselves behind the meter. Well, first off, you know, that is not the most
5 efficient way to serve this because if they want to run at a 99.99 and a few more
6 nines, you know, load factor, potentially, you would need to install twice as much
7 generation as we are behind the meter to serve that. And so you'd have twice as
8 much, you know, just construction, demand on resources. That's not an efficient
9 use of society's resources. The grid service we are providing lowers that demand
10 on turbines and so forth and so we're able to serve that off the grid. The other
11 solution being proposed in some states is let -- there's requests to let certain
12 independent power producers, merchant generators serve at the meter. So in front
13 of the meter. What that is doing is they're going to create cost on the grid that would
14 be borne by every ELL customer, every co-op customer, every muni customer in
15 the state of Louisiana. So you let a merchant generator locate at the meter on the
16 grid, it can shift a lot of cost to others and they're not going to want to pay for it as
17 we thoughtfully planned these so we could minimize those grid impacts.

18 **COMMISSIONER COUSSAN:** Okay. Thank you for that answer. Lastly,
19 whenever anyone approaches me about a project, and this goes back to the
20 legislature, and I know we have members on this committee that understand this as
21 well, I've always recommended to them to start locally. Start locally. You're
22 talking to the state first. I would start, you know, at the parish council, at the city
23 council and then work your way to the state and obviously work your way to the

1 federal government and the FERC. In this case, you'd be dealing with FERC. You
2 -- and I'm going to compliment the entities here, y'all did start locally. Just
3 yesterday we received a letter from Senator Katrina Jackson-Andrews in full
4 support of this deal, which really clarifies that this is a bipartisan issue. I also heard
5 from Senator Jay Morris who represents in the northeast in support of the issue.
6 Senator Stewart Cathey in support of this project. Representative Michael Echols
7 in support of this projects. All representatives from the northeast, but make no
8 mistake, I've heard from everyone around Baton Rouge because they know that we
9 need the additional support for projects in the future that are going to be coming
10 online. And so it's not just about northeast Louisiana, it's about each of our
11 districts. So I just want to commend you for the work that you've done from a
12 public policy standpoint to work with those local delegations and the local officials
13 and I really ask you to continue to do that. At this point, really doubling down with
14 your local officials on all of these projects. And I think it was appropriate to
15 recognize the parish officials here at the beginning of this meeting with some of the
16 projects that we have going on down here. They're instrumental to the success as
17 are the ratepayers. And so thank you for continuing to work towards bringing all
18 of the coalitions together and all the different factions. With that, Mr. Chairman,
19 I'll turn it over to you.

20 **CHAIRMAN FRANCIS:** Okay. I've got a couple of them. I've talked to also
21 Representative and Senators Thompson, Riser, Womack, Johnson. All are in or
22 about that area, all in support of that. One question, Mr. Hand, and we'll go to

1 Commissioner Skrmetta. The words carbon capture, are they written in this
2 document anywhere?

3 **MR. HAND:** They are written in the -- it's not in the settlement, or maybe it is,
4 but I'll ask Skylar. But the commitment that Meta made, it's in what's called the
5 corporate sustainability rider. It said they are willing to support carbon capture and
6 sequestration that we may or may not install at Lake Charles Power Station. The
7 reason I say may or may not because we can't install it without getting your
8 approval first.

9 **CHAIRMAN FRANCIS:** Right.

10 **MR. HAND:** All they're saying is they're willing to pay up to some level to defray
11 the cost of that if the Commission approves that going forward. So it's not a
12 requirement of this deal, it is one of the many options that we and Meta worked on
13 to -- because, you know, frankly, their position today is to be carbon neutral. That's
14 their decision as a company, and we work through options. How can they get to
15 carbon neutral in Louisiana for this project? You can't do it overnight. You can
16 look at solar. We looked at wind. You can look at, you know, CCS, other things.
17 So it is mentioned, but it is not in a way that this is being approved here and any
18 way in terms of we are doing it. It's just not there.

19 **CHAIRMAN FRANCIS:** Carbon capture is not any part of this agreement we're
20 doing today; is that right?

21 **MR. HAND:** It is not being approved. Correct.

1 **CHAIRMAN FRANCIS:** Well, it's -- because it's out there in the public and
2 there's a lot of misinformation and I just wanted to make that clear and hopefully
3 the press will report that accordingly. Okay.

4 **MR. HAND:** Skylar, did you want to clarify anything?

5 **MR. ROSENBLOOM:** Yes, sir. I just want to say that the -- it does appear in the
6 settlement agreement, but only to specifically state that carbon capture is not up for
7 discussion or approval as part of this process.

8 **CHAIRMAN FRANCIS:** Yeah. That's good. So you're doubly clearing that up.
9 Okay.

10 **MR. ROSENBLOOM:** Yes, sir.

11 **CHAIRMAN FRANCIS:** Commissioner Skrmetta.

12 **VICE CHAIRMAN SKRMETTA:** Thank you, Mr. Chairman. I'm not going to
13 cover the same territory that the other Commissioners have already well put, but I
14 just want to make a comment and not to overlook the importance of this moment
15 that this contract that we're looking at -- effectively contract of approval, this is a
16 gamechanger. It's a gamechanger not just for our state, but it's a gamechanger for
17 the world of utility regulation across our country. Because, you know, it's unique
18 and it's a highly sophisticated approach to lifting the traditional, you know, cost
19 burden of how we have looked at adding new generation and burdening the public.
20 And that's how we have to look at it. We burden the public with new generation
21 builds. But the way we're doing this, it's not so. And make no mistake, this
22 contract sets new a standard to develop power resources to the advantage of our
23 ratepayers. And I won't go into the intricacies of how our marketplace and having

1 resources to where we can sell power outside of the state benefits every ratepayer
2 in the state through their fuel surcharges and the reduction thereof. But when the
3 reality of this impact -- the impact of this action begins to resonate beyond the
4 borders of the state of Louisiana to the nation, you know, we can be proud that we
5 have help set new standards that will help to negotiate how we balance in
6 infrastructure and negotiations between demand on electricity and the creation of
7 baseload power in the future. So I'm very proud of what we've been able to
8 accomplish here. So thank you.

9 **CHAIRMAN FRANCIS:** Thank you, Commissioner Skrmetta. Commissioner
10 Campbell, you have anything else to say?

11 **COMMISSIONER CAMPBELL:** No. I appreciate --

12 **CHAIRMAN FRANCIS:** Pull you mic down, please.

13 **COMMISSIONER CAMPBELL:** I appreciate you bringing this meeting up
14 here. I think it's great to be in south Louisiana with a lot of our constituents and
15 our friends. This is one of the most important decisions we'll make in north
16 Louisiana for a long period of time, and I appreciate y'all's support on this
17 committee. I think we're doing the right thing. Like I said earlier, there's nothing
18 that is bulletproof. Nothing. No such word as bulletproof. Anything you do, any
19 kind of investment you make, there's always a chance you might lose something.
20 But I can tell you, I made a few small investments in my life, but if I didn't make
21 them, I would be sorry for it. This is one of them I'm willing to take the chance on.
22 I think it'll pay dividends. I think a lot of people will have jobs. I think a lot of
23 school children will have better education. I think a lot of kids graduating from

1 school and college will continue to live up in northeast Louisiana. This is a picture
2 here. It's a graphic -- a picture of 10 parishes in north Louisiana. It goes from
3 Union Parish all the way to West Carroll, East Carroll, and to Mississippi --
4 Madison, Tensas. This part of the state is a part of the state that needs help more
5 than anybody else in Louisiana. Now, I know when we came to Lafayette, I voted
6 for the Cajundome. I voted for that. It had a lot of people didn't want to vote for
7 it. I think --

8 **COMMISSIONER COUSSAN:** Thank you for that. Thank you for the
9 Cajundome.

10 **COMMISSIONER CAMPBELL:** Well, I think it was a good investment.

11 **COMMISSIONER COUSSAN:** It's been a great investment. I've represented it
12 for almost a decade now. It's been a great investment.

13 **COMMISSIONER CAMPBELL:** Well, I helped you get it, okay? So I tell you
14 -- we'll make a deal. I helped you get that, you help me get this. How about that?

15 **CHAIRMAN FRANCIS:** There you go. Amen.

16 **COMMISSIONER CAMPBELL:** But anyway, Cajundome has been a great
17 investment for the state of Louisiana, so has the Superdome. Brought a lot of
18 dollars to New Orleans and a lot of -- all over Louisiana, people travel from north
19 Louisiana going to the Superdome for the ball games. And we come down here to
20 go to LSU's ball games. But our problem is, that road just doesn't travel both ways.
21 We got to get some traveling up in northeast Louisiana. We've been doing our
22 share for a long time, and this is the time for us to be -- say thank you, we with you,
23 we want you to have prosperity like we've had it. We don't like you being a poor

1 parish, we don't like you losing people like you've lost them. We want to help.
2 This is the best way you could help northeast Louisiana right now and Louisiana as
3 a whole. Vote for this, help us with it, and work with us. There will probably be
4 some mistakes made. There's nothing that you do this complex that you don't make
5 a mistake, but don't throw the baby out with the bath water. Let's look at this and
6 go on forward with it. I appreciate your support, I appreciate this committee, the
7 Chairman for bringing it today. And I think we've discussed this a long time. And
8 I would make a motion that we approve this.

9 **CHAIRMAN FRANCIS:** Okay. Well, let's change out of proponents. Let's hear
10 from the Staff next.

11 **MR. HAND:** Thank you.

12 **CHAIRMAN FRANCIS:** Would the Staff come up and take a seat here? I think
13 Lane and Dana's here. While they're coming, I want to make another
14 announcement. I missed in the beginning two very important people who traveled
15 here from Arkansas. They represent Southwest Power Pool which reaches down
16 into the Shreveport area, covers that as far as a regional transmission operator. The
17 senior director of the state regulatory policy, Kim O'Guinn. Kim, would you stand
18 up, please? Southwest Power Pool, that's one of our -- and I've been working with
19 Kim for several years. And then the Chief Operating Officer Antoine Lucas.
20 Antoine, stand up. Antoine is a -- he was born and raised in this area, probably
21 within 20 or 30 miles of where this -- what town were you from, Antoine? Lake
22 Providence. Hey, Commissioner Campbell, Lake Providence, Southwest Power

1 Pool. And thank you. Now, since I've announced -- I mentioned those, anybody
2 from MISO here? Any MISO folks here? MISO. MISO. No MISO.

3 **VICE CHAIRMAN SKRMETTA:** Jamie's here.

4 **CHAIRMAN FRANCIS:** Well, wait. There was a MISO -- there they are. Okay.
5 Well, don't be bashful. Okay. It's Jamie Watts and who's that in the back?

6 **VICE CHAIRMAN SKRMETTA:** Tag Short.

7 **CHAIRMAN FRANCIS:** Who?

8 **VICE CHAIRMAN SKRMETTA:** Tag Short.

9 **CHAIRMAN FRANCIS:** Tag Short. And so those are the two regional
10 transmission operators that are here in Louisiana, MISO and Southwest Power
11 Pool. And really your lights wouldn't be on today without those two here in
12 Louisiana, so just want to mention that. And now we have two distinguished Staff
13 members here. Y'all go ahead and tell us who you are.

14 **MR. LANE SISUNG:** Sure. Lane Sisung, United Professional Company hired as
15 outside consultant on this project.

16 **MS. DANA SHELTON:** Dana Shelton with the law firm of Stone Pigman who
17 worked with Staff as outside counsel in this matter.

18 **MR. SISUNG:** Sure. A lot has already been said. Staff is very supportive of this
19 settlement. We worked very hard with Entergy to craft this settlement. As you
20 know, we filed extensive testimony in this, over 140 pages of testimony. We went
21 through a vigorous settlement process. We went through a hearing where we were
22 able to be cross-examined, tested. We think it's been a very good process. We are
23 supportive of the settlement and here to answer any questions.

1 **MS. SHELTON:** I would just add, Commissioners, that I feel very strongly that
2 the process has worked in this case like it was designed to work. It has been
3 thorough and efficient and nimble to allow for us to deal with the dynamic energy
4 environment that we're dealing with now. And that's necessary to accommodate
5 this load growth that we're seeing in the state. The result has been a settlement that
6 is supported by a broad array of participants including the Staff, Walmart, Sierra
7 Club, Entergy, of course, and a renewable energy organization. So I think that
8 shows -- that broad approval really shows what we were able to accomplish. I did,
9 too, want to echo some of the comments of the Commissioners because I think this
10 is very true that what we've done here can and I think it will serve as a template for
11 other states. I mean, we've learned from some of the negative things that happened
12 with other states and have really worked hard to protect the Louisiana customers
13 here. And our regulatory system in this state -- the traditional regulatory system
14 with a vertically integrated utility where we can ensure that there will be resources
15 to serve this new load and that they will be paid for by the user of this load or
16 majority of the cost. That is something we're able to accomplish with our structure
17 that in other areas of the country, they can't accomplish that. So I think it is a
18 reason to be proud of what we've accomplished here.

19 **CHAIRMAN FRANCIS:** Well, I know transparency is the name of the game in
20 public service today. The people demand it. And if this is not transparent, I don't
21 know how we get -- do it any better. And with all the intervenors who have come
22 forward, and I know not everybody, you know, like what we do but I think the
23 majority have -- y'all have done a good job of explaining where we're at and where

1 we're going. And I'm like Commissioner Campbell and the rest of the
2 Commissioners, really up here excited about what we're doing. Any other
3 Commissioners have questions? Commissioner Lewis.

4 **COMMISSIONER LEWIS:** Thank you, Mr. Chairman, and thank you, Dana and
5 Lane, for your work. First, let me thank you and the rest of our Staff for your
6 diligence in navigating this case. I think this is unprecedented -- I think is the word
7 we've been using today. It's probably been a very big gorilla over the Commission
8 for the last month -- or for a few months, and I think you have done a great job
9 giving it the seriousness that it deserves within this application. And so before I
10 get into my questions, I know you all have dealt with me and my Staff quite a bit
11 and our very detailed questions that come randomly and you have also just been
12 extremely helpful. And so even with my questions, I want to put that on the record
13 that you have been upstanding in the work that you've done, the hours that you've
14 put in. Some questions that I have for you though is I know in this settlement, and
15 as we discussed in my office, you have built some significant consumer protections
16 as you believe. So can you tell us about those mechanisms and how they weigh
17 with the ratepayer impact? I mean, there's been a lot of questions that we've gotten
18 on why is there no cost caps? What is the risk for ratepayers? So as you say you
19 were proud of this settlement, can you describe what those consumer protections
20 are for the public to understand those?

21 **MR. SISUNG:** I think one of the most important protections is built within the
22 minimum bill requirements. So the Meta -- Meta's minimum bill will cover 100%
23 of the cost of the three new generators and that includes any cost overruns. So

1 when you think about how a generator comes into rates and -- for the entire -- all
2 ratepayers, it comes in at its highest cost in the first years, and then you have a 15-
3 year declining revenue requirement. So the last 15 years are going to be cheaper
4 for a generator than the first. It's not a levelized cost. Meta has come in and has a
5 minimum bill that is going to cover 100% of the cost of these three new generators
6 of all of the purchased generation that's also needed to meet the delta between
7 whatever these generations have and whatever ultimate load they bring on. They're
8 also going to cover the cost of the purchase generation that's in addition to these
9 three generators. So one of the major protections for ratepayers is that the minimum
10 bill is going to cover this. And then there's if Meta was to leave for some reason
11 within the 15 years, there's a parent guarantee on a termination fee that would have
12 the originally projected cost of these generators being reimbursed by Meta. So we
13 believe that the primary protection for customers that has been built in here is that
14 the costs are really being allocated to Meta, so that would be the first thing.

15 **MS. SHELTON:** Another feature I would add that's very important, you know,
16 when Entergy filed its application, it's a very thick -- and actually very thick, with
17 lots of testimony. But the actual documents, the contract documents as between
18 Entergy and Meta, they're very complicated commercial documents and there's
19 many of them. And when we first approached this in trying to wrestle this gorilla
20 to the ground, we went into those documents and tried to identify every hole that
21 we could perceive. Like every horrible occurrence that could happen that was not
22 provided for. What are we missing? And let's fill all those holes. Well, Entergy's
23 position from the beginning was, well, you're not -- you know, we're not asking

1 you to approve these contracts. Which at first seemed like the wrong way to go
2 because of course we want to -- that's part of the deal. But then as, you know, our
3 talks, our negotiations, our understanding evolved, it really is the better course for
4 the Commission to keep its powder dry on those very complicated agreements. And
5 how we've handled that in the settlement, which I do think can be a really great
6 model for other jurisdictions or other deals that might come our way, is that the
7 Commission says we're specifically not approving those agreements. And if those
8 agreements are not administered correctly, if they're amended at any point in a way
9 that diminishes some of these protections for ratepayers, then the Commission
10 retains all of its legal rights, retains its prudence review ability, and can really hold
11 Entergy to task for that. So when you asked Entergy, you know, what kind of skin
12 in the game do the shareholders have? What risk do you have? Well, they have
13 the obligation and the risk that they have to manage this in the best possible way
14 and that these agreements they've entered into will in fact protect the customers
15 like they are designed to protect them. And really in order for the Commission to
16 be able to effectively exercise that right and exercise that authority that they have
17 over the utility, we have built into the settlement lots of notification requirements,
18 reporting requirements because, after all, for you to know whether you need to step
19 in, you need to know what's happening. So the settlement will keep the
20 Commissioners and the Staff fully informed during the entirety of the agreement.

21 **COMMISSIONER LEWIS:** Thank you. And, Dana and Lane, sticking kind of
22 with that point of prudence, are you confident that within this stipulated settlement

1 that the Commission has all the regulatory tools it needs to have a prudent review
2 of this deal?

3 **MR. SISUNG:** Yes.

4 **MS. SHELTON:** Yes.

5 **COMMISSIONER LEWIS:** Okay. That's good to hear. I wanted to make sure.
6 Wanted a definitive answer on there. Can we go -- I want to go back to the
7 minimum payments for a second. I know, Lane, you just discussed about the true
8 up and the minimum payments, but when we look at the termination fee, it adjusts
9 to the actual -- it doesn't adjust to the actual cost the way that the minimum
10 payments do. Can you explain what the negotiations were or why the termination
11 fee doesn't have that same requirement that if Meta leaves early, that they are
12 subject for the costs as they are now, not just as what was in the agreement?

13 **MR. SISUNG:** Sure. And that is one of the things we raised in testimony and one
14 of the negotiating points we had and Entergy actually told us that was one of the
15 negotiating points they had and it was just one of -- in their commercial deal, it was
16 a point that they did not get. So how Staff has looked at this is as I said earlier, yes,
17 that is true that if there is a cost overrun and Meta leaves early, that there will be --
18 there may be a little bit of gap, but then we will have that generation and the value
19 of that generation. It becomes the property of Entergy. It becomes the property of
20 the ratepayers. And it will be able to generate its own value over and above the
21 value of the termination fee that they come. So there's a balance there, but there's
22 still an opportunity and, you know, if you assume the further on that Meta -- if Meta
23 were to leave before the 15 years, the further -- every year that passes, ratepayers

1 get the benefit of that declining revenue requirement. So in an overall balance, it
2 was something that we were able to come to terms with because we think that there's
3 enough protections and enough benefits to justify that position.

4 **COMMISSIONER LEWIS:** Okay. And did you have anything?

5 **MS. SHELTON:** I would just add that, you know, for that to occur, you would
6 have to have overruns and then -- and actions that would invoke the termination
7 fee, you know, early exit. You know, and those are two -- they are possibilities,
8 but hopefully they're remote possibilities. And again, this is also where your
9 prudence review ability, your legal rights could be exercised to put -- if that
10 situation, which we hope doesn't happen, happens, you could review that to see
11 why it happened, was there some other coverage that should've been afforded to
12 us.

13 **COMMISSIONER LEWIS:** Okay. While we're on that point about it becoming
14 Entergy's assets, how -- or to your best knowledge, how will these assets now be
15 examined or be treated in Entergy's next either formula rate plan or rate case that
16 comes before the Commission? And how can we work towards ensuring that the
17 shared benefits that these units may provide? What does that process look like
18 outside of just this stipulated settlement?

19 **MR. SISUNG:** Sure. So when we come to our next -- so we're currently in the
20 last test year of a formula rate plan. So it is fully expected that Entergy will either
21 come with a request for an extension of the formula rate plan or a rate case. When
22 we take that review of rates up, we will be factoring in the new load and the new
23 generation that's coming on board with Meta and we are definitely going to be

1 looking at how to balance those interests. We have expressed to Entergy our desire
2 that because customers are taking some risks, we will be pushing that if Meta is
3 really doing, you know, well and Entergy's overearning, we would like to see that
4 maybe some of that be shared back with ratepayers for the risk they've taken.
5 That'll be positions that Staff will be going forward with whether or not, you know,
6 we get that there or not. But we have a full opportunity to judge all of the risks
7 associated with the new load and the new generation. And, you know, as Mr. Hand
8 actually was explaining, you know, ratemaking is not -- we're not going to be
9 determining ratemaking for this project. We're going to be determining ratemaking
10 for Entergy. And their ROE is across all of their generation and all of their rate
11 base. So we will have a full opportunity to look at whether or not Entergy has a
12 reasonable opportunity to earn an authorized ROE. No more, no less.

13 **COMMISSIONER LEWIS:** Thank you. While we're kind of on that part of
14 generation, there's been some concern and I mentioned it with Mr. Hand, around
15 gas. So I just want to elaborate with you on here. Could you elaborate on the
16 assumptions made within this that concludes that there's no real risk for ratepayers
17 around this? And why I ask this question specifically is how do we account for in
18 this stipulated settlement for the uncertainty of the price of gas when we're looking
19 many years ahead and what we are seeing particularly in this state with the demand
20 from LNG? We saw the state auditor showcased in an audit just recently that
21 Louisiana primarily particularly is maybe too over reliant on natural gas as its part
22 of its generation mix. And so I'm just trying to see how did you account for those
23 assumptions? And how do you see the expansion that we're seeing nationwide, but

1 particularly in this state of gas affecting the economic performance of our overall
2 Entergy portfolio if we approve this stipulated settlement?

3 **MR. SISUNG:** Well, yeah. I mean, I think when you think about how the FAC
4 works, right? If gas prices go up, each user is going to pay its particular allocated
5 share of that increasing cost. So I don't -- at the outset, Meta coming on isn't going
6 to shift any gas cost to other customers. The risk is that the increased demand could
7 increase gas prices. And, you know, that is part of the determination of the public
8 interest. So there's no way that we can't say that an increase in demand of this level
9 might not have an impact on future gas prices. But there's all kinds of other
10 demands, and there's a ton of supply in Louisiana. I mean, we're lucky to be in a
11 state where we have one of the most robust, you know, gas exploration production
12 and pipelines to get it. So we have some of the cheapest gas prices in the country.
13 So there is absolutely a theoretical risk that gas prices could go up and this project
14 could be a contributor to it, but when you look in the overall benefits of the
15 transaction compared to that risk, Staff was comfortable in making its
16 recommendation.

17 **COMMISSIONER LEWIS:** I want to toy with that just a little bit. So if -- let's
18 say those gas prices continue to rise and, for instance, these plants become
19 uneconomical to dispatch, wouldn't ratepayers have to pay the remaining cost even
20 with the minimum payments?

21 **MR. SISUNG:** When you say the -- you mean after 15 years --

22 **COMMISSIONER LEWIS:** Yes.

23 **MR. SISUNG:** -- if the gas plants weren't economical?

1 **COMMISSIONER LEWIS:** Correct. Yes.

2 **MR. SISUNG:** I do believe that that's a possibility. I don't think it's a likelihood.

3 **COMMISSIONER LEWIS:** Okay. Thank you. That helps. The last question I

4 kind of have for you two is I think today we've been speaking a lot about the

5 precedent that this deal sets. If you're evaluating future data center proposals, how

6 will this deal -- or this stipulated settlement inform your analysis? Is this a high

7 bar? Is this a baseline? Should future deals be better than this assessment? I know

8 that's kind of a forward-looking question, but I mean, I think that's the decision we

9 make here today. It is a precedent setting decision. So I'm curious of how you see

10 this stipulated settlement in lines of future deals that may come before this body?

11 **MR. SISUNG:** Yeah. I mean, as far as data centers go and the 24/7 and the -- you

12 know, the significant increase in load with a simultaneous significant increase in

13 generation, I think this does set the template that's -- forward. I think that these

14 data centers are going to have to cover those costs. They're going to have to make

15 sure that those costs don't fall back on the backs of all the other customers. So

16 from that perspective, I think that this sets that bar. I think every deal will be a little

17 unique. I think we'll be in a different position if another project comes along, we

18 won't have the same ability to use excess generation because we're using the excess

19 generation from this project. So I think that we're going to have to figure out how

20 to address that issue when another deal comes along. But I think that this absolutely

21 sets that bar and that template of where we start, and then we look at the specific

22 circumstances of that project as we get it, and we go from there.

1 **MS. DANA:** I'll just add that we did look because, you know, you want to see how
2 does this deal stack up to other deals. And like Mr. Hand said, you know, we're
3 not privy to other deals that have been done. But I will say our research has shown
4 there's not been a better deal, all in, considering everything that we've gotten in
5 this deal. I like to think of this, I think the way -- this sets the floor, and yes, there
6 will have to be unique -- every deal will be unique. But I think this should be
7 viewed as a very good floor, but -- so the next deal should be this or hopefully better
8 and we'll work hard to make the next one better. But this is a very good start.

9 **COMMISSIONER LEWIS:** Well, once again, I want to thank you for your hard
10 commitment and work, and especially answering the questions that I have in this
11 process and in today. And, Mr. Chairman, I yield back.

12 **CHAIRMAN FRANCIS:** Coussan.

13 **COMMISSIONER COUSSAN:** Thank you, Mr. Chairman. Three quick points.
14 Number one, I want to thank Commissioner Lewis for supporting increase in gas
15 supply. Drill, baby, drill. So we appreciate your support all throughout Louisiana
16 and Acadiana, especially with our oil and gas community. Secondly, I've gotten a
17 lot of emails about two things. The speed with which we've arrived at this point. I
18 call it efficiency. I mean, and most people want government and our regulatory
19 process to be streamline, to be more efficient, so we can get to winning faster in
20 Louisiana. It seems like we take a long time to get to winning. Is there any benefit
21 right now to put all this to the side and kick the can for another month and let all of
22 these documents just sit and fester and not take action today? Is there any

1 regulatory benefit? Is there any benefit to Louisiana to delay the action which we
2 have arrived at earlier than expected?

3 **MR. SISUNG:** In my opinion, none whatsoever.

4 **MS. DANA:** I agree with that. I mean, we've been -- you know, we were told
5 when this project started this needs to be a focus. We have focused on this like a
6 laser beam. We heard, you know, the message which was we need to be thorough
7 but efficient and move this. And that's what we've done and we've devoted 10
8 months to this. This is our top priority. There's been hundreds of pages of
9 testimony. Hundreds of exhibits. We have studied, re-studied, all of this. I think
10 kicking the can down the road will not serve any benefit, and I'm very proud that
11 we were able to move that quickly, and that's really what the economy demands
12 right now.

13 **COMMISSIONER COUSSAN:** And we are -- you're at this table and we are
14 familiar with you. You introduced yourself. But for the public, I mean, you are
15 charged with this analysis as our third-party consultants. That was your
16 responsibility, and therefore you are the ones we are relying upon to do that deep
17 dive and analysis. And you have arrived where we are today because of the work
18 that you've done and the efficiency and the speed with which you've done that
19 analysis; is that correct? I mean, y'all are -- this is your deal.

20 **MR. SISUNG:** That is correct. We stand behind our recommendation.

21 **COMMISSIONER COUSSAN:** Okay. Lastly, another one of the bullet points
22 in the several dozens -- hundreds of emails that I've gotten that are very similar
23 have to do with the confidentiality of some portions of some of the exhibits and

1 some of the underlying business arrangement -- the business contracts that you
2 mentioned earlier. The settlement itself that we're dealing with today, is it a public
3 settlement?

4 **MS. SHELTON:** Yes. It's a public settlement. There is one attachment that's
5 related to the deferral and how the deferral will be handled that is confidential, but
6 the rest of it is public.

7 **COMMISSIONER COUSSAN:** Has it been filed? I mean, this public document
8 that we're dealing with and voting on today, the settlement itself, is it public?

9 **MS. SHELTON:** Yes.

10 **COMMISSIONER COUSSAN:** Now?

11 **MS. SHELTON:** Yes, sir.

12 **COMMISSIONER COUSSAN:** And when was the settlement filed?

13 **MS. SHELTON:** I believe it was filed on July 2.

14 **COMMISSIONER COUSSAN:** It's an important date that I'd like to have
15 someone speak to so that I can -- so that we can say how long the document that is
16 part of the vote today has been available.

17 **MS. BOWMAN:** So the original settlement --

18 **MS. LAUREN EVANS:** Commissioner.

19 **MS. BOWMAN:** Sorry. Go ahead, Ms. Evans.

20 **COMMISSIONER COUSSAN:** Yes.

21 **MS. EVANS:** Lauren Evans on behalf of Staff. So the settlement with all of the
22 parties was filed on August 7 as part of our motion for Rule 57. The original
23 settlement between Staff and Entergy was filed in July.

1 **COMMISSIONER COUSSAN:** Okay. And if you can get that date on -- I'd like
2 somebody to just shout it out at some point just so we have that in the record as
3 well. So the nature of the confidentiality of some of the contracts between the
4 parties, can you explain why there are some information that is and remains
5 confidential?

6 **MR. SISUNG:** And I would like to make sure that it is clear that every party that
7 participated in this docket ultimately was provided access to the confidential
8 information if they signed the confidentiality agreement. So while it is being -- you
9 know, while there are certain things that for market sensitive reasons are being kept
10 confidential from the public, the participants were able to have access to this
11 information, so there was no backroom deal. I read that in a paper today. That did
12 not happen. It was a very open process. If you wanted to participate, you were able
13 to participate, you were able to see what you needed to see. And so, you know, I
14 think that the reasons for the confidentiality are just what I said, the market-
15 sensitive information. There are parts of this transaction that the customer doesn't
16 want the public to know because it would create competitive disadvantages for
17 them, and that's what has been kept confidential.

18 **COMMISSIONER COUSSAN:** Did all intervenors sign a confidentiality
19 agreement or nondisclosure agreement?

20 **MS. SHELTON:** I believe they did. I mean, I think in order to have access to that
21 data, they had to sign a confidentiality agreement. And that is, you know, another
22 thing that's common when you look at these deals across the country. Oftentimes
23 the data center developers, you know, they're in competition with each other and a

1 lot of that information is considered commercially sensitive and it would harm their
2 competitive position if it were out in the public. So we tried to respect that.

3 **COMMISSIONER COUSSAN:** Thank both of you for all the work that you did
4 on this project.

5 **CHAIRMAN FRANCIS:** Also, Lauren Evans was on the Staff there also and --
6 you got anything to add to this, Lauren?

7 **MS. EVANS:** So I just want to make one clarification to the question
8 Commissioner Coussan asked. So the Staff and Entergy entered into the agreement
9 on July 2, which is when we circulated it to all the parties, and it was filed into the
10 record as part of our brief that was filed on July 3.

11 **COMMISSIONER COUSSAN:** And that July 3 date, it became available to the
12 public when it's filed?

13 **MS. EVANS:** That is correct.

14 **COMMISSIONER COUSSAN:** Okay. Thank you.

15 **CHAIRMAN FRANCIS:** So Lauren's expecting another child. Are you going to
16 name the child Meta when you get through with this?

17 **MS. EVANS:** No shot, Commissioner.

18 **CHAIRMAN FRANCIS:** Okay. Is that all the Staff? Any other Staff?

19 **MS. BOWMAN:** We don't have any other Staff. We do have a fairly significant
20 stack of yellow cards related to this agenda item. I guess, sticking on the
21 proponents' side, I do have -- Commissioner Coussan, you referenced Senator
22 Jackson's letter. I have a copy, if you would like it read into the record, but it is a
23 letter from Senator Jackson-Andrews from District 34, in support of the project.

1 **CHAIRMAN FRANCIS:** Okay.

2 **MS. BOWMAN:** And then, if there's any other folks in the audience who are
3 supporting the project, if you could stand. And you can come to the table, please.
4 Thank you. And just introduce yourself, please, for the record. And press the
5 button.

6 **MS. JASMINE BROWN DEROUSSELLE:** Here we are. Good afternoon,
7 Commission. This is an exciting opportunity for us to be with you this morning.
8 My name is Jasmine Brown DeRousselle, and I serve as the chief external affairs
9 officer for GNO, Inc. We are the economic development firm for the 10 parishes
10 of Greater New Orleans. And what we're here to do this morning is to really
11 underscore and highlight what's already been said by many of the Commissioners
12 this morning. That is the fact that the decision before you today, is not only about
13 north Louisiana. While we are very excited for our family members and friends in
14 north Louisiana -- I evacuated to north Louisiana for Hurricane Katrina, spent a lot
15 of time there. Family there, I love them. Very excited for north Louisiana. But
16 what we're here to really highlight is that this is a project that will gain to benefit
17 every corner of this state.

18 **CHAIRMAN FRANCIS:** I agree.

19 **MS. DEROUSSELLE:** Every single corner of this state. And so approving this
20 agreement does three things. We like to think about this deal in the term of three
21 Ps is what I call it. It will impact our parishes statewide, it will impact our people,
22 but it'll also impact perception, which will ultimately lead to a more prosperous
23 state. And so, first, if we take parishes, as we've said, this deal is not limited to one

1 region. Every parish of this state has a stake in this decision today. While, of
2 course, the construction jobs will start in north Louisiana, contractors in Acadiana
3 will benefit, suppliers in Baton Rouge will benefit, service providers in Lake
4 Charles and of course technology partners in New Orleans also stand to benefit
5 from things like infrastructure upgrades, power reliability, and broadband
6 connectivity. And as we think about it through the lens of course, here today
7 representing the Greater New Orleans region, already in New Orleans, we're seeing
8 some of that impact. All of the materials that are being delivered to help to build
9 this facility actually are coming through the Port of New Orleans. And so that is
10 already a significant level of revenue being driven and directed to that area, which
11 of course we know translates to jobs, economic impact, and the like. Second,
12 perception. Again, it has already been stated that the world is watching the decision
13 today. How often do we get a trillion-dollar company like Meta raise their hand
14 and say, hey, we want to be in Louisiana? It changes how the world sees us, and in
15 fact, that change has already started to happen. Since this deal has been announced,
16 in every conversation that we've had with site selectors, they have referenced this
17 deal. This deal is a world changer. It is a game changing opportunity. Again, that
18 domino effect is not only going to impact other large companies that we want to
19 continue to attract for opportunities here, but also smaller companies. We at GNO,
20 Inc. have the opportunity to lead an alliance that is deemed the REAL alliance. That
21 is the alliance of every single regional economic development firm across the state.
22 We chair that alliance. And just last week, we had our annual convening, and from
23 every REDO, they shared the same sentiments. This Meta deal, deemed the deal

1 of the year by a national organization, has impacted already their pipeline. And so
2 last, but certainly not least, I want to continue to highlight that this deal is really
3 about our people, our most important asset. At the core of economic development,
4 are our people. At the heart of this deal, it's our people. It's our people in north
5 Louisiana, it's our people in south Louisiana, it's our people in central Louisiana,
6 it is the people of this great state, and that is really what economic development is
7 all about. And so what we see, and when we think about the statistics of one out of
8 five Louisianans living below the poverty line, we recognize that we have a very
9 astute opportunity here to help to change that narrative, which is what economic
10 development is all about. So, Commissioners, today, listen, we come humbly and
11 excitingly, if you will, to ask for your support of this project. We believe that as
12 economic developers, as elected officials, as community leaders, if we cannot
13 support this level of opportunity, then what are we here to do? Thank you so much
14 and we appreciate your support.

15 **CHAIRMAN FRANCIS:** All right. Thank you. Yes, sir.

16 **MR. ROB CLEVELAND:** Good morning. My name is Rob Cleveland and I am
17 the CEO of Grow NELA, which is the regional economic development organization
18 that represents northeast Louisiana. I live in Monroe, live in the region, and have
19 been on the ground dealing with the project every day since the announcement.
20 And I'm going to talk to you a little bit more specifically about what's going on in
21 our region from an economic development standpoint. I want to give you some
22 specific examples about how Louisiana residents, Louisiana companies, and
23 Louisiana non-profits are already benefiting in the first six months of this project.

1 I could spend hours giving you every specific example of the things that we're
2 doing, but I'm going to try to limit it to three minutes. But I could go on and on.
3 The Meta project has already brought direct and measurable benefits to this great
4 state. Existing companies in the region have already hired more people. The three
5 general contractors from outside the area who are managing the project are
6 providing new and better jobs for our residents, better jobs than they've ever had in
7 their lives. The contractors have already spent tens of millions of dollars in our
8 region with local businesses, small businesses owned by local Louisiana residents.
9 Tire shops, hardware stores, restaurants, auto dealers, electricians, equipment rental
10 companies have already experienced exponential growth. And these are all
11 companies locally owned and operated, employing taxpaying residents of
12 Louisiana, employing the people who support the little leagues and support our
13 community organizations. But the benefits go far beyond what we would all
14 consider direct project benefits. Like Jasmine's group, all of the economic
15 development organizations, we have a metric of new leads that are coming into our
16 region, and ultimately you got to fill the funnel. As Jasmine said, we want more
17 people perceiving Louisiana as a positive state. And so our leads in northeast
18 Louisiana have more than tripled in the six months since the Meta announcement.
19 We are seeing three times the new projects looking at our region than the six months
20 prior to that. Site consultants, companies, developers from all over the world are
21 in our region. Last week, we had a development company from Chicago, they've
22 been in our region twice. We are working with a company -- currently have an
23 active project with a company who is being traded on the London Stock Exchange,

1 and we have an active project with one of the world's most recognized companies.
2 All of these projects are due to the attention that has been brought to us by the Meta
3 project. Many of our local officials had come to us and say, hey, look, we need to
4 better understand and better communicate to our residents the impact of this project.
5 How is it going to impact Richland Parish? But how's it going to impact our
6 region? How's it going to impact the state? So we took that feedback at Grow
7 NELA, and we commissioned two independent studies from outside firms. First
8 firm we hired was Ginovus, which is a globally recognized site consultant company
9 out of Indianapolis, and they did an economic impact analysis for us. They do
10 projects like this all over the world, and we felt like it was important to get an
11 independent view of the project. Their studies show that over a billion dollars --
12 one billion dollars will be generated in direct construction wages. One billion
13 dollars in people working on that site. Over \$160 million will be generated in sales
14 tax revenue. As we all know, and Jasmine and I fight this perception, Louisiana
15 has one of the highest sales tax rates in the entire country. A hundred and sixty
16 million dollars in sales tax in our region will be generated in five years. Real
17 meaningful money to our region. Additionally, we know that we need housing
18 throughout the entire state, certainly, in northeast Louisiana. We commissioned an
19 independent housing study with the John Burns Consulting Firm that said that we
20 needed 700 new homes because of this project. Seven hundred new households
21 will be moving into our region in single-family homes, multi-family homes. And
22 what the study also showed, most importantly, was that the rent rates in our region
23 are going up and the demand is going up. And that is the perfect recipe for us to

1 go out and compete for new housing developers. Jasmine and I aren't just
2 competing for companies in this state, we're competing for people, we're
3 competing for homebuilders. And these are the kinds of things independent studies
4 that show and allow us to recruit new developers. Lastly, I just want to say, I want
5 to remind the Commission of the difficult economic conditions in northeast
6 Louisiana, just in case you haven't been there. And many of the opposition to this
7 project has never set foot in our region. Many economic developers use the statistic
8 per capita personal income, and the math is very easy. It's simply the amount of
9 money earned per person in a county, in a parish, in a state. Math's pretty easy.
10 It's something that we can compare ourselves around the other country. So per
11 capita personal income is important to us. The most recent data in 2023 says that
12 Louisiana's per capita personal income is \$58,000 a year, 58,845 to be exact. Just
13 under 60,000 a year. The U.S. national average is 69,810, just under 70,000 a year.
14 So Louisiana, we have a lower cost of living, but we also have a lower per capita
15 personal income. The average Louisiana resident earns about \$60,000 a year. We
16 all know there's 64 parishes in this state. You divide those evenly, 32 in the top,
17 32 in the bottom. The 10 parishes in northeast Louisiana are in the bottom 32 of
18 per capita personal income in this state. All 10 regions that I -- all 10 parishes that
19 I represent are in the bottom half of per capita personal income. Seven of our 10,
20 are in the bottom 17. There has never been a better time to lift our residents out of
21 poverty. There has never been a better time to give people in our region better jobs
22 and make more money than they are today. So I hope that you will support the
23 residents of northeast Louisiana and approve this project.

1 **CHAIRMAN FRANCIS:** Going to get a Buc-ee's?

2 **MR. CLEVELAND:** I think our friends in Ruston have that covered.

3 **CHAIRMAN FRANCIS:** Okay. All right. Anybody else? Well, thank y'all for

4 your discussion and I guess that's all the opponents -- I mean, proponents.

5 **MS. BOWMAN:** Any other proponents in the audience that wish to speak? Okay.

6 Then thank you guys both for speaking. We will start since there's only two chairs,

7 we'll start with just the first two cards I have, and I'm going to ask that everyone

8 follow Mr. Cleveland's lead and let's try to limit comments to about three minutes.

9 The first two is a Ms. Carthan, Renee Carthan, and a Ms. Angela Bradford, and I'm

10 sorry. I can't pronounce the last of the name.

11 **COMMISSIONER COUSSAN:** Kathryn.

12 **VICE CHAIRMAN SKRMETTA:** Kathryn, are you trying to find if there's a --

13 groups that would --

14 **MS. BOWMAN:** So the majority of the cards that were presented say they're

15 representing their selves.

16 **VICE CHAIRMAN SKRMETTA:** Okay. So --

17 **MS. BOWMAN:** There are some toward the some towards the end that are

18 representing companies in some fashion, so I was going to ask them to have one

19 representative.

20 **VICE CHAIRMAN SKRMETTA:** So if they coalesce to a spokesman?

21 **MS. BOWMAN:** Yes.

22 **VICE CHAIRMAN SKRMETTA:** Okay.

23 **CHAIRMAN FRANCIS:** Okay.

1 **MS. ANGELLE BRADFORD ROSENBERG:** All right. Hi. My name is
2 Angelle Bradford Rosenberg. I live in Commission District 3. And I know and
3 love and work with and volunteer with a lot of people who are in Shreveport,
4 Monroe, Delhi, Rayville. But they work and can't come to a random meeting on a
5 Wednesday in Plaquemine. I just want to lift that up. This is not, you know,
6 southern Louisiana versus northern Louisiana, just lifting up serious concerns about
7 this project. I think we can look to Virginia and Georgia, as well as Tennessee, and
8 recognize that there are serious concerns about these data centers that are popping
9 up all across this country. We are hearing a lot of questions from people of
10 questions across Louisiana, particularly about where is this water coming from?
11 And so there's a lot of questions that are left unanswered even through this entire
12 process that y'all say has been very transparent. But for those of us in the public,
13 I'm a, you know, regular person, volunteer, and the only reason why I'm able to be
14 here is because I'm underemployed and have been taking care of my husband for
15 the past year, who's been going through cancer treatment. And he's doing well,
16 which is great, but I have time because I am privileged and able to come here. We
17 know data centers use millions of gallons of water a day, and I wonder and worry
18 about how we're going to be compromising either Rayville or Delhi or Holly
19 Ridge's water system, and if y'all have had those conversations with local people
20 prior to landing on this settlement or moving forward today. If this Meta data center
21 is not going to use a closed-loop system for water, then how are you impacting the
22 local farmers and the agricultural community? I've heard from some local farmers
23 that are concerned, but you're not going to see or hear a lot of people prominently

1 coming out against this project because Meta is a massive corporation with a lot of
2 power, and it's a dangerous corporation with a lot of power. On the back end of
3 that comment, what are your plans for regulation of the actual data? Do we actually
4 know what kind of data is being collected, and then what is the oversight for that?
5 We've seen some very nefarious usages of surveillance and AI in recent years. In
6 addition to that, what about if we are in a drought or a disaster happens? Going
7 back to the water concerns, what is the plan for that? How are we prioritizing the
8 community and people over Meta and Entergy? And then, as far as the jobs, like I
9 get it, I totally hear about the indirect impacts. I appreciate that and I want local
10 businesses to be thriving. But if the average data center permanent jobs are 12 to
11 15, and for this project they're saying it's going 500. Do y'all have a promise that
12 they're going to be local jobs? Are they hiring locally? Do we actually know that
13 they're hiring people from Monroe, Rayville, Delhi, Holly Ridge, or are they just
14 saying 500 jobs and then bringing in these folks from other places that are trained
15 in high-tech? Beyond that, just, you know, this sets a precedent, as it has it has
16 been said before. And I've seen plenty of national articles that have said that we're
17 actually getting the worst deal in the county for data centers. And so if we see one
18 data center come in and then more coming up behind it, sure, raising our bills up,
19 you know, \$1 here to 10, 20 for our utility bills leads -- you know, if you do that
20 with multiple data centers, you're talking hundreds of dollars for our bills over
21 several years. And if this is a boom-or-bust situation, which we've seen with a lot
22 of the new tech right now, it's very dangerous. So in closing, just, you know, all
23 that glitters is not gold, and I ask that you delay this vote. Reconsider, because this

1 is a danger to all Louisianans that pay utilities, but especially to local community
2 and their water. Thank you.

3 **CHAIRMAN FRANCIS:** Where's your residence?

4 **MS. ROSENBERG:** Yeah. I said I'm in Commission District 3, and I live in New
5 Orleans and I'm from Baton Rouge.

6 **CHAIRMAN FRANCIS:** Where? New Orleans?

7 **MS. ROSENBERG:** Yes.

8 **CHAIRMAN FRANCIS:** Okay. All right. Go ahead, ma'am.

9 **COMMISSIONER LEWIS:** Mr. Chairman, really quickly, Ms. Bradford, thank
10 you for your comments. I will bring Entergy or Meta back up to address waters
11 and jobs. So for those who have those questions, I will ask them to respond --

12 **MS. ROSENBERG:** Thank you.

13 **COMMISSIONER LEWIS:** -- after public testimony.

14 **CHAIRMAN FRANCIS:** Yes, ma'am. Go ahead.

15 **MS. RENEE CARTHAN:** My name is Renee Carthan, and I'm actually from
16 your district, Chairman. As a child, growing up in foster care here in Louisiana,
17 I've lived in multiple parishes, and I was always amused at no matter parish I lived
18 in or what city, grown-ups were always fretting about their electricity bills. Before
19 I ever lived on my own, Entergy was a name that I knew well. As a single parent,
20 and a first-time homeowner now myself, I definitely understand. My mortgage is
21 \$1,200 a month. My Entergy bill when I first moved into my house two summers
22 ago, was about a tenth of that. Since then, it's more than doubled. And even with
23 energy-efficient appliances and smart thermostats, I can't afford for that to go up,

1 even that \$1 more. Especially knowing that it would be because we, the
2 hardworking citizens of Louisiana, are subsidizing the expenses of a multi-billion-
3 dollar corporation. Let me be clear, I'm not opposed to the technology or
4 advancement. In fact, I drive an electric vehicle and I'll admit I even own a pair of
5 Meta's glasses. But technological advancement and data at the expense of my
6 neighbors in Lake Charles where the median income is only about \$2,500 a month,
7 this isn't going to help us get above the poverty line. And it's also going to add the
8 potential risk of issues with people's water systems and health risks that we already
9 have enough of in our area with the petrochemical industry. This simply, from our
10 perspective, is not worth it.

11 **CHAIRMAN FRANCIS:** All right. Thank you, ma'am. Thank y'all for your
12 testimony. Okay. We have --

13 **MS. BOWMAN:** So the next two is Logan Wolf and Lauren Nager. Sorry if I'm
14 not pronouncing those correctly. And I don't know if you can hear when you're
15 sitting up there, but whoever's not speaking, could you please keep the microphone
16 muted, so we don't have that white noise feedback that we're hearing? I'd
17 appreciate that. Thank you. And, Mr. Wolf, if you would like to start.

18 **MR. LOGAN WOLF:** Yeah. My name is Logan Wolf. I am a resident at 373 --

19 **MS. BOWMAN:** Is it -- is the green light on?

20 **MR. WOLF:** Yeah.

21 **MS. BOWMAN:** Okay. There it goes.

22 **MR. WOLF:** And I can speak closer to it.

23 **MS. BOWMAN:** There you go.

1 **MR. WOLF:** Yeah. I live in Thibodeaux, Louisiana, so Mr. Coussan's district.
2 But I don't believe when Entergy says that they're going to be able to be able to
3 power this facility. This facility is almost the size of the island of Manhattan and
4 will consume the power of twice the city of New Orleans. And so Entergy can't
5 keep the lights on on a good day, so I just don't believe that they'll be able to do
6 this. Prove me wrong. I'll be the first one to say that. But in addition to that, like
7 I don't believe they'll still be able to power it when it comes on the grid. You know,
8 I don't believe them when they say that the ratepayers won't pay more. We have
9 seen numerous times that our Entergy rates go up, and we are faced to pay them
10 because they are a government subsidized monopoly. And so we are forced to pay
11 that because of where we live. I live in Louisiana just like the rest of you. I'm not
12 going to go without energy in the summer, it's just not going to happen. But let's
13 also consider the places where Meta's data centers are located, specifically in
14 Memphis where their water system is failing because of the data center and how
15 much water it uses to cool the center itself. And there's extensive reports of quality
16 of life being affected because of the sheer amount of noise that these data centers
17 produce, while those centers are much smaller than this proposed one. It's also of
18 note, Meta has not said how many permanent jobs will be created by this, and so
19 we just don't know if those jobs will ever come here. And if they do create a
20 permanent job, who's to say that they're going to hire somebody from that area.
21 We see all the time that industry comes in, builds a facility, and doesn't hire the
22 people near it, and that's my worry. My worry is that there's a lot of talk of
23 economic benefit, but rarely do we ever see it.

1 **CHAIRMAN FRANCIS:** Okay. Thank you. Yes, ma'am.

2 **MS. LAUREN NAGEL:** Yes. Good morning, Commissioners. My name is

3 Lauren. I'm from District 3. I'm here to express my opposition to this data center.

4 The ratepayers and residents are going to be stuck with the cost of this, and there's

5 a lot that is non-binding in all the contracts. Firstly, it would force ratepayers to

6 cover the cost of a \$550 million transmission line that's only needed because of the

7 data center, and it would burden ratepayers with higher gas prices because of the

8 3.2 billion cost of three power plants. And just to add, that it's a highly speculative

9 business venture. We don't know what AI is going to be like in 15 years. I

10 personally feel the tremendous burden of energy costs. I have to keep my

11 thermostat at 80 degrees in order to pay my bill, and I know that none of the Entergy

12 executives in this room would think that that was a cool temperature or healthy.

13 This, and also skyrocketing insurance rates, are driving Louisianans out of the state

14 at an alarming rate because our representatives continue to make decisions that

15 benefit the industries that pollute our air and water, and also while paying very little

16 in property taxes because industrial tax exemption program. So if Entergy actually

17 cared about its residential customers, they wouldn't have spent years fighting

18 interstate transmission lines that would've brought renewable energy into our state

19 and would've sought out different ways to power the data center. So I really do

20 urge you to not rush these contracts. I don't see what another month would take to

21 make sure that the contracts are more binding in the sense of the commitments --

22 quote, unquote commitments that Entergy's making are binding and that jobs -- the

23 500 jobs are actually promised to the residents in Richland Parish as you all are so

1 concerned about. And, yeah, just please do not rush it, and we also -- they also
2 have commitments for renewable energy that aren't binding either. Thank you.

3 **CHAIRMAN FRANCIS:** Thank y'all. Thank y'all. Next one.

4 **MS. BOWMAN:** Yes, sir. So Victoria Riggs and Lauren -- is it Zander?

5 **MS. VICTORIA RIGGS:** Good afternoon. Good afternoon. Can you hear me?
6 Good afternoon.

7 **CHAIRMAN FRANCIS:** There you go.

8 **MS. RIGGS:** Hi. My name is Victoria. I live in District 3 as well. I have a couple
9 of things --

10 **CHAIRMAN FRANCIS:** Where do you live, ma'am?

11 **MS. RIGGS:** New Orleans. District 3.

12 **CHAIRMAN FRANCIS:** Okay.

13 **MS. RIGGS:** So I want to reiterate also, you know, the long-term jobs. We keep
14 hearing the number 500. I think that 500 is going to be predominantly temporary
15 contract roles. These are going to be the roles that are planning, building, site
16 development, implementation of the project. It does not take 500 people to operate
17 and maintain a building full of computers that think for themselves. So I think that
18 taking a really critical look at the long-term permanent roles is critical here.
19 Another thing is they mentioned the Power to Care donation. It was up to \$1 million
20 a year. Was there any established minimum that they were talking about donating
21 or is it just up to? Might be worth looking at. And also, Commissioner Campbell,
22 you noticed that you think that this is going to be really positive for like the school
23 children of Louisiana, and I think that there are definitely ways to make that true.

1 One of the things that I'd like to see is what happens to the technology in the data
2 center as it becomes outdated? We know that technology does, you know, progress
3 very quickly. Louisiana's school system doesn't have the money or access to a lot
4 of the technology that a company like Meta has. Is there any way that the
5 technology, when it's decommissioned out of a data center, can it be cleaned and
6 repurposed in a way that can benefit the schools? That can benefit children? Can
7 they learn ways to program and code and engineer? Can they find any benefit in
8 that way? So I guess instead of rushing a vote, I'd like to see if there's any way to
9 make concrete benefits in things like that. Also, you know, Meta having a market
10 cap of \$1.8 trillion and talking about a \$10 million -- I'm sorry, \$10 billion
11 investment, that's less than 1%. I don't want it to be discounted, Meta's ability to
12 walk away. So, you know, okay, we'll write you a \$10 billion check, less than 1%,
13 that's a drop in the bucket. I guess I would just really like for the board to consider
14 delaying this decision to just really take a look at, you know, that potential of Meta
15 leaving early and weighing it as a genuine possibility instead of a remote
16 possibility, and what that means for the Entergy customers footing the bill. Second,
17 solidifying further commitments to Louisiana through technological development
18 for our children in schools, like I mentioned. And third, giving the opportunity for
19 the individuals who are going to be most closely, like in proximity, to the data
20 center if they really have an understanding of how it's going to be impacting their
21 community.

22 **CHAIRMAN FRANCIS:** Oh, thank you. Perfect. Three minutes, that's good.
23 Thank you, ma'am.

1 **MS. LAUREN ZANDER:** Hello. My name is Lauren Zander, and I am here today
2 representing Sian O’Faolain, and she is a resident of District 3, a mother, and
3 developer of a cooperative small business. And she could not be here today, so I
4 am speaking for her. She says thank you for welcoming public participation on this
5 issue. I am very concerned about this docket, Entergy’s proposal to build three new
6 natural gas plants to power Meta’s data center, and urge you to delay this vote to
7 collect and share data on the impact this project would have on our people. It is
8 unfortunate that Entergy and Meta are manipulating our community’s desperation
9 for good jobs for the opportunity to do meaningful work and make a dignified wage
10 to care for our families, proposing a project that could cause a lot of harm to our
11 communities. How will this project improve the living conditions of the people of
12 Louisiana? How do we ensure that they pay their fair share for public resources
13 like water? How does carbon sequestration technology work in the terrain of
14 Louisiana? What are the risks? Can you require a cost cap for Entergy? Are there
15 requirements for local hiring for the construction management of this project? How
16 will the pollution from this data center and the new natural gas plants harm the
17 health of residents? How will the population -- the pollution, sorry, damage the
18 water, air, and the environment we depend on? Especially, as we go into a week of
19 mourning the 20th anniversary of Hurricanes Katrina and Rita, and with the
20 intensity of storms increasing due to global warming, it is our obligation to protect
21 people and the planet first. It would not be responsible to approve this project
22 without having much more information about the environmental impact,
23 agreements for local hiring, and health impacts for those living in the area,

1 including children and elders. Please ask more questions and delay any vote on this
2 project until we have more information about how this proposal will protect people
3 and the planet. Thank you.

4 **CHAIRMAN FRANCIS:** Thank you for your testimony. Thank you for keeping
5 to three minutes. You know, really good.

6 **MS. BOWMAN:** So next would be Miriam Abuzied and Julie Harris, I believe.

7 **MS. JULIE SCHWAM HARRIS:** Hello. My name is Julie Schwam Harris. I
8 live at 1208 Pine Street in New Orleans, and I do want to speak for more than just
9 New Orleans in my comments. This is the first time I've ever attended a Public
10 Service Commission meeting because I care enough about the issues to ask
11 particularly for time. And I know time is of the essence and you've had very
12 important people study it for a long time, but your original published date was going
13 to be -- you were going to decide in October. And there are a lot of things that, at
14 the last minute, come up and are not answered and represent risks and questions.
15 And those mistakes that you talked about, that you know some might be made, but
16 that the overwhelming benefits you're looking for should take precedence, and I
17 don't disagree with that, but I do think that the timeframe is important. The risks
18 are not obviously just for the Entergy Louisiana customers, who are bearing some
19 of the extra risks, but they do apply to all of the citizens. And even your own Staff
20 mentioned that, yes, if gas rates go up, that's going -- we're down to the cost for all
21 people paying for gas and paying for Entergy -- energy, including the citizens of
22 north Louisiana that will bear, hopefully, some of the benefits. I've been a
23 volunteer advocate for many years on issues of economic security, and access to

1 healthcare, and the kind of things that north Louisiana are -- various portions of our
2 state, including portions of my city and my region, they've never, ever, had access
3 to. And the state of Louisiana is at the bottom of things because so many of the
4 bodies making decisions about the people of Louisiana don't always take that broad
5 spectrum into -- to look at it as their making decisions. All I'm asking today, is for
6 y'all to take a little more time, look at some of these hard questions and risks that
7 constituents of yours, in the middle of the summer, a really hot summer, and their
8 kids going back to school, they're saying in their maybe uneducated, but very
9 sincere way, look at the speed of this decision and try to take more time to make a
10 better deal for Louisiana citizens, for the people of northeast Louisiana who deserve
11 -- have always deserved, a better deal. And I know you've worked for it and all
12 kinds of things. Some of your things have succeeded and some of your ideas have
13 not, but waiting until October is not going to kill this deal, but there may be ways
14 to tighten this deal that could actually benefit all of your constituents. Thank you
15 for your time.

16 **CHAIRMAN FRANCIS:** Thank you.

17 **MS. MIRIAM ABUZIED:** Hello. Okay. My name is Miriam Abuzied. I'm from
18 Lake Charles. Oh. Can you hear me now?

19 **CHAIRMAN FRANCIS:** Yeah.

20 **MS. ABUZIED:** Okay. My name is Miriam Abuzied. I'm from Lake Charles,
21 Louisiana. But I did live in north Louisiana and Monroe for three years. I made
22 family up there. I know what life is like up there, and I know what life is like living
23 paycheck to paycheck, loan to loan. As a self-proclaimed wealthy man, I know it

1 much better than you or the proponents on this docket. As far as those proponents,
2 I have seen chairmen and corporate professionals, yet not a single layman. I have
3 not seen a person just like me come up here and say that they are for this Meta
4 facility. You say that north Louisiana needs help, and they do. And I ask myself,
5 why are you pushing through a vote that has offered no assurance to these jobs for
6 Louisiana voters; no assurance that the manufacturing and serving labor will go to
7 Louisiana residents; or assurance that when a hurricane hits, the people's energy
8 will be brought up before Meta's; or assurance that our water and our air will remain
9 clean and safe? This process has been clouded by confidentiality agreements and
10 is being rushed at the expense of Louisiana residents. You've spoken on
11 transparency here, yet the docket has been offered to the public for a month and
12 y'all have seen it for 10. The people deserve more time to know what they're
13 getting into and what you are deciding on. Meta has provided no assurance that
14 these supposed jobs are going to go to Louisiana residents. With a financial and
15 environmental impact this big, please, please push this vote until October. Give the
16 people time to assure Louisiana's wellness with Meta. Entergy stands to make
17 hundreds of millions of dollars off this agreement while residents are provided no
18 assurance that we will not be footing the cost of raising gas prices. And I ask you,
19 when was the last time prices lowered for gas? At the very least, please include a
20 cost cap to prevent Entergy from spending more than they say they will. You have
21 called this deal unique, wonderful, and groundbreaking. Then I ask, why are you
22 rushing it without full community transparency? I believe we have all learned good
23 things take time and this -- and this has been offered no time to sit with the public,

1 who it will mostly affect. The chairman from Entergy made a comment that this
2 deal could be the blueprint for the rest of the country, but even still he believes it
3 should be continued to made -- be made better. To that I say, Louisiana is not your
4 experimenting ground. Come back once you've made a better deal, because with
5 the little assurance to jobs, the clouded details of confidentiality agreements and
6 little promise to protect the Louisiana environment, this deal is not good enough for
7 my state. It's true that in my words might not shake your 100% yes, but they can
8 shake your next election. Thank you.

9 **CHAIRMAN FRANCIS:** Thank you, ladies.

10 **MS. BOWMAN:** So next we have Windy Beck and Samantha Clark.

11 **CHAIRMAN FRANCIS:** Ladies.

12 **MS. WINDY BECK:** Can you hear me? Okay. Good morning, Commissioners.
13 My name is Windy Beck, and I'm an energy justice researcher for the Deep South
14 Center for Environmental Justice. We are constituents of District 3. I live in
15 Jefferson Parish and I'm part of Commissioner Skrmetta's district. This deal does
16 not have sufficient consumer protections. After 15 years, Entergy's contract with
17 Meta will expire, and the generators that are being proposed to serve only Meta,
18 will only be half paid for. The new transmission assets that have been proposed to
19 serve only Meta, will be paid for by all ratepayers. We ask for more consumer
20 protections, safeguards, and a cost cap so that the public is not charged more than
21 Entergy has already said it will spend. There is more work to do to ensure that the
22 baby is not thrown out of the bathwater, as Commissioner Campbell warned about

1 earlier. Luckily, we are ahead of schedule, and there is no need to rush this vote.
2 Thank you for your consideration.

3 **CHAIRMAN FRANCIS:** Thank you, ma'am.

4 **MS. SAMANTHA CLARK:** Hello. I'm Sam Clark. So I currently live in Baton
5 Rouge for grad school. I lived in New Orleans for undergrad, and I lived in Monroe
6 until I went to undergrad. So I've lived in actually three of the five places that you
7 represent. So I kind of wanted to paint a picture based on the people that I know,
8 and my friends and loved ones in northeast Louisiana, because I know you guys get
9 a lot of facts thrown at you and it's sometimes hard to kind of humanize those facts.
10 So let's pretend for a moment you're a farmer. You've grown up tending the land
11 you owned by multiple generations of your family in raising cattle. You are
12 Louisiana strong, bred, born, and raised. You start your day before the sun rises
13 and end it as it kisses the green horizon of your land. But things are changing lately.
14 Your days have grown longer, and you're worried you won't be able to afford as
15 much help for much longer. As you're making your coffee this morning, the lights
16 dim and flicker for a second. You've been noticing this occur more often since that
17 new data opened -- since that new data center opened a few miles away. You head
18 outside to start your morning, you've got to refill the water troughs for your dairy
19 herd, but the hose is coming out a trickle some days. Actually, you think the shower
20 is coming out weaker, too. Most nights, it's hard to wash the grime of the day off.
21 You're worried you'll start -- you'll have to start keeping buckets of water in the
22 bathroom to flush your toilet because the water pressure has dropped so much. You
23 used to drink, straight from the tap, clear water, but lately it's been brown and

1 murky with sediment. You wonder if the milk production will be smaller today. It
2 seems to decrease every month. Your cows look slimmer, their hip bones
3 protruding more than you'd like. Many aren't even making it to adulthood, and
4 you've had to sell what used to be some of your best milk-producing heifers to
5 slaughter to turn a profit on them at all. Your daughter just moved back actually,
6 and she opened a veterinary clinic a few towns over. You started calling her more.
7 She gladly donates her time to keep you afloat. She says it's some respiratory thing.
8 What she writes in her notes is bovine respiratory disease complex, a disease that
9 is often exacerbated by bad air quality when nitrogen oxides and fine particulate
10 matter is released into the air. You know you're lucky, even if you're losing cows
11 in production money. Your friend up the road doesn't have a vet daughter and he
12 hasn't been able to afford the farm visits. Thankfully, today is Saturday, your day
13 off where you get to go out to the duck blind with your sons. You rely on this extra
14 income and food to feed your family, but you've noticed your favorite spots are
15 running dry. Your friend, who deer hunts, also mention they've been down on their
16 luck. Sportsman's paradise, huh? Not really anymore. In the duck blind today,
17 your sons tell you about the harsh reality of the job market their friends are
18 encountering. They were excited about the new deal to build gas turbines and a
19 data center in northeast Louisiana. But since construction has ended, the amount
20 of jobs swiftly dwindled. Only a few hundred people need to be employed at the
21 data center. In fact, one of his friends has been at the ER three times in the last few
22 months with his daughter. His daughter has been suffering from asthmatic events
23 and pneumonia. They live not far from the data center and gas turbines, and he

1 says some days, even he feels it's hard to breathe. He says I don't know. What's
2 the point of more jobs if our cost of living is increasing and outpacing that income?
3 What's the point of more jobs if it means the health of our families? What the point
4 of more jobs if it destroys our way of life and the things we hold dear? This is the
5 harsh reality that your constituents, my friends, my loved ones, our Louisiana
6 residents could face. It is the worst-case scenario per se. So what I urge you to do
7 today is to move this further back. And I have -- like, there are a lot of stats, you
8 know, about like specifically how I came up with this, you know, scenario. And
9 there are a lot of things to back it up based on other data centers and the respiratory
10 conditions that have been happening in Memphis, Tennessee, and other places like
11 that. But at the end of the day, what I'm trying to stress here is that I don't think
12 that this should happen at all, and I think that there are projects that need to be put
13 into northeast Louisiana to create jobs. But we must guarantee the health and
14 financial safety of our residents, and we really need to make sure there's a good
15 return on investment as a lot of my fellow people have said today. So I'd really
16 like to urge you to take the time to really consider this. What's the risk in waiting
17 a little bit longer and making sure there are good regulations and good things in
18 place that are going to keep our environment and our people safe and healthy and
19 in good financial standing? Thank you.

20 **CHAIRMAN FRANCIS:** Thank you, ladies. Thank you.

21 **MS. BOWMAN:** So we have a Mr. Jon Christopher Brown and an Alicia -- is it
22 Cerquone? I'm so sorry if I butchered that.

23 **VICE CHAIRMAN SKRMETTA:** Go ahead and begin when you're ready.

1 **DR. JON CHRISTOPHER BROWN:** Good afternoon. My name is Dr. Jon
2 Christopher Brown. I'm a doctor, but not a physician. Let me say, I already know
3 a whole lot about hardworking people because I'm the first in my family to graduate
4 from college, and I worked my way through college, and graduate school, and got
5 my PhD in biology at Tulane. My dad was a police patrolman and made \$65 a
6 week. My main concern is that this Commission is damaging their credibility by
7 rushing through this controversial decision in record time without due consideration
8 of all the different factors that have been brought up here today. A lot of people
9 have spoken about their doubt, and I share their doubts about whether this will not
10 increase gas prices, and I'm also skeptical about the quality of the jobs that will
11 supposedly be created in north Louisiana. I know they -- once the data center is
12 built, they'll probably hire some local people to be guards at the gates, but I don't
13 -- because of the poor educational system in Louisiana, I don't think a lot of people
14 are going to be hired at high-level positions at this data center. And I also don't
15 think that experts -- high-priced experts from out of state are going to want to
16 relocate there. That said, my main concern is with the environmental aspect. I
17 worked 17 years for the U.S. Army Corps of Engineers planning division,
18 environmental analysis section, and this project will create tremendous air pollution
19 in the area. It will threaten the water quality and also there'll be tremendous noise
20 pollution in the area. On top of that, it will have a tremendously deleterious effect
21 upon climate change. And I know some of you don't believe that climate change
22 is real, but the good thing about science is that it's true whether or not you believe
23 it. And in putting all this -- these greenhouse gases into the atmosphere, it's going

1 to exacerbate climate change, which will damage the coastline of south Louisiana,
2 because sea level is rising and coastal erosion is increasing at a rapid rate. So for
3 the golden promise of supposed wonderful jobs in north Louisiana, you've got --
4 you're going to cause permanent damage to south Louisiana in our coastal parishes
5 and our fisheries. And so to preserve your credibility, you really should take more
6 time and not rush through this decision, and take more time to consider all the
7 factors and all the objections that have been raised. Thank you.

8 **VICE CHAIRMAN SKRMETTA:** Thank you. Ma'am.

9 **MS. ALICIA CERQUONE:** Okay. Hi. My name is Alicia Cerquone. I'm an
10 Entergy customer in Baton Rouge. I'm deeply concerned about the environmental
11 impacts of this data center and we've not heard very much about that today. For
12 the sake of all future Louisianans, I urge you to delay this vote, at least, if not vote
13 against it. This is not a unique project in Louisiana in that it sells out the working-
14 class people here. For too long, Louisiana has been treated like a sacrifice zone.
15 When Cancer Alley was being constructed, it was supposed to bring jobs to the
16 people of Louisiana and money for public good. The politicians who sold out
17 Louisianans to the petrochemical industry then, bet on a bubble. And when oil
18 prices fell, they doubled down and continue to this day to let that industry poison
19 the land, the water, and the people of this state. The AI market is also a bubble.
20 We don't know much about it and we don't know what it's going to look like in 15
21 years. Even if the bubble doesn't pop, the profits that we're being told that this
22 facility will generate will go to Entergy and Meta, not necessarily the people of
23 Louisiana. We don't even know if the promised number of jobs will come, and we

1 don't know if they'll go to the people of Louisiana who are the risktakers here. The
2 people of Louisiana voted for you to have our backs, so please have our backs on
3 this. We already pay such high bills, and this data center is going to make our bills
4 go up even more, so Entergy, a public utility, can be multi-million-dollar company?
5 No more. Louisiana is not a sacrifice zone. The people who live here are not
6 expendable. Our bodies that will endure the environmental impacts of the data
7 center are not expendable either. A yes vote for this is a vote to once again sacrifice
8 the people of Louisiana. There's no room here for the inevitable mistakes we heard
9 about earlier. It would be irresponsible to rush this vote through and package it as
10 inefficiency. There is so much we don't know, and I think that's on purpose. Please
11 delay this vote today.

12 **VICE CHAIRMAN SKRMETTA:** Thank you for your comments. Have any
13 more?

14 **MS. BOWMAN:** Yes, sir. So we have four more cards. These are all -- look to
15 be representing certain industry or companies. Andrew Carnakie-Baker and Lady
16 Carlson.

17 **MR. ANDREW BAKER:** Good afternoon, Commissioners. My name is Andrew
18 Baker, and I am a resident of New Orleans, and I am here today to urge you not to
19 rush this approval of this agenda item. This proposal was originally scheduled, as
20 everybody has said, in October. And it is critical that you wait until then, until the
21 public and the regulators have everything, information-wise, needed. Entergy
22 customers will bear the greatest risk, but all Louisianans will see higher bills as a
23 result of our state's increasing dependence on natural gas. I urge you to take the

1 time originally scheduled in October, review all the facts, and protect Louisiana
2 ratepayers. Your ruling, with regard to an Entergy efficiency program or energy
3 efficiency program, is commendable and we do want to continue with that
4 trajectory. Thank you so much.

5 **VICE CHAIRMAN SKRMETTA:** Thank you. Yes ma'am. Hang on a second.
6 They're going to get your microphone going.

7 **MS. BOWMAN:** Is the button pressed in the middle? Is the light green? Okay.

8 **VICE CHAIRMAN SKRMETTA:** Try again.

9 **MS. LADY CARLSON:** There you go.

10 **MS. BOWMAN:** Okay.

11 **MS. CARLSON:** My name is Lady Carlson. I am an organizer with the Westside
12 Sponsoring Committee, and I am an Entergy customer. I work in Iberville, West
13 Baton Rouge, Pointe Coupee, East and West Feliciana. I represent organizations.
14 Our organizations are across congregations, mosques, synagogues, and we have
15 organizations in Shreveport, Bossier, and Lake Providence. I've also worked in
16 Shreveport, Bossier, and Lake Providence. Good morning, Commissioner
17 Coussan. You are my Commissioner. How are you today? I and my leaders are
18 concerned that you make an informed decision of Entergy's request because it will
19 affect our families. Many of the people I work with are just at or above the poverty
20 line. They are barely making it. Take Ms. Washington, an elderly woman eligible
21 to retire, but she still works part-time to pay her bills. What can seem like a small
22 increase in utility bills, would be a large increase for her and many people like her.
23 In my work, we say have the patience of a grandmother. Commissioners, have the

1 patience of a grandmother and take your time and not make a hasty decision. Please
2 do not grant this request without doing more due diligence. Consider the human
3 cost to people like Ms. Washington. These projects use a lot of water. What
4 happens to that water? And in my experience, again, I've worked in north
5 Louisiana, I've worked in south Louisiana, companies that come in do not hire local
6 workers. They tend to bring people in to work and not to hire people that have lived
7 there all their lives, and so those people don't benefit from these jobs. Again, have
8 the patience of a grandmother, do your due diligence, really research this, and be
9 sure that you're making the right decision because it's a decision that will affect us
10 for the next 15 years. Thank you.

11 **MS. BOWMAN:** And the last two are the Alliance for Affordable Energy. Logan
12 and Susan, if y'all want to come up.

13 **CHAIRMAN FRANCIS:** While they're coming up, I want to recognize another
14 Southwest Power Pool employee that -- he's the corporate counsel, Paul Suskie.
15 Where is Paul? Paul Suskie, right there. Paul, thank you for coming down from
16 all the way from Little Rock to be with us. I appreciate your work. I always enjoy
17 working with you at Southwest Power Pool. Thank you. All right. And also,
18 there's a beautiful lady here and this is her hometown and many of us have worked
19 with her over the years. She's busy taking care of three young children now, but
20 Francisca Comeaux. Francisca is -- she's standing in the back there. Give a wave
21 there, Francisca. Thank you for coming by. We really missed you. Get those kids
22 grown up, so you come back to work with us, okay? All right. Okay. Ladies, go
23 ahead.

1 **MS. SUSAN MILLER:** Thank you. Good afternoon, Commissioners. My name
2 is Susan Miller and I represent the Alliance for Affordable Energy -- I'm sorry.
3 Closer? My name is Susan Miller and I represent the Alliance for Affordable
4 Energy and the Union of Concerned Scientists in this proceeding. I just have a few
5 things I would like to point out to you. First of all, Entergy always disparages why
6 we're participating in this proceeding and claims we're trying to defeat this project.
7 That is incorrect. What we're trying to do is to make sure the project has the best
8 and most protections for residential ratepayers that it can have. It's important for
9 you to bear in mind that at the negotiation table for this application and for this
10 project, there were two entities, both of whom stand to make millions of dollars off
11 of this project. None of whom had the focus of protecting residential ratepayers
12 while they were sitting there. So that is why it's important for others to point out
13 where this project fails to protect ratepayers. Entergy responded to questions with
14 regard to why didn't this -- they present this to the ALJ? What Entergy failed to
15 mention was that the settlement you have before you was actually signed by the
16 parties who joined prior to the evidentiary hearing in this case. That means it
17 could've been presented to the ALJ, it could've been a part of the evidentiary
18 hearing which started on July 15, and could've been considered by the ALJ when
19 she was considering her recommendation to you. She could've taken the
20 application, overlaid the -- this settlement agreement provisions, and made
21 recommendations to you. The ALJ's recommendations are very important. What
22 the ALJ does that benefits you in your decision-making is they take all the evidence,
23 all the information, synthesize the issues that still exist, tells you who -- what the

1 pros and cons were raised by the parties, and then makes recommendations based
2 on her review of the entire record. It's a very important tool for the Commission
3 that Entergy did end-run round in this proceeding -- an unnecessary end-run round
4 because it could've been considered within the context of the actual proceeding
5 without delaying that proceeding. Entergy also claims that there are no factual
6 matters that are still at dispute in this case. That is patently false. Essentially, what
7 Entergy seems to think is if a party raised a factual matter and says it should be A,
8 and Entergy disagrees and says no, it should be B, that all of a sudden there's no
9 factual matter in dispute anymore. That isn't correct. That is the epitome of a
10 factual matter being in dispute. So there is factual matters in dispute in this
11 proceeding that need to be resolved. A couple that I want to mention is, first, the
12 parent guarantee. Entergy sat here today and said that they had a legal opinion with
13 regard to the parent guarantee and its enforceability. That's not in the record in this
14 case. You can't consider it because the other parties were not given the opportunity
15 to review that legal opinion and were not given the opportunity to answer questions
16 on it. And the importance of a parental guarantee cannot be overstated. We keep
17 calling this a Meta project. It is not a Meta project. Laidley is the customer.
18 Laidley is a special purpose vehicle. Special purpose vehicles are designed to
19 protect the finances of the parent. So if that parent guarantee is not solid, it is not
20 enforceable. Laidley has no money. It has -- it was formed in March of 2024. So
21 the state of Louisiana and this Commission and Entergy will have no ability to
22 obtain funds that it's owed if that parental guarantee cannot be enforced, and there
23 is nothing in this record that shows that it can.

1 **COMMISSIONER LEWIS:** Mr. Chairman, can I ask her a question before or
2 would you rather me wait after Logan? Yeah, that's fine.

3 **MS. LOGAN BURKE:** Hi there, Commissioners. Logan Burke with the Alliance
4 for Affordable Energy. Thank you so much for giving us the opportunity to talk
5 through our continued concerns. I understand Commissioner Campbell and
6 everybody here who's spoken about the need for -- to create projects that can lift
7 folks up out of poverty. And in fact, that's exactly our concern. As you know, as
8 the Alliance for Affordable Energy, our goal is to watch out and make sure that
9 people can keep the lights on. And we already know that there are folks in
10 Louisiana who struggle with that every single month. As you can imagine, as we're
11 watching the news roll out week by week, as these data centers have been built
12 around the country, and we're seeing the impacts on people's bills, residential, and
13 commercial, and other industrial customers' bills, you can understand why we are
14 very concerned about not having enough protections to ensure that that won't
15 happen here. Again, we have a lot of people living in poverty as was mentioned
16 earlier today who cannot handle another dollar on their bill. The problem here is
17 that this is going to set precedent. We've heard about it a lot today about how
18 Louisiana will treat these kinds of hyperscale facilities. Even as states like
19 regulated states, like Ohio and Indiana and Georgia, are creating provisions to
20 prohibit the transfer of cost and risks onto other ratepayers. In comparison, this
21 settlement puts all of us, all of your constituents and customers in the state, at the
22 mercy of a non-public contract between two corporations that this settlement does
23 not approve, and that includes the minimum bill itself. So what we're getting for it

1 is instead a half a billion dollars in new transmission costs for Meta that all
2 customers will pay, the continued pressure and impact on our energy market and
3 grid stability as we've seen in other states, absolutely the cost of operations and
4 maintenance for these three new plants that is being shared with all customers, and
5 as was described today, the risk of the fluctuation of the cost of gas. And that's real
6 because we continue to march more and more and more into locking us into only
7 natural gas, and that's incredibly vulnerable and puts us at risk. What we would
8 like to see is this Commission take a beat, as Susan has suggested, as others have
9 suggested, to get the recommendation from the Administrative Law Judge. And
10 further than that, we'd like to see this Commission move to prohibit any cost
11 shifting, any at all, from these hyper-scalers, Meta and others to come, to everyday
12 Louisianans who are already struggling. We want to see people be able to pay their
13 bills. We want to see people be able to thrive in their communities and deals like -
14 - deals to work. I'm just concerned about people paying their bills. Thank you.

15 **CHAIRMAN FRANCIS:** Okay. Thank you, Logan. And, Commissioner Lewis,
16 you had a question?

17 **COMMISSIONER LEWIS:** Yes, thank you. Thank you, Mr. Chairman. Susan,
18 I'm going to come to you. You were raising concerns about the parent guarantee.
19 Can you explain concisely what you see which is wrong with the parent guarantee
20 within the stipulated settlement? Or what -- I guess a better way is what additions
21 or improvements you think are needed in this parent guarantee?

22 **MS. MILLER:** There are -- actually, I don't believe there's really any terms
23 regarding the parent guarantee in the settlement. It's in the application itself and

1 the problem is it says it's subject to New York law and it also isn't clear whether
2 it's enforceable. So that's the real rub. Is it enforceable? Can we -- can Entergy
3 actually make Meta pay for things that Laidley doesn't cover? That's what it comes
4 down to. And if it's not enforceable, then that money is gone because there's no
5 way to get it out of Meta. And the other issue is, of course, how is the Commission
6 going to make sure Entergy aggressively tries to pursue that parental guarantee and
7 aggressively tries to get that money out of Meta, rather than just say, well, Meta
8 said no, so we're going to get it out of the rest of the ratepayers? So Entergy doesn't
9 lose anything. It gets its money from somewhere. That's why they said they have
10 skin in the game; they don't really. They don't lose anything. They might make a
11 little less profit, but is that really a loss? It's not a loss in the same sense as the
12 ratepayers are at risk for.

13 **COMMISSIONER LEWIS:** Thank you. I was reading your response brief and
14 as we heard from our Staff about consumer protections, and I know that's been the
15 biggest issue, they mentioned significantly the true up in the minimum bill
16 payments. And I think either, Logan or Susan, I can't remember which one of you
17 hit on that, can you briefly explain why you feel that is not is a significant protection
18 for consumers or what should be improved in that structure that is shielding
19 ratepayers from exorbitant costs?

20 **MS. MILLER:** There are two things. First, the only provision that's in the
21 minimum bill that requires prudence is the true up. So it doesn't say in the
22 stipulation that the minimum bill itself that Entergy is required to act prudently.
23 More importantly, it goes back to the ESA and the CIAC. Essentially, the only

1 thing that comes in the settlement is that they -- is that Entergy has to give you
2 notice that it's going to change something. Like if it's going to change that it's that
3 it's no longer truing up the minimum bill or it's going to get rid of the minimum
4 bill. It just has to give you notice. Entergy still takes the position that you have no
5 authority over those agreements. So that if they do something, they have to give
6 you notice, but if you disagree, in Entergy's view, you can't do anything about it.
7 Now, that would ultimately be resolved at first before the Commission, and
8 possibly before the court. But let's say that the court takes Entergy's side and says,
9 no, the Commission did not have any authority over the ESA or the CIAC. It's too
10 late. You've already approved the project. You've got nothing you can do now to
11 fix the ESA and to fix the CIAC because you've been told you have no authority
12 over it and it is what it is and then Entergy and Meta can change it in any manner
13 they wish. So that's a huge risk that this settlement essentially just kicks that issue
14 down the road.

15 **COMMISSIONER LEWIS:** Okay. Thank you. Those are all my questions, Mr.
16 Chairman.

17 **CHAIRMAN FRANCIS:** Okay. Is there any other opposition? [NONE HEARD]

18 Hearing none, I think we need to call for a vote on this issue. We got a motion --

19 **COMMISSIONER LEWIS:** Mr. Chairman, can I make some comments before
20 we do the vote please?

21 **CHAIRMAN FRANCIS:** Okay. Comments from Commissioner.

22 **COMMISSIONER LEWIS:** Thank you, Mr. Chairman, for recognizing me, and
23 I will be brief. I won't belabor the point. First, I want to iterate how proud I am of

1 our Staff to work to make this deal better from its original application. Throughout
2 this process I have remained open-minded, engaged, and I have been impressed by
3 the engagement at every step of the way. I am pleased, looking at other deals across
4 this country, that we didn't create any special energy rates for this said customer. I
5 believe the minimum bill payments represent a significant hedge against the
6 financial risk and the capital investments that is posed. I will continue to remain
7 engaged with how these assets are treated in our future rate cases, our formula rate
8 plans, as well as their integrated resource plans for Entergy. I also am encouraged
9 how Meta can help Entergy's solar portfolio expand for the benefit of us all, as we
10 have been pushing for years for more expanded renewable capacity within this
11 state. Now, there are also some significant uncertainties about this deal's impact
12 that I take very seriously and I've reviewed those risks. I believe my most important
13 job as a regulator is to trust, but verify. And the truth is there's a lot of things that
14 I just cannot verify at this moment. And so in evaluating all the costs, the benefits,
15 positives and negatives, certainties and uncertainties associated with this deal, I am
16 still left struggling with some fundamental questions. Three new self-build gas
17 generators for one customer without a competitive bid process. I recognize that we
18 are building in a business environment of trade-offs, but those fundamentals to me
19 are at the heart of this proposal and were just too bitter for me to swallow. A third-
20 party's corporate goals led to the basis of this deal, so I don't blame anyone at the
21 table, but as a regulator, I believe my most important job is to center the public
22 interest. And I cannot say with enough certainty that this deal and its power
23 agreement serves the greater good, has the public in interest, with the least cost

1 revenue. I did not arrive at this conclusion lightly. I will remain engaged in many
2 ways that this deal affects the Commission's future work. And I want to iterate that
3 I believe there are strong consumer protections that exist in this proposal that shield
4 our residents and commercial ratepayers. However, I think any future deal needs
5 to exceed this bar and meet the bare minimum of having some competitive bids,
6 battery backup, having the grid be flexible or their load be flexible, a little more
7 shareholder stake, and a full suite of front-end customer protections. So I thank all
8 the parties in this case for their consistent communication and honest dialogue with
9 my office, my team, and myself, and I want you to know that I will continue to be
10 your partner in any way and all the work for the people of Louisiana. But today's
11 conclusion, I will have to be a no on this proposal.

12 **VICE CHAIRMAN SKRMETTA:** Mr. Chairman, motion for a roll call vote.

13 **CHAIRMAN FRANCIS:** Okay. And got a move for roll call vote. Ms. Bowman,
14 did you have something you needed to say?

15 **MS. BOWMAN:** No, sir.

16 **CHAIRMAN FRANCIS:** Okay. All right. So roll call vote. I believe we have a
17 no vote for Commissioner Lewis; is that right?

18 **COMMISSIONER LEWIS:** Yes, sir. I vote no.

19 **CHAIRMAN FRANCIS:** Okay. Commissioner Coussan.

20 **COMMISSIONER COUSSAN:** Yes.

21 **CHAIRMAN FRANCIS:** Commissioner Campbell.

22 **COMMISSIONER CAMPBELL:** Yes.

23 **CHAIRMAN FRANCIS:** Commissioner Skrmetta.

1 **VICE CHAIRMAN SKRMETTA:** Yes.

2 **CHAIRMAN FRANCIS:** Chair votes yes. It's four to one, so the Meta deal is
3 approved.

4 **VICE CHAIRMAN SKRMETTA:** Mr. Chairman.

5 **CHAIRMAN FRANCIS:** Bipartisan support.

6 **VICE CHAIRMAN SKRMETTA:** Yeah. Mr. Chairman, move for a 15-minute
7 recess.

8 **CHAIRMAN FRANCIS:** All right. Move for a 15-minute recess and that's
9 approved.

10 **[OFF THE RECORD]**

11 **[BACK ON THE RECORD]**

12 **CHAIRMAN FRANCIS:** Ms. Bowman. Okay. Mr. Secretary verified it, got a
13 quorum in here. So, Ms. Bowman, let's get started, please.

14 **MS. BOWMAN:** So in the interest of time, I'm just going to read the docket
15 number and the in re.

16 **CHAIRMAN FRANCIS:** Bring it to order. Let's go.

17 **MS. BOWMAN:** In the interest of time, I am going to read the docket number,
18 the in re, and the Staff rec, unless one of the Commissioners asks me to read the
19 substance of the matter. So in doing that, we will start with Exhibit Number 2. It's
20 Docket Number T-37230. This is Equipment Transport Pennsylvania's application
21 for common carrier certificate of non-hazardous oilfield waste for disposal. It's a
22 discussion and possible vote on Staff's motion to rescind, and Staff recommends

1 that the Commission accepts Staff's motion to rescind filed into the record on June
2 24, 2025. I would entertain a motion.

3 **VICE CHAIRMAN SKRMETTA:** Moved.

4 **CHAIRMAN FRANCIS:** Second.

5 **MS. BOWMAN:** Okay.

6 **CHAIRMAN FRANCIS:** Is there any objection or any more comments? [NONE
7 HEARD] Hearing none, it's finished.

8 **MS. BOWMAN:** So we are moving Exhibit 3 to the back, so we'll skip to Exhibit
9 4, which is Docket Number S-37547. This is Beauregard Electric Cooperative's
10 request for a letter of non-opposition to secure a loan including mortgaging its
11 assets for a four-year construction work plan. It's a discussion and possible vote
12 on Staff's report and recommendation, and based on the Staff's report, Staff
13 recommends that the Commission express its non-opposition to the request, subject
14 to conditions contained in Staff's report filed on July 7, 2025.

15 **VICE CHAIRMAN SKRMETTA:** Move to accept the Staff report and
16 recommendation filed on July 7, 2025 --

17 **COMMISSIONER COUSSAN:** Second.

18 **VICE CHAIRMAN SKRMETTA:** -- as attached.

19 **CHAIRMAN FRANCIS:** Move by Skrmetta and seconded by Coussan. Any
20 objection or --

21 **VICE CHAIRMAN SKRMETTA:** No.

22 **CHAIRMAN FRANCIS:** -- conversation? [NONE HEARD] Hearing none, it's
23 passed.

1 **MS. BOWMAN:** So going to Exhibit Number 6. This is Docket U-37519. It's
2 Parish Water Company's 2024 formula rate plan annual report. It's a discussion
3 and possible vote on a joint report and draft order. As there are no unresolved
4 issues, Staff recommends that the Commission accept the joint report and issue the
5 draft order filed into the record on June 23, 2025.

6 **VICE CHAIRMAN SKRMETTA:** Move to accept the joint report filed in the
7 record June 23, 2025.

8 **CHAIRMAN FRANCIS:** Motion by Skrmetta, second by the Chair. Any
9 conversations or questions, objections? [NONE HEARD] Hearing none, passed.

10 **MS. BOWMAN:** Exhibit Number 7 is Docket Number U-37532. This is Baton
11 Rouge Water Works Company's 2024 formula rate plan annual report. Also, a
12 discussion and possible vote on a joint report and a draft order, and the Staff
13 recommends that the Commission accept that joint report and issue the draft order
14 filed into the record on June 23, 2025.

15 **VICE CHAIRMAN SKRMETTA:** Move to accept the joint report filed into the
16 record June 23, 2025.

17 **CHAIRMAN FRANCIS:** Motion by Commissioner Skrmetta.

18 **COMMISSIONER LEWIS:** Second.

19 **CHAIRMAN FRANCIS:** Seconded by Commissioner Lewis. Any objection or
20 conversation? [NONE HEARD] Hearing none, it passed.

21 **MS. BOWMAN:** Exhibit Number 8 is Docket Number U-37554. This is Atmos
22 Energy Corporate's rate stabilization plan annual report for the Louisiana division
23 for the test year ending December 31 of '24. It's a discussion and possible vote on

1 a joint report and draft order. Staff recommends that the Commission accept the
2 joint report and issue the draft order filed into the record on July 21, 2025.

3 **VICE CHAIRMAN SKRMETTA:** Move to bring -- move to approve the --
4 accept the joint report filed on record July 21, 2025.

5 **CHAIRMAN FRANCIS:** Move by Commissioner Skrmetta, second by the Chair.
6 Any other discussion? [NONE HEARD] Hearing none, passed.

7 **MS. BOWMAN:** Exhibit Number 9 does have public comment, just to let --

8 **VICE CHAIRMAN SKRMETTA:** Want me to just do the motion to bring it up
9 under Rule 57 now or do you need to do the in re?

10 **MS. BOWMAN:** Sure. Let me do the in re. Magnolia Water Utility Operating
11 Company's 2024 formula rate plan annual report request for adjustment of rates.
12 Discussion and possible vote on Staff's report and recommendation pursuant to
13 Rule 57.

14 **VICE CHAIRMAN SKRMETTA:** Rule to bring the matter up under Rule 57.

15 **CHAIRMAN FRANCIS:** Rule 57 by Commissioner Skrmetta, Chair seconds it.
16 Any discussion or objection? [NONE HEARD] Hearing none --

17 **MS. BOWMAN:** We do have public comment cards on this one.

18 **VICE CHAIRMAN SKRMETTA:** Okay. And you could bring up the motion
19 first before a comment.

20 **MS. BOWMAN:** Sure.

21 **VICE CHAIRMAN SKRMETTA:** Okay.

22 **MS. BOWMAN:** So I'm going to -- because we do have public comment, I'm
23 going to give a little brief background of --

1 **VICE CHAIRMAN SKRMETTA:** Sure. Go ahead.

2 **MS. BOWMAN:** -- this docket. Magnolia filed on May 1 of this year its annual
3 report for the 12 months ending December 31 of '24 pursuant to the Commission
4 Order Number U-35822. It was published in the Commission's Official Bulletin
5 and several interventions were filed. In Order U-35822, the Commission approved
6 a three-year formula rate plan when the -- utilizes an earnings bandwidth of 9 to
7 10%. If Magnolia's earnings fall below or above that bandwidth, then adjustment
8 to the rates would be necessary. In the 2024 filing, Magnolia reported -- excuse
9 me, the test year, Magnolia reported a consolidated ROE of 5.83%, which is under
10 the allowed return, which would require an increase of approximately \$5 million.
11 After Staff's review of Magnolia's filing, supporting documentation, and data
12 requests, Staff filed its report and recommendation into the record on July 31 of this
13 year where Staff made several adjustments which resulted in Magnolia's ROE
14 increasing to 6.18%. That deficiency in earnings still would require an increase in
15 the revenue requirement of approximately \$3.2 million. On August 4, Magnolia
16 filed correspondence agreeing with Staff's report, and on August 6, Magnolia filed
17 a motion pursuant to Rule 57 for the Commission to consider it at this B&E. Staff
18 takes no formal position on Magnolia's motion to take the matter up under Rule 57;
19 however, should the Commission assert its original and primary jurisdiction which
20 it already has, then Staff recommends that the Commission accept Staff's report
21 and recommendation filed into the record on July 31, 2025.

1 **VICE CHAIRMAN SKRMETTA:** I do move that we accept the Staff's report
2 and recommendation filed in the record July 31, 2025, and I have a motion to be
3 read into the record.

4 **MS. BOWMAN:** Okay. Commissioner Skrmetta's motion is as follows: I move
5 to accept Staff's report and recommendation filed into the record on July 31, 2025
6 with an amendment that Magnolia's current wastewater receivable's balance of
7 approximately \$8 million be converted to a regulatory asset recoverable over 10
8 years. Since beginning operations in Louisiana in 2019, Magnolia has acquired 509
9 troubled or failing systems, invested \$410 million in capital projects throughout the
10 state, and has grown its wastewater customer base to 55,000. When Magnolia does
11 not provide both services, it is the mercy of a third-party water supplier, usually a
12 public water system, to perform disconnects and reconnects of delinquent
13 wastewater accounts. However, the majority have refused to enter into a
14 disconnect, reconnect agreement with Magnolia. Thus, in order to disconnect a
15 delinquent wastewater customer, Magnolia must utilize equipment to dig up the
16 customer's tap and disconnect service. This type of disconnection results in a sewer
17 back-up and untreated sewer in the customer's home. Accordingly, this is a last --
18 solution of last resort especially in communities that, until Magnolia's investment,
19 have been served by failing systems. Because most wastewater systems acquired
20 by Magnolia were failing when purchased, the company's focus has been on the
21 repair, [INAUDIBLE] operation, and maintenance of the systems and not on
22 disconnecting these delinquent accounts. Evidence of this recent removal of 21
23 water -- excuse me, 21 wastewater systems from a federal consent decree that

1 Magnolia assumed when purchasing the systems. These circumstances have
2 created an untenable situation that is unfair to bill paying customers and to
3 Magnolia and has resulted in accumulated wastewater receivables of approximately
4 \$8 million over a 6-year period. Because of poor record keeping by prior owners,
5 including the lack of accurate list of service accounts and addresses, Magnolia
6 recently performed a statewide canvas of customer service addresses. With this
7 more accurate data, Magnolia recently initiated steps to collect on longstanding
8 delinquent accounts with significant past due balances. This has prompted
9 complaints from many of those customers, particularly in District 2. As a result of
10 good faith negotiations between Commissioner Coussan and Mr. Cox, and though
11 no legal obligation to do so, Magnolia has agreed to forego collection or
12 disconnection of any delinquent account balance older than 90 days. Further, in
13 the future, Magnolia will not attempt to collect on any delinquent balance for any
14 period in excess of six months. In exchange, the Commission would agree to
15 convert Magnolia's wastewater receivable balance to a regulatory asset recoverable
16 over 10 years. This would necessitate an upward adjustment of every wastewater
17 customer's monthly bill of 80 cents. Thus, I move we accept Staff's report and
18 recommendation filed July 31, 2025, with this amendment that Magnolia's current
19 wastewater receivables of approximately 8 million be converted to a regulatory
20 asset recoverable over 10 years and that Magnolia be allowed to include a line item
21 of 80 cents on its customers' wastewater bills. I further direct Staff as part of the
22 pending water and wastewater best practices docket, to look at including an
23 amendment regarding the maximum time period allowed for delinquent balances

1 to remain on a water or sewer before the utility forfeits any collection of that
2 balance.

3 **VICE CHAIRMAN SKRMETTA:** So moved.

4 **CHAIRMAN FRANCIS:** I'll second the motion. Is Magnolia here? Magnolia.

5 **VICE CHAIRMAN SKRMETTA:** I understand we have yellow cards.

6 **MS. BOWMAN:** We do. We have two yellow cards as well that are not Magnolia
7 representatives.

8 **VICE CHAIRMAN SKRMETTA:** Yeah. Do those first.

9 **MS. BOWMAN:** You want to do these first?

10 **VICE CHAIRMAN SKRMETTA:** Yeah. Do those first.

11 **MS. BOWMAN:** Okay. Let's see. Ms. Anne Pautler and Ms. Cindy Case-Brown,
12 you can come to the table.

13 **CHAIRMAN FRANCIS:** They look happy. They're smiling. It must not be that
14 bad. They're smiling. Try to keep it to three minutes, please, but you look sweet -
15 -

16 **MS. BOWMAN:** Wait. Press the button in the middle for the green light. See
17 push.

18 **MS. ANNE PAUTLER:** Duh. Okay.

19 **CHAIRMAN FRANCIS:** Since y'all smiling, y'all can do four minutes. Okay.

20 **MS. PAUTLER:** My name is Anne Pautler. I am here. I don't have a prepared
21 speech but I --

22 **VICE CHAIRMAN SKRMETTA:** Could you pull the mic closer to you, please?

23 **MS. PAUTLER:** Oh, sure. Sure. How's that?

1 **CHAIRMAN FRANCIS:** Where do you live? Where do you live?

2 **MS. PAUTLER:** Test one, two. I live in Slidell, Louisiana, off of Airport Road

3 in the Meadows subdivision.

4 **CHAIRMAN FRANCIS:** What town, you say?

5 **MS. PAUTLER:** Slidell.

6 **CHAIRMAN FRANCIS:** Slagel.

7 **MS. PAUTLER:** Slidell, Louisiana.

8 **CHAIRMAN FRANCIS:** Oh, Slidell. Okay. I'm sorry.

9 **MS. PAUTLER:** Oh, I'm mispronouncing it. So in reference to this Docket

10 Number 37570, there were 23 of us who were intervenors, and it was in the records,

11 I have copies of it, received June 3, 2025. Subsequently, there was a data request -

12 - that's my understanding, but there were 18 of us that never received the data

13 request, all in Slidell, Louisiana. When I went to the St. Tammany Parish Council

14 Meeting, I learned that there was a data request for this docket. And so the very

15 next day I called Mr. Smith, Mr. Braeden Smith, and he sort of, you know -- you

16 can speak with him yourself. But he said, oh, well, we had a problem with the mail.

17 And I said, oh, okay. Well, can you issue us those data requests? And he left the

18 phone for 13 minutes, and then he came back and he said, well, we're going to put

19 you on the docket for 37584. And I just thought that was really strange because

20 how come mysteriously there were 18 of us that did not receive the data request?

21 And, you know, like I said, I respected the fact that he said they have a problem

22 with the mail, but if you have a problem with the mail, and you know you have a

23 problem with the mail, then do something about it. So that is why I am -- there

1 have been some rules and regulations and procedures that have not been followed
2 in this case, and so that's why I'm appealing that this be -- that the intervenors that
3 did not receive the data request, that they be, you know, given the opportunity to
4 submit their data for this.

5 **CHAIRMAN FRANCIS:** So you need data requests is your problem? You need
6 to --

7 **MS. PAUTLER:** Well, it's the fact that, you know, when I look at what they say,
8 that we didn't respond, and that's not true. That's not true at all. We mysteriously
9 got left off. And so I don't really think it's fair to move forward or correct
10 procedure to move forward without us having the opportunity to present our
11 experiences.

12 **CHAIRMAN FRANCIS:** All right. When they come up here, I'm going to ask
13 them about the data requests. All right.

14 **MS. PAUTLER:** Oh, please. You're very welcome to. And I called Kris Abel
15 and, you know, I have all the paperwork here. So, yeah. And, please, if you have
16 any questions, ask me.

17 **CHAIRMAN FRANCIS:** All right. At this time, we've got your name and we
18 know how to get ahold of her. Okay.

19 **MS. PAUTLER:** Okay. Thank you, kindly.

20 **CHAIRMAN FRANCIS:** Okay. Thank you. Yes, ma'am.

21 **MS. CINDY CASE-BROWN:** I have pictures. Do you guys want pictures, just
22 from this year? Recent images.

23 **COMMISSIONER COUSSAN:** Closer to you, first.

1 **VICE CHAIRMAN SKRMETTA:** Pull the microphone closer.

2 **MS. CASE-BROWN:** Do you want pictures from their neighborhood, just this
3 year so far?

4 **VICE CHAIRMAN SKRMETTA:** I think we're good. We'll get them from
5 Staff.

6 **MS. CASE-BROWN:** I am a public school special education teacher using one of
7 my three personal days to be here. I am also the liaison for Greenleaves regarding
8 any issues with Magnolia. According to the LPSC utility comparison dated 8/1/25,
9 statewide average for a residential sewer is \$32.90. Mine is \$69. That is a
10 difference of nearly 110%. Statewide average for minimum residential monthly
11 water bill is \$18.33. Mine is \$39.76. That is a difference of 117%. Since July of
12 2022, my sewer bill has increased by almost 24% and my water has increased by
13 more than 25%. Magnolia is now requesting an additional 9.31% for water and
14 9.74% for sewer. According to a recent survey of Magnolia customers, I created it
15 using a Google form, 95.1% of respondents have had issues with their service
16 through Magnolia. Sixty-three percent of respondents did not know that they had
17 the right to protest. I understand your responsibility to regulate public utilities and
18 the formula used for companies to recover costs. I'm asking you to balance the
19 interest of stakeholders. I'm asking you to help Louisiana citizens. Please consider
20 your commitment to consumer protection, including reliable and reasonably priced
21 services. Additionally, I'm asking you to ensure that procedural due process is
22 being followed, including proper notice of service and unbiased and neutral
23 decision-making. Intervenors protesting Magnolia's rate increases cannot afford to

1 hire an attorney. What we do have is a shared concern, a common goal,
2 resourcefulness, determination, and the ability to ask for help. I would like to call
3 on you to support Louisiana citizens as we seek transparency in the profitability of
4 Magnolia, a Missouri-based company, and the investments they claim to have made
5 in our state. Please provide time for myself and other intervenors to review the
6 project costs and expenses claimed by Magnolia.

7 **CHAIRMAN FRANCIS:** And where do you live? What's your residence,
8 ma'am?

9 **MS. CASE-BROWN:** Mandeville, Louisiana.

10 **CHAIRMAN FRANCIS:** Okay. Mandeville and Slidell. So both of y'all are in
11 the -- Commissioner Skrmetta's district. Okay.

12 **VICE CHAIRMAN SKRMETTA:** Right.

13 **MS. CASE-BROWN:** Right.

14 **MS. PAUTLER:** We are.

15 **CHAIRMAN FRANCIS:** Thank y'all for coming and --

16 **MS. PAUTLER:** Thank you for having us.

17 **CHAIRMAN FRANCIS:** -- hang on. We're going to look into this. All right.

18 **MS. PAUTLER:** Thank you, kindly.

19 **VICE CHAIRMAN SKRMETTA:** Call up Magnolia's folks.

20 **CHAIRMAN FRANCIS:** Magnolia. And who do we have here with Magnolia?

21 **MR. ANDY EZELL:** Good afternoon.

22 **VICE CHAIRMAN SKRMETTA:** Hit the button.

23 **MR. EZELL:** Good afternoon, Commissioners.

1 **VICE CHAIRMAN SKRMETTA:** Pull it a little closer to you.

2 **MR. EZELL:** Andy Ezell with the Ezell Law Firm. I represent Magnolia Water

3 -- Magnolia Water Operating Utility.

4 **CHAIRMAN FRANCIS:** Okay. All right.

5 **MR. JOSIAH COX:** Yes. My name is Josiah Cox. I'm the CEO of Central States

6 Water Resources, which Magnolia Water is a holding and subsidiary.

7 **CHAIRMAN FRANCIS:** All right. My first question is data requests. The lady

8 said -- had asked for data requests. I'm not a lawyer. Is that proper channels to

9 ask?

10 **MR. EZELL:** Commissioner, I think that that question is probably more properly

11 directed to Staff because Staff is the only party to the transaction that's issued data

12 requests.

13 **CHAIRMAN FRANCIS:** Oh. So the data requests went to the PSC Staff, right?

14 Correct?

15 **MR. EZELL:** The data requests were issued by PSC Staff to the intervenors.

16 **CHAIRMAN FRANCIS:** I thought the intervenor was asking for data requests.

17 **MR. EZELL:** No, no.

18 **MR. BRAEDEN SMITH:** Commissioner, I --

19 **MR. EZELL:** The intervenors have asked for data from Magnolia. I think what

20 the two individuals who were here before, they're complaining about service of the

21 data requests from the Staff to them for a response.

22 **MR. SMITH:** Commissioner, I can speak on that real quick. So Staff, we initially

23 issued intervenors' data requests in both the FRP extension docket and in the annual

1 report. The data requests in both of those dockets were the same. We later found
2 out that there was an issue with the mail. The intervenors had not provided us with
3 email addresses, which is the way we traditionally send the data requests. And so
4 whenever we found that out, we decided to not reissue them in this, the annual
5 report docket, but we did reissue them in the extension docket and we just thought
6 that the information sought in the data request would be more appropriately
7 addressed in the extension docket.

8 **CHAIRMAN FRANCIS:** So the PSC had a problem with the mail?

9 **MR. SMITH:** Yes.

10 **CHAIRMAN FRANCIS:** Commissioner Skrmetta, you got anything to say about
11 that?

12 **VICE CHAIRMAN SKRMETTA:** You know, I mean, it's not reflective on the
13 company. It's a reflection on just the procedural element from the Staff, but the
14 actual Staff report and review, you know, justified the recovery. The money has
15 been spent by the company to achieve the goals of removing them from the federal
16 -- what is it? The federal -- what is it? The consent decree. Right. And I know
17 what the consent decree was a big problem because under -- when it was TESI,
18 TESI had been under the consent decree for 25 years and had not removed the
19 systems from the consent decree. And when you took it over, I know that the
20 federal government decided to give you two years to comply, which required you
21 to spend the money to get it done. So it's a matter of you've spent the money,
22 correct?

23 **MR. COX:** That is correct.

1 **VICE CHAIRMAN SKRMETTA:** So now it's a matter of recovering the funds,
2 right?

3 **MR. COX:** That is correct. So the consent decree gave us three years.

4 **VICE CHAIRMAN SKRMETTA:** Is it three? Okay.

5 **MR. COX:** Three years in order to bring these systems back into compliance. Just
6 for a little history there, we bought that TESI group of systems, I think it was 208
7 systems. Of the 208, 102 of them were under a federal Department of Justice EPA
8 consent decree, and 74 were under a -- or 75 were under a Louisiana Department
9 of Environmental Quality agreement on consent. So we -- so it's since we have
10 entered in and closed on TESI then in '22, we've taken approximately 30 of the
11 federal EPA consent decree systems off the consent decrees. The EPA's released
12 those for being back into compliance, and we've taken all but one of Louisiana
13 Department of Environmental Quality's systems from those agreements on consent.

14 **VICE CHAIRMAN SKRMETTA:** Okay. And while not particularly relevant to
15 the matter at hand, but one of these ladies had presented photographs of issues
16 relevant to Greenleaves. But my understanding is the Greenleaves water situation
17 has been resolved.

18 **MR. COX:** That is correct. And I mean, you know, water, when we -- and I think
19 you may have said this before, when we buy these systems, you got to remember
20 they often had not had rate increases for decades, so there's a chronic lack of
21 investment. And when we bought the system in Slidell, that one of the residents
22 mentioned, they still had Hurricane Katrina debris in the lift stations, in the lines,
23 in the plant. So that's how little work had been done over the last couple decades.

1 So we're really focused on bringing the plants back online, so backup generation,
2 replacing tanks, working on the actual treatment of the water and wastewater. In
3 the Greenleaves system, we did all that work at first really trying to maintain system
4 stability, but there's naturally occurring manganese in that water, and we initially
5 tried to address it by doing a comprehensive flushing program. Now, remember,
6 this water all passes -- it is safe to drink. Now, I understand, as a resident, you
7 don't want discolored water. That is not our goal as a company. But we never
8 violated any EPA standards in terms of health and safety for the customers. When
9 we realized the flushing program would not solve that issue, we went to the state,
10 the Louisiana Department of Health, and initiated an engineering project. It took
11 about eight months to get permitted. If you look at the record, literally, we finished
12 the -- it was a change of chlorination and the chemical composition, the treatment
13 of the water. We got the approval. It took us less than a month to build the whole
14 thing out. And since we have put that new disinfection in place, we no longer have
15 water quality issues there.

16 **VICE CHAIRMAN SKRMETTA:** And just for clarification, the Public Service
17 Commission doesn't regulate water quality. That's the Louisiana Department of
18 Health, correct?

19 **MR. COX:** That is correct. The Louisiana Department of Health and EPA.

20 **VICE CHAIRMAN SKRMETTA:** And as far as sewage issues and sewage
21 treatment, that is regulated by the Department of Environmental Quality, correct?

22 **MR. COX:** That is correct. LDEQ regulates that.

1 **VICE CHAIRMAN SKRMETTA:** Okay. So the Public Service Commission is
2 tasked with reviewing the amount of money you spend to make corrections required
3 by other departments and we make determinations about your ability to recover
4 funds spent, correct?

5 **MR. COX:** Yes, sir.

6 **VICE CHAIRMAN SKRMETTA:** Okay. So, you know, now on the issue on
7 Slidell, my understanding it was an issue with a well that had been acquired from a
8 previous system that you purchased. That was an older well that had a failing in it
9 and then you had to make -- maneuver to attach to another area, in the meantime,
10 that I understand you're drilling a new well; is that correct?

11 **MR. COX:** That's correct. So in that particular system, the Meadows, we had a
12 well that -- I mean, we do, you know, casing, you know, inspections every year. So
13 it didn't have any indication of failing. We had a sudden failure in that well. So
14 we had to disconnect it to a backup water source that we had readily available, but
15 of course, that caused some service disruption when that happened. We have since
16 remediated that well, but we realized like, hey, we needed a third well there so we
17 have initiated a program and will be drilling a well in the next couple of months.

18 **VICE CHAIRMAN SKRMETTA:** Right. And my understanding is the
19 anticipated completion of that well is December of 2025?

20 **MR. COX:** That is correct. Barring any delays.

21 **VICE CHAIRMAN SKRMETTA:** Right. And I would like to point out that you
22 are getting this well drilled, because I see somebody shaking their head in the back,
23 that you're getting it done in less than a year?

1 **MR. COX:** That is correct.

2 **VICE CHAIRMAN SKRMETTA:** Yeah. Since other people are still gnashing
3 their teeth with other water companies that they can't get a well drilled in two years,
4 and I keep beating them with a stick that other companies are getting it done in six
5 months. So I want them to take notice of the fact that you're getting this done and
6 helping the folks out by making sure you can get these wells done, so I appreciate
7 that. I'm satisfied with your commentary and I understand that this is a recovery
8 issue of your expended capital and it's not about anything else. So I've made my
9 motion and it's seconded and I'm satisfied.

10 **CHAIRMAN FRANCIS:** Commissioner Coussan.

11 **COMMISSIONER COUSSAN:** Mr. Cox, thank you for joining us. Thank you
12 for coming down and visiting with us today. You have a number of ongoing
13 projects across the state. Your company has invested a considerable amount of
14 money in the state of Louisiana to better our water quality, and I commend you for
15 that. I mean, I'm -- to see the ongoing investment and to see the transformation
16 that some of these water facilities and sewage facilities have gone through is really
17 striking. And to see what people have been living with under your former -- your
18 predecessor in interest, TESI, over all these decades is sad. But you're coming in
19 and you are literally reviving those systems to where they should be for -- under
20 the law, but really for what we expect here in Louisiana. But you've taken on --
21 you taken this project on voluntarily, and I know your company and yourself has
22 assumed some of that liability personally relative to the federal government, which
23 again is -- to me, it's very commendable. Can you tell me how many projects from

1 the original group of TESI facilities that were under consent decree, how many are
2 remaining to be transformed and gotten out of the consent decree?

3 **MR. COX:** Yes. So --

4 **COMMISSIONER COUSSAN:** And I'm going to distinguish between those
5 versus all of the projects across the state of Louisiana.

6 **MR. COX:** Yeah. Understood. So I would say in basic -- just for testing in
7 particular, there were 209 systems, 75 were under a Louisiana Department of
8 Environmental Quality environmental compliance action. We've taken 74 of those
9 out of that. So we completed 74 of those projects and they're no longer in a
10 Louisiana Department of Environmental Quality compliance agreement. Then of
11 the 101 systems that are inside of the Department of Justice EPA consent decree,
12 we've taken a little over 30 of those out of the consent decree. Now, we have
13 finished another 30 projects, but the way the EPA consent decree works is after you
14 complete a project, you have to have three months of testing history to prove that
15 you're meeting compliance. So the majority of the projects have been completed.
16 So 60 of the projects have been completed, and then we're down to the last -- and
17 in all of the other projects, the last, you know, 38 or 39 are actually being
18 constructed right now. So they're all in process. We have equipment moving. I
19 mean, if we go in your district, Commissioner, we have a, you know, \$6 million
20 plant going on in Ile de Cannes currently, right now, as we speak today.

21 **COMMISSIONER COUSSAN:** And the rate that you are able to charge currently
22 is based upon your FRP from what year to year? Give me -- because, as you know,
23 I'm new to this Commission, so although the Magnolia issues have arose before --

1 not the issues, but this docket started before I got here. So what are we under now
2 and where are we trying to go?

3 **MR. COX:** Yeah. So the rates that are in place today are resulting investments we
4 made in 2023. So -- and that's with the FRP because there's a lag. We have to do
5 a true up at the end of every calendar year, the Staff goes through a comprehensive
6 audit and review, then we come before you in the -- typically, the August
7 timeframe. So that means the rates -- and just to be clear, it's a 5% sewer increase
8 and 8% water increase. Those rates are for investments that happened in 2024.

9 **COMMISSIONER COUSSAN:** And we talked earlier on a different docket about
10 kind of shareholder risk, ownership risk. Who bears the risk of the loss or the cost
11 if, you know, we don't approve the true up?

12 **MR. COX:** Yeah. I mean, we've already borne that risk. You know, so since
13 starting operations here, you know, going on six years ago, you know, we have run
14 at a cash loss the entire time. And the reason for that is because when we originally
15 bought the systems -- you know, all the original systems we bought, I think the
16 systems in Slidell, the systems in Mandeville, you know, systems in northeast and
17 northwest Louisiana in Commissioner Campbell's district, all them had arbitrarily
18 low rates. They were charging \$10. I mean, Slidell's system I think was \$25 total
19 water and sewer. So they couldn't even cover the basic cost of operations. So we
20 just ran at a cash loss for years until we could do our first rate increase. So to date,
21 even with the rate increases we've had, we still have a \$9 million cash loss that has
22 not been recovered from this state. So not only are we pouring money into this
23 state, but the company has borne all the risks and taken the entire loss. And I --

1 when we first entered the state, that was my commitment. And I appreciate,
2 Commissioner Coussan, what you said easier. You know, we've invested \$400
3 million in this state and had never pulled a dollar out. So we have -- and I believe
4 -- you know, I think you eluded to this, I personally had to sign the Department of
5 Justice agreement with the federal EPA. So in terms of stakeholder risk for a utility,
6 I believe, sir, I'm number one. So we've put it all on the line here. It's our
7 commitment.

8 **COMMISSIONER COUSSAN:** And that's, you know, why again I appreciate
9 you being here, number one. I don't think you would -- knowing what I've known
10 about you as a leader, as a executive, I didn't think that you would try to outsource
11 this to anybody but -- so we do appreciate you being here. You know, District 2,
12 has, I guess, a disproportionate amount of bad systems relative to the rest of the
13 state, and not only are they bad, but we have fewer people paying for it. The
14 neighborhoods are smaller and so we have a smaller denominator. So, you know,
15 I hear a great deal about the changes over the last few years. I've actually followed
16 this issue with TESI across Lafayette Parish while I was a legislator. That's when
17 I first learned about what the Public Service Commission did on the water side of
18 things. So I just want to say that I am supportive of your ongoing efforts and
19 ultimately for your company to be successful the way that companies are supposed
20 to be run, you know, and profitable. Today, I can't support this effort, but I will
21 continue on a monthly basis to analyze and discuss with the Staff about your efforts
22 and your continued efforts to complete the project. So that's just where I am today.
23 That's a separate matter from the issue that we discussed about our ongoing efforts

1 to resolve the billing issue that happened across -- I think not just in my district, but
2 across several areas, due to old bills, different systems, conversion of technology,
3 all of those things. And again, you to me -- and I want it to be clear that to me, the
4 resolution of that issue has told me that the company is going above and beyond to
5 try to make it right with the constituents. I'd like to know how that's going to be
6 communicated to the constituents. And I would also like to communicate it myself
7 that that is going to be resolved as we're discussing it today because I don't think
8 that has been heard loud and clear. So could you address that for us?

9 **MR. COX:** Yeah. Of course. So I guess, one, I'll set the table, if that's okay, just
10 to give a little history on this.

11 **COMMISSIONER COUSSAN:** Yeah. Please.

12 **MR. COX:** So when we buy these systems, we have owners that they don't have
13 the technical, managerial, or financial ability to run a water and sewer utility. So
14 they don't have good customer records.

15 **COMMISSIONER COUSSAN:** And when you say owners, these are kind of
16 mom and pop operators that developed a neighborhood, that maybe just started a
17 plant that got approved back in the '70s or '80s and -- describe to me what you
18 mean by --

19 **MR. COX:** Yeah. I mean --

20 **COMMISSIONER COUSSAN:** -- the owners. Who are the owners?

21 **MR. COX:** Yes, sir. We run the gamut on owners. So you think TESI was a
22 power cooperative. They got into the water and sewer business because these water
23 and sewer systems inside their -- where their customers were had failed, the

1 previous owner had gone to jail. I mean, it was a really deplorable situation. So I
2 think that power group thought they could get in the water, you know, sewer
3 business, and help their customers. The problem was they never did the investment
4 required to bring these things back into compliance. So that's one example of an
5 owner. Sometimes it's developers who bought these -- who built these systems and
6 decided they want to, you know, take that and become a profitable asset, become
7 an investor-owned utility. And then, of course, they fall into the trap of not realizing
8 it's a regulated business, you can't charge what you want, you have to invest to
9 make money. And they quit making investments, try and pull cash out of the
10 business, and the thing falls into a state of disrepair. You know, beyond that, we've
11 had, you know, water and sewer associations, you know, that have done that or
12 water operations -- water and sewer operations companies who think that they'll
13 make a profit becoming a investor-owned utility and they don't really understand
14 the complexity -- investment that's required. So that's the owner side. What
15 happened on the billing side, if I could hit that. Back to -- you know, so the -- so
16 we don't even have accurate customer records, so we're going through all the time.
17 When we buy these systems, literally, there are no design records, there are no
18 engineering plans. We're having to create all that from scratch. So when we go
19 buy these systems, we're doing GIS surveys, we're building a digital twin of the
20 assets because no records exist, and then we're tying that to property records. So
21 we have customers we've kind of -- you know, three groups of customers on the
22 rear side. We have one group of customers that had never -- they were served by -
23 - I'm going to use TESI, because they're a big example especially in your district.

1 They were served by TESI. If you go back and look at TESI's annual reports,
2 historically they wrote off 10% of the receivables as bad debt, so they weren't trying
3 to collect. So those customers -- we have a group of customers that have never
4 paid, didn't pay TESI before us. We inherited the systems, we sent bills, they never
5 paid us, right? So we ended up in a situation -- was bad timing. I think it's before
6 we got before you, but hopefully we got to a good resolution here where we finally,
7 after years of sending disconnect notice -- I think you heard it in the report and
8 order, for us, if we can't get a water company to cooperate with us for a service
9 disconnection, we have to shut off the sewer. That is the option of last resort. None
10 of us, including myself, want sewage backing up in a resident's home. So we're
11 trying everything we can to notify the customer, talk to the customer, and
12 unfortunately, it wasn't until we send a customer disconnect notice that someone
13 finally paid attention. So I say that's the majority of what we're facing, you know,
14 right here, in terms of the use. I think there is another class of customer that they
15 never knew they were a customer, right? And, you know, so we sent bills to the
16 current owner who we have a service address, but no, you know, beneficial owner
17 of the property. And so as you all know, Louisiana property records are very
18 difficult to get. This isn't a big digital database. So we went on a whole long,
19 company-wide, corporate effort to identify the beneficial owner of every single
20 service address. And then started writing to that customer who we've been serving
21 for years and explain like, hey, you have a sewer bill, right? So that's the other
22 class of customer who had -- that's really been impacted by this.

1 **CHAIRMAN FRANCIS:** Okay. Commissioner Lewis, you want to
2 [INAUDIBLE]?

3 **COMMISSIONER LEWIS:** Thank you. Thank you, Josiah and Andy. I'm going
4 to go back to the FRP and then I'll come back to this reg asset that we're talking
5 about. And so we heard from some customers, so I'm just curious on what is your
6 communication about rate impacts, disclosures, and is it sufficient across the state?
7 What are you doing to ensure that your customers know exactly what you're telling
8 us today?

9 **MR. COX:** Yeah. I mean, so when we buy a system, we have an initial customer
10 communication where we try and send a letter and we're doing this on a community
11 by community basis. And really, we learned -- we actually learned that here in the
12 state of Louisiana because what we found out is that customers, they -- in some
13 ways, they don't care what's happened in the whole state. They care about their
14 subdivision, they care about their community, right? So we really had to tailor that
15 down to the -- you know, the residential subdivision level. So what we try to do
16 when we buy a system is we send them a customer notice and say, hey, you're
17 coming, we're buying your system, here is the amount of investment that's going
18 to be required to bring this back into, you know, compliance. We try to set the table
19 initially with the customers. Then as we complete projects on an annual basis, we
20 send a notification to all the customers like, hey, this is -- so you hear from us when
21 we buy it, you hear from us again on an annual basis: This is what you can expect
22 out of us in terms of improvements we're making in your specific neighborhood

1 and here's what's been completed. And then we comply with all the regulation in
2 terms of customer noticing on rate increases, all that.

3 **COMMISSIONER LEWIS:** Okay. Great. Thank you for that answer. So I know
4 we heard about Greenleaves and I'm just -- are the disinfectant upgrades -- where
5 do they stand? Are they complete, effective, or still underway? Where are we at
6 in that process?

7 **MR. COX:** Totally complete, in effect.

8 **COMMISSIONER LEWIS:** Totally complete?

9 **MR. COX:** Right.

10 **COMMISSIONER LEWIS:** Okay. And we heard the residents bring up your
11 customer rates are among the highest in the state right now. Can you compare these
12 rates to the peers or national average for better context or why -- why are you so
13 high?

14 **MR. COX:** Yeah. Absolutely. So, you know, first of all, you know -- and I'm just
15 giving you facts here. So, you know, Louisiana has one of the highest rates of
16 noncompliance in the country for water and wastewater. So the national
17 [INAUDIBLE] civil engineers, they rated the state of Louisiana's drinking water
18 systems as a D and the wastewater systems as a C plus. So there are thousands of
19 systems in the state of Louisiana that are not currently providing safe and adequate
20 service on the drinking water and wastewater side. So where as I understand we
21 are above the state average, it's because the state average is not reflective of true
22 cost of service because the investments have not been made to provide safe service.
23 So it's a bad comparison from my perspective, and on a national basis, we're below

1 the national average. Now don't quote me on this, I believe the national average
2 for sewer is 85 and water is 50 or 60. So the state averages here are severely
3 depressed and I think it's a function of the lack of investment over a long period of
4 time.

5 **COMMISSIONER LEWIS:** Okay. Thank you. On to this -- a portion of the --
6 not on your annual report, but the new motion around the customers getting billed.
7 I appreciate your answer of how this happened and I guess your answer of why it
8 hasn't been recovered was customers just weren't responding to the bills. Can you
9 roughly estimate how many disconnection notices have you sent out in the last two
10 weeks regarding this matter?

11 **MR. COX:** Around 6,000.

12 **COMMISSIONER LEWIS:** About 6,000. Okay. And as our Staff mentioned,
13 you do have a application of an FRP extension pending before the Commission
14 right now, and so I'm curious why you found that not to be the better avenue to
15 address this regulatory asset that you're asking for rather than this motion, which
16 is typically a test year evaluation of your already existing FRP.

17 **MR. COX:** Yeah. I guess, two reasons, Commissioner. One is we already have a
18 regulatory asset inside our FRP, so this isn't like outside what we normally recover.
19 And that other regulatory asset has to do with operational losses from the time we
20 purchase a system. So, A) We believe it fits inside this FRP process; B) We believe
21 it's time to address the issue. Like, you know, we've already brought it to the head
22 by sending customer notices so delaying this I don't think benefits anyone. And
23 frankly, we want to alleviate the customers' concerns. Like, hey, okay, we

1 understand. You've never paid us and now you're facing a bill that you're not --
2 you're like how do I pay this, right? So we want to take that away and start fresh
3 with these customers and sooner rather than later. Especially as we've started this
4 process of notifying them their balances. So we want to alleviate customers'
5 concerns now is the other reason why we believe now is the appropriate time for
6 that.

7 **COMMISSIONER LEWIS:** Thank you. And I guess my question -- also, why
8 didn't we consider an emergency application for consideration under like Rule 57?
9 I think where I'm having some heartburn is that this is a relatively new addition to
10 the test year application, which is what I previously had been reviewing, and I
11 appreciate you all coming yesterday to my office to explain that. But that -- it's
12 kind of been less than 24 hours that I've kind of had a full understanding of how we
13 want to move forward and whether or not this construction of a regulatory asset
14 makes the most sense, so I'm just kind of curious. I hear you about time of the
15 essence, but I think we've kind of piled a little too much in this one application that
16 could've been separated or added to the pending FRP, or could've been a
17 standalone emergency relief application that would've maybe allowed us to address
18 some of these concerns. So started with a question, kind of made a statement, but
19 if there's anything you want to respond to that.

20 **MR. COX:** Well, I believe, Commissioner, that this is -- it's clear. Like, so there's
21 no financial information that's in debate about what the outstanding is, right? So
22 we don't have to -- like, from an audit perspective or a record keeping perspective.
23 I think that's all crystal clear, so it makes all the parties very comfortable of what

1 we're doing. I think the Commission Staff -- because we're not asking them for a
2 return on. There's no profit on this, right? We're turning regulatory asset and we're
3 going to collect just the balance and we're taking over 10 years, so think that is a
4 loss for the company, right? Because we're not earning on that, so you think that
5 is a long-term loss that we're entering into to try and resolve this issue. And I
6 believe, like, that is for the consumers' benefit, 100%. We don't benefit
7 [INAUDIBLE] company on that, so we're trying to address the concerns that have
8 been brought to a head right here. We are taking a loss. I mean, you heard about
9 skin in the game. Again, we're taking skin in the game and willing to bear that over
10 10-year period, so we can address all these in one fell swoop. So that's -- we believe
11 we're doing the right thing. The numbers are uncontested. It's very clear. So I
12 think it's good for the customers and it's a way to, you know, keep the process
13 moving with everyone and relieve their concerns in a fast of order.

14 **COMMISSIONER LEWIS:** Thank you for that answer. And I also -- I didn't
15 start by questions. Thank you for taking over some of these systems, and I believe
16 some of the work, as Commissioner Coussan says, I believe you are doing the best
17 you can. I do think we have to do some evaluation, and I think one of the things
18 that this Commission should consider, and I know the Chairman and I had some
19 conversations on some of these water cases potentially having an engineering
20 consultant to ensure that we are making, of course, the needed upgrades, but we are
21 doing it in probably the most cost-efficient way. I mean, I think that's a question
22 we are -- quite frankly, I am not a engineer by trade and so assessing -- but I believe
23 -- I know from these water systems that we need upgrades and I think that may just

1 be a place for the Commission to consider in the future to have another analysis on
2 the engineering side to ensure that the engineering side and the finance side makes
3 the most sense for the residents and people of Louisiana. But I thank you for
4 answering my questions and the time that you've spent.

5 **MR. COX:** Could I address that one thing you said about [CROSSTALK]?

6 **COMMISSIONER LEWIS:** Yes, please.

7 **MR. COX:** So, Commissioner, I agree with you and we would whole-heartedly
8 welcome a review. I would tell you that, you know, as a company, we have focused
9 on the rehabilitation rather than the replacement of assets since I started this
10 company 12 years ago, right? And really, we've done that because it is the most
11 cost-beneficial way to make the improvements possible. So, you know, we know
12 from industrial average -- for, you know, industry averages, we are the lowest cost
13 per gallon in terms of bringing compliance service in the industry. So any type of
14 engineering study, we would welcome that because it would help us, even in other
15 jurisdictions, continue to prove that out. So we are welcome to partner with you
16 and make that happen.

17 **COMMISSIONER LEWIS:** Great. Thank you. Thank you, Mr. Chairman. No
18 further questions.

19 **CHAIRMAN FRANCIS:** Okay. Let me ask you a couple things. I seconded the
20 motion because I worked with you for the last eight years that I've been here and
21 y'all have done a good job, so thanks for that. Going forward, we're working on it.
22 Okay. How much have you spent in Louisiana to --

23 **MR. COX:** Yeah. We have invested \$405 million.

1 **CHAIRMAN FRANCIS:** We got \$405 million so far. Let me ask the Staff.
2 Pendergrass, where are you? All right. And, Marks, where are you? Where's
3 Marks?
4 **MS. BOWMAN:** Mr. Marks isn't here but --
5 **CHAIRMAN FRANCIS:** Okay. How do you -- how do you know if they're
6 putting in the lines they're supposed to be putting in and how they're following the
7 program? How do we tracking that? That's what I get calls all the time. They say
8 my bill's [INAUDIBLE] and there's nobody digging a ditch or putting in a new
9 pipe or a pump or anything. How can you get the word out to your customers that
10 we are? You spent \$400 million, you know.
11 **MR. COX:** Yeah. I mean, I think --
12 **CHAIRMAN FRANCIS:** How would you do that if you were running things
13 here?
14 **MR. COX:** Yeah. So, Chairman, I think the biggest proof that we're doing or do
15 -- that what we are doing is changing things, the investments we've made, is we've
16 taken 241 systems from noncompliance to compliance in the state of Louisiana.
17 That's the largest movement by a single entity in state history. So LDEQ and LDH,
18 their records clearly reflect that we have made the investments we said we're
19 making, right? And that continues to go, so one of things I like about the water and
20 sewer business, it's pass/fail, right? It's in the pipe on a wastewater plant. It's in
21 the faucet in a water system, so.
22 **CHAIRMAN FRANCIS:** Well, I think our job is to try to help the customers
23 understand that we're working on it and things are getting better. And they just --

1 a lot of people are not seeing that and they're really fussing at us about it. It sounded
2 like we just don't care, you know, but we're working hard on this. And the Staff,
3 you know, you're there. We expect y'all to -- do we need to hire a plumber to watch
4 you guys?

5 **MR. COX:** Chairman --

6 **MS. ROBIN PENDERGRASS:** Well, I know that we've talked about hiring an
7 engineer, but I don't know where we're at with that. But what I review -- obviously
8 I'm not an engineer so I can't check pipes in the ground. But what I do review are
9 all of the LDH and LDEQ correspondences between them and the company. I
10 review all of their numbers. I review invoices to make sure that they're paying for
11 what was done and that the numbers match up.

12 **CHAIRMAN FRANCIS:** So you got LDEQ, those other agencies are watching
13 you, and they have a program of your repair and maintenance when you rebuild.

14 **MR. COX:** Well, yes. And, Chairman, you also have the water accountability law
15 here in the state of Louisiana, so they give a letter grade to every water provider in
16 the state. So we submit that on an annual basis. I think we have 61 A's and 4 B's,
17 and the 4 B's are systems we recently acquired that we're still in process of, you
18 know, doing investment in.

19 **CHAIRMAN FRANCIS:** I might need to tell the clients to call another agency,
20 you know.

21 **MR. COX:** Yeah. You know, Commissioner, you think about, you know, when
22 Hurricane Laura hit in St. Charles, right? We had a number of systems who were
23 abandoned and the state appointed us, the first receivers that were appointed by the

1 Louisiana Department of Health to take those over. Recently, we've been
2 appointed as emergency operator, manager, the city of Tallulah. They had long-
3 term water issues that were very, very acute. They had lime in the water. I mean,
4 it was dangerous stuff and we've, since in the last, you know, five months, really
5 turned that system around. I mean, the state reps and everyone -- so I think those
6 are all proof positives of the investment we're making.

7 **CHAIRMAN FRANCIS:** I need to work on some procedure to self-defend myself
8 when they call me so much. So, Andy, help me with those other agencies. We'll
9 get some more people involved. I can tell them to call this guy, I don't know the
10 answer, you know. Okay. I'm through. Anybody else? [NONE HEARD] Thank
11 y'all for coming up. I guess we need to have a roll call vote on this; is that right?

12 **MS. BOWMAN:** Yes, sir. So there's a motion on the floor by Commissioner
13 Skrmetta, seconded by the Chair, with opposition from Commissioner Coussan, so
14 we do need a roll call vote.

15 **CHAIRMAN FRANCIS:** Okay. Commissioner Campbell --

16 **COMMISSIONER CAMPBELL:** Yes.

17 **CHAIRMAN FRANCIS:** -- how do you vote?

18 **VICE CHAIRMAN SKRMETTA:** He said yes.

19 **CHAIRMAN FRANCIS:** Yes. Okay. Commissioner Skrmetta?

20 **VICE CHAIRMAN SKRMETTA:** Yes.

21 **CHAIRMAN FRANCIS:** Commissioner Lewis?

22 **COMMISSIONER LEWIS:** No.

23 **CHAIRMAN FRANCIS:** Commissioner Coussan?

1 **COMMISSIONER COUSSAN:** No.

2 **CHAIRMAN FRANCIS:** The Chair votes yes, so it's three to two. So, Magnolia,

3 you win today. All right.

4 **MR. COX:** Thank you, Commission.

5 **CHAIRMAN FRANCIS:** Thank y'all for coming.

6 **MS. BOWMAN:** So Exhibit Number 10 is Docket Number U-37677. This is

7 Entergy's application for approval to complete an uprate project at the Waterford 3

8 Nuclear Station, including cost recovery. It's a discussion and possible vote to hire

9 an outside consultant. We received two bids. One from United Professionals

10 Company of 72,000 in fees and 1,000 in expenses for a total budget not to exceed

11 of 73,000. And the second was from Critical Technology Consulting of 166,430 in

12 fees and 4,000 in expenses for a total budget not to exceed of 170,430. Staff makes

13 no recommendation as both are qualified.

14 **VICE CHAIRMAN SKRMETTA:** Move to accept the low bid of United

15 Professionals at a total of 73,000.

16 **COMMISSIONER CAMPBELL:** Second.

17 **CHAIRMAN FRANCIS:** There's a motion by Commissioner Skrmetta, seconded

18 -- Commissioner Campbell for United Professionals, number one. Is there any

19 objection? [NONE HEARD] Hearing none, they're selected.

20 **MS. BOWMAN:** Exhibit Number 11 is Entergy's request for expedited approval

21 of an agreement with Commission Staff regarding the monetization of 2024 nuclear

22 production tax credits. It's a -- excuse me, discussion and possible vote on the

23 agreement between Entergy and Commission Staff, and Staff recommends that the

1 Commission approve that agreement that was executed between Entergy and Staff
2 regarding the monetization of the 2024 nuclear production tax credits.

3 **CHAIRMAN FRANCIS:** Got a motion?

4 **VICE CHAIRMAN SKRMETTA:** Move to accept the vote -- the vote agreement
5 between Commission, Entergy, and Staff.

6 **CHAIRMAN FRANCIS:** I'll second that. Any discussion or objection?

7 **VICE CHAIRMAN SKRMETTA:** So going to [INAUDIBLE] to approve the
8 agreement executed between Entergy and Staff regarding the monetization of the
9 2024 nuclear production tax credits. Move to approve.

10 **CHAIRMAN FRANCIS:** I'll second. Discussion or action? [NONE HEARD]
11 Hearing none, it's approved.

12 **MS. BOWMAN:** Exhibit Number 12 is Docket Number U-37588. This is the
13 Commission's after-action review of SWEPCO's April 2 and April 26, 2025
14 outages pursuant to General Order dated April 13, 2017. It's a discussion and
15 possible vote on Staff's after-action review. Very quickly, there were two outages
16 on April 2 and 26 in northwest Louisiana customers of SWEPCO who lost power
17 for several hours and this was due to a load shed event called by Southwest Power
18 Pool, ordering SWEPCO to cut the power. At the Commission's May 2025 B&E,
19 Staff was directed to complete an after-action review of the two load shed events
20 pursuant to Commission Order dated April 13, 2017. That review was completed
21 and we have the following findings. The April 2 load shed event was primarily the
22 result of unexpected loss of significant electric high voltage transmission lines
23 necessary to import power into the SWEPCO region, but Staff also found a few

1 contributing factors that should be addressed, including high amounts of unplanned
2 generation outages, reliance on a remote generation, and transmission planning.
3 The April 26 load shed event was primarily the result of insufficient reactive
4 support available to maintain stable voltage levels and the failure of SPP's
5 operating reliability planning tools to appropriately identify generation that was
6 available to be committed and dispatched, which would have forced all the need for
7 a load shed if it had been identified. SWEPCO and SPP, in Staff's opinion, also
8 failed to properly communicate with the Commission regarding both load shed
9 events. Based on the finding, Staff made the following recommendations, which
10 were filed into the record. Staff recommends that the Commission develop and
11 adopt notification and communication requirements for RTOs and Commission
12 jurisdictional utilities during transmission system emergencies and localized
13 emergencies that are similar to the notification and communication requirements
14 during energy emergency alerts as provided in Commission Order dated May 31,
15 2022. Staff recommends that the Commission clarify and/or amend the language
16 of Attachment A of General Order dated April 13, 2017 to specify the Commission
17 should inform promptly of any load sheds regardless of the expected duration, to
18 specify which of the provisions apply to utilities, RTOs, or both, and to specify the
19 timing and formal requirements of the notifications and reporting. SWEPCO and
20 SPP need to engage in analysis of when to prudently plan SWEPCO's planned
21 generation outages, whether it would be beneficial to disperse SWEPCO's planned
22 outages in a different manner, and provide a report of that analysis to the
23 Commission by September 30 of this year. SPP and SWEPCO should also work

1 with Staff in the 2025 ITP targeted area study, and SWEPCO should provide Staff
2 with any recommendations, assumptions, or inputs it has provided for that study
3 and engage with Staff in the analysis or -- of recommendations or lack thereof. As
4 the Commission considers further resource additions for SWEPCO and other
5 utilities, it should consider risk associated with remotely located generation
6 dependent on the electric high voltage transmission that can be lost when such
7 transmission is unavailable. Staff supports SPP and SWEPCO's recommendations
8 to improve their reliability tools including each of their OPA processes with each
9 report due to the Commission by September 30 of this year on any changes made.
10 Staff supports SPP recommendations in its summary of the April 26, 2025 load
11 shed event. SPP failed to promptly notify the Commission of the April 2025 load
12 shed events as required by the Commission's order. Additionally, SPP did not
13 produce any written report to the Commission after either of the load shed events.
14 Staff expects more fulsome communication and response and greater accountability
15 from the RTOs with respect to RTO driven load sheds in the future. MISO, as the
16 regional transmission organization initiating the April 2 load shed event, had a
17 reporting responsibility, and since MISO did not promptly -- excuse me, did not
18 notify the Commission of the service disruption, it is not in compliance with the
19 reporting requirements of the Commission's general order. Although the
20 Commission is limited in its authority to assess fines against RTOs, SPP and MISO,
21 as RTOs with Louisiana utility members whose actions dramatically impact
22 resource adequacy in Louisiana, should comply with these and other Louisiana
23 Commission rules because they are essential to providing safe, reliable service in

1 Louisiana. Absent compliance of these rules, the Commission should consider
2 whether additional conditions should be imposed on the Commission's
3 jurisdictional utilities' participation in RTOs. Staff also recommended including
4 the Commission's inability to hold RTOs accountable for load shed events that they
5 cause in its assessment of the cost and benefits of jurisdictional utilities'
6 memberships in RTOs. Staff further recommends that the rules applicable to RTO
7 called load sheds be clarified in an appropriate Commission proceeding that allow
8 public comment and feedback, particularly from all impacted RTOs and utilities.
9 Staff recommends that the Commission accept its after-action report, including the
10 recommendations contained therein, which was filed into the record on August 13,
11 2025.

12 **VICE CHAIRMAN SKRMETTA:** Move to accept --

13 **MS. BOWMAN:** Can you speak into the mic?

14 **VICE CHAIRMAN SKRMETTA:** [CROSSTALK] -- filed into the record
15 August [INAUDIBLE]. Apologize. Move to accept the --

16 **MS. BOWMAN:** Thank you.

17 **VICE CHAIRMAN SKRMETTA:** -- after-action report, including the
18 recommendations just stated, filed into the record August 13, 2025. But I know,
19 Mr. Gilliam, that Commissioner Campbell would like you to come up, and need a
20 second.

21 **CHAIRMAN FRANCIS:** I'll second that. Bobby Gilliam and SWEPCO.

22 **MR. BOBBY GILLIAM:** Good afternoon.

23 **VICE CHAIRMAN SKRMETTA:** You got that right.

1 **CHAIRMAN FRANCIS:** Bobby Gilliam, are you Bobby Gilliam?

2 **MR. GILLIAM:** I am, yes, sir.

3 **CHAIRMAN FRANCIS:** What's your position? Are you with -- work for

4 SWEPCO?

5 **MR. GILLIAM:** I'm here, counsel for SWEPCO -- outside for counsel SWEPCO.

6 And this is Mr. Brett Mattison to my right, president of SWEPCO.

7 **COMMISSIONER CAMPBELL:** He's the president, I got it.

8 **CHAIRMAN FRANCIS:** President of SWEPCO?

9 **MR. GILLIAM:** Yes, president of SWEPCO.

10 **COMMISSIONER CAMPBELL:** Mr. Mattison, what did y'all find out when we

11 lost power, basically?

12 **MR. BRETT MATTISON:** Well, on April 2, it was a weather-related event called

13 a thermal event. That's why we lost power then.

14 **COMMISSIONER CAMPBELL:** But the second time you lost it, it was because

15 of --

16 **MR. MATTISON:** On the 26th, what happened was we had some generators that

17 were offline that were approved for routine maintenance back in October of 2024

18 during what we call the shoulder months in April. And as we had in Lafayette and

19 in your press conference, SPP admitted that they were a little aggressive in their

20 load forecast on the 26th. They thought it was going to be six degrees cooler that

21 day and cloudy, and it wasn't. And then it became apparent that we needed to shed

22 load. We got the call from SPP to turn out 140 megawatts. That's what happened

23 on both of those.

1 **COMMISSIONER CAMPBELL:** So what can our people up there look forward
2 to in the future? You think you got this solved?

3 **MR. MATTISON:** Well, we've worked with SPP and will continue to do that.
4 They are getting less aggressive in their forecasting and we've talked about in our
5 -- where our area that got affected, there's generation, but it needs to be running
6 during that period of time, what we would call a must-run, so we can have enough
7 voltage and VAR support in that area, so we don't get to that same situation.

8 **COMMISSIONER CAMPBELL:** Well, we had some people thought about y'all
9 giving some money back. Y'all change your mind or what's the deal? Some people
10 had businesses that was going good on a Saturday night. When you had it, they
11 lost a lot of business. But what happened to that?

12 **MR. MATTISON:** Well, we didn't change our mind. We never said we were
13 giving any money back.

14 **COMMISSIONER CAMPBELL:** No. I didn't -- I told them I wanted you to
15 give it back, just to be clear. So you decided you're not going to give any money
16 back, right?

17 **MR. MATTISON:** Well, this was a force majeure event that we were told to turn
18 the power out, so we didn't do anything wrong.

19 **COMMISSIONER CAMPBELL:** Well, I don't understand that because people
20 lost money. They have to be paid back. I tried to get you to pay it back, but you
21 say you don't have to pay it back; is that correct

22 **MR. GILLIAM:** Yeah. Commissioner, let's start on --

1 **VICE CHAIRMAN SKRMETTA:** You might want to pull that microphone
2 closer.

3 **MR. GILLIAM:** Yeah. We're following the rules and the procedures and the law.
4 Number one, on April 2, it was a weather event. We had severe weather. It knocked
5 off transmission in MISO and it knocked it off at PSO in Oklahoma. These were
6 transmission thieves.

7 **COMMISSIONER CAMPBELL:** In the second event, was it true that you didn't
8 have the generators turned on that you should've had, or?

9 **MR. GILLIAM:** No, that is not true. We didn't have them turned on with
10 permission because they were subject to maintenance, they were routine
11 maintenance that we schedule every year. We had scheduled that four months in
12 advance.

13 **COMMISSIONER CAMPBELL:** Have you done anything to improve that, I
14 mean, where you want it?

15 **MR. GILLIAM:** Yeah. Yeah. That's what we're working on. We've been
16 working with SPP for improving this situation to prevent it going forward. And
17 one of the things Mr. Mattison was just talking about was having -- keeping some
18 generation on a running reserve. It's running and you don't shut it down and --

19 **COMMISSIONER CAMPBELL:** If you would've had that, we wouldn't --

20 **MR. GILLIAM:** -- it does cost something to do that, because you're running a
21 generation, but that helps with reliability. So that's something we are suggesting
22 that could be done going forward.

23 **COMMISSIONER CAMPBELL:** If you had that, you wouldn't had the outage?

1 **MR. MATTISON:** We would've had the proper voltage and VAR support on the
2 system. But if I could, I want to go back to March of 2014. March of 2014, at that
3 time, we do not dispatch the generation that's running on our system. SPP, we bid
4 in the day-ahead market and they choose what generators are going to be run. We
5 don't dispatch our own generation. That goes through the RTO.

6 **COMMISSIONER CAMPBELL:** They told you to cut it off, right?

7 **MR. MATTISON:** That's exactly right.

8 **COMMISSIONER CAMPBELL:** And you had to follow their orders.

9 **MR. MATTISON:** But we had to. If we didn't, our system could burn down.

10 **COMMISSIONER CAMPBELL:** So let's be clear, you're helping, but going on
11 down the road, you think that maybe we've got a little help, you've got some
12 generators that doesn't have to be cut off completely, or you can keep them on
13 somewhat?

14 **MR. MATTISON:** Yeah. That's what I was saying earlier. Working with SPP
15 in what we call the shoulder months because we're a summer-peaking company.

16 **COMMISSIONER CAMPBELL:** I got you.

17 **MR. MATTISON:** Right. So in April, when it's a little bit cooler, and in the
18 October timeframe, when it's a little bit cooler, that's typically when you do your
19 generation maintenance. But when that happens, we need to make sure that we
20 have what I call a must-run generator in that area for voltage support and VAR
21 support on that system.

1 **COMMISSIONER CAMPBELL:** Well, it was a lot of people upset. Not the
2 first time, but the second time because it went off about 10:00 in the morning or
3 something like that.

4 **MR. MATTISON:** Three o'clock.

5 **COMMISSIONER CAMPBELL:** Well, 3:00.

6 **MR. MATTISON:** Three o'clock in the afternoon.

7 **COMMISSIONER CAMPBELL:** And it stayed off until about 9:00?

8 **MR. MATTISON:** In some areas it did. Some longer than others and some shorter
9 than others. That's what typically happens in a load shed. You'll try to roll through
10 the customers.

11 **COMMISSIONER CAMPBELL:** I had a lot of calls and I had to call y'all. You
12 didn't call me. I wish you would have.

13 **MR. MATTISON:** I called you at 4:14 on Saturday.

14 **COMMISSIONER CAMPBELL:** It went off at 9:00.

15 **MR. MATTISON:** No, no, no. It went off at 3:00 and I called you at 4:14 in the
16 afternoon, hour and 14 minutes later. If you recall, Willie Thomas was at your
17 house working on your generator.

18 **COMMISSIONER CAMPBELL:** Yeah, he was.

19 **MR. MATTISON:** Yeah. That's when I called --

20 **COMMISSIONER CAMPBELL:** He doesn't work for you by the way.

21 **MR. MATTISON:** No, he used to though.

22 **COMMISSIONER CAMPBELL:** Well, that's all right. He doesn't -- for you
23 anymore, let's make that real clear.

1 **MR. MATTISON:** Yeah.

2 **COMMISSIONER CAMPBELL:** I had a former SWEPCO employee that I
3 taught in school that I asked him to come to my house and fix the generator, which
4 I paid for with my money. And he doesn't work for you anymore, so he has a right
5 to do anything he wants to, so let's make all that real clear. So anyway, you called
6 me, and about 10 other thousand people called wanting to know why the electricity
7 was out; that's correct?

8 **MR. MATTISON:** Yeah. I was calling you to let you know it was off because
9 my main concern at 3:00 when my phone starts blowing up and this situation looks
10 eminent is to ensure safety first of our employees, the public, and to make sure that
11 we're following the orders of SP --

12 **COMMISSIONER CAMPBELL:** Did it all get back on by 9:00?

13 **MR. MATTISON:** Yes, it did. And then when you have a load shed event, and
14 if we drop 140 megawatts, it's not like a light switch. You can't just go turn it back
15 on. You have to do it in phases, roughly in about 20-megawatt blocks. Make sure
16 the system holds, everything is working well, then you move to the next 20-
17 megawatt block. All the way through until you see that the system --

18 **COMMISSIONER CAMPBELL:** How many thousand people were off during
19 that period?

20 **MR. MATTISON:** At one time, at the peak, it was about 30,000.

21 **COMMISSIONER CAMPBELL:** Thirty thousand people?

22 **MR. MATTISON:** At the peak of that, yes.

23 **COMMISSIONER CAMPBELL:** And you got them all back on?

1 **MR. MATTISON:** Every one of them.

2 **COMMISSIONER CAMPBELL:** By 9:00?

3 **MR. MATTISON:** That's correct.

4 **COMMISSIONER CAMPBELL:** And they went off at 3:00?

5 **MR. MATTISON:** That's right.

6 **COMMISSIONER CAMPBELL:** Six hours?

7 **MR. GILLIAM:** So some of them earlier because different circuits would come

8 on earlier than others.

9 **COMMISSIONER CAMPBELL:** Well, a lot of people are concerned about it

10 and they called me about it and I was concerned about it. So it's good to know that

11 maybe we have a solution in the future where you keep some -- don't use all your

12 power, you got some stored up if this ever happens again and that you can solve

13 that. But let's just make one thing real sure, Mr. President, Willie Thomas was at

14 my house, he did work for you, but when he works at my house, I pay for it. That's

15 just for the record.

16 **MR. MATTISON:** Yeah. I don't even know why it's coming up, but anyhow I

17 agree with you.

18 **COMMISSIONER CAMPBELL:** I know how to sum it up. That's the way it is.

19 **CHAIRMAN FRANCIS:** Brett, y'all don't have to call me. If the lights go out, I

20 know my generator's gone out. Well, I can tell the power's out.

21 **VICE CHAIRMAN SKRMETTA:** And I actually know when the lights go out,

22 so I got that covered.

1 **CHAIRMAN FRANCIS:** So you do not control your generators? The RTO tells
2 you when they run and don't run, right?

3 **MR. MATTISON:** That's correct.

4 **CHAIRMAN FRANCIS:** Okay. What is an RTO?

5 **MR. MATTISON:** It's a regional transmission organization that we were told to
6 join by the federal government and we did so.

7 **CHAIRMAN FRANCIS:** What do they do?

8 **MR. MATTISON:** Well, they manage the entire grid system within their RTO,
9 which goes from Nebraska all the way down. There's roughly 10 states that they
10 manage the bulk transmission system and the generation system within that RTO.

11 **CHAIRMAN FRANCIS:** Yeah. I think there's -- now there's like 14 states in
12 Southwest Power Pool.

13 **MR. MATTISON:** That's correct.

14 **CHAIRMAN FRANCIS:** And the other group is MISO --

15 **VICE CHAIRMAN SKRMETTA:** MISO and PJM.

16 **CHAIRMAN FRANCIS:** -- with 15 states, you know.

17 **VICE CHAIRMAN SKRMETTA:** Right. Seventeen.

18 **CHAIRMAN FRANCIS:** And I understand the Shreveport area, the SPP
19 footprint, is called a load pocket. Now, if we want to have some suggestions on
20 this not happening again, you'd tell us to build more generation? Does the SPP
21 makes you? We need some suggestions from you as to how -- so do you answer
22 that or SPP or together?

1 **MR. MATTISON:** We'll be glad to work with them, and we'll answer it together,
2 but having more generation is a very good thing, but it has to be on during that
3 period of time.

4 **CHAIRMAN FRANCIS:** And that's the RTO's job for that?

5 **MR. MATTISON:** Correct.

6 **CHAIRMAN FRANCIS:** They're here. I'm going to get them to come up here
7 and say a lot. I know they traveled a long way, so we might want to let them -- y'all
8 have some more? Okay. Commissioner Skrmetta.

9 **VICE CHAIRMAN SKRMETTA:** You know, looking at this problem of what's
10 now defined as load pockets, like areas that have low generation that have to be
11 served by transmission, right? And looking at the Shreveport area because they
12 describe you as a load pocket, right? Maybe the solution is more generation, right?
13 Because we're looking at the MISO problem coming up, right? And, you know,
14 MISO looks now at New Orleans as a load pocket, right? And one of the reasons
15 is New Orleans used to have 863 megawatts of generation, and as it retired out in
16 like 2012, they replaced 863 megawatts with 120 megawatts and became reliant on
17 generation, right? So you base it on not having available generation in a load
18 pocket, right? So I think that this Commission, if it understands that you need more
19 generation in your zone, supports that for securing the resilience for your
20 community, right? And especially when you know that and when it's particularly
21 hot. And what people don't realize, even more so when it's particularly cold
22 because we use more amperage for heaters than we do for air conditioners. So
23 when it's cold, you need that extra power then, too. So I think we need to

1 understand if we need to have you guys build another gas plant or whatever you
2 need in your area, that's something you need to bring to our attention as quickly as
3 possible. And like you said, if it needs to be a must-run, then instead of just having
4 things going out of service in, say, the fall and the spring, you might go into a
5 trifecta of, you know, running three different, you know, repair zones, and having
6 stuff running to where you can have that -- your greater protection for your
7 community. Because even though we don't regulate Entergy New Orleans, Entergy
8 New Orleans' creation of that load pocket -- but by the time we get to the end of
9 the road on this thing, impacted and caused a lot of the potential blackout scenario
10 for Plaquemine's Parish, St. Bernard Parish, Jefferson Parish on the lower Jefferson
11 Parish, right? Even though it's other things associated with that outage, right? And
12 also through the outages into St. Tammany, right? But it's this concept that we
13 went to that we can solve all our problems by transmission and not by locational
14 generation, where it should be a balanced issue between having enough locational
15 generation and the proper amount of transmission. So, you know, if you got a plan,
16 present it.

17 **MR. MATTISON:** Sure.

18 **VICE CHAIRMAN SKRMETTA:** Okay.

19 **MR. MATTISON:** Thank you, sir.

20 **CHAIRMAN FRANCIS:** All right. So who do we go to? The utility or to the
21 RTO?

22 **MR. MATTISON:** We'll bring you a plan and we'll be working with the RTO,
23 Commissioner.

1 **CHAIRMAN FRANCIS:** All right. So, together, y'all are going to develop a
2 plan, right?

3 **MR. MATTISON:** Yes, sir.

4 **CHAIRMAN FRANCIS:** Transmission and generation, right?

5 **MR. MATTISON:** Need both.

6 **CHAIRMAN FRANCIS:** All right. Since these three guys and girls came all the
7 way from Little Rock, well, y'all come on up. Oh, I'm sorry. Okay. Commissioner
8 Lewis.

9 **COMMISSIONER LEWIS:** Thank you, Mr. Chairman. Reading through the
10 report, I mean, I think communication has come up as one of the biggest issues.
11 And so can I get your commitment that if there is any load shed, that you
12 communicate to the Commission as a whole in a very timely matter of that
13 information? Because, I mean, I think that was something that came out of the
14 report is a lot of us, we get calls, we get questions, and we had -- struggling with
15 answers when we don't know --

16 **MR. MATTISON:** Sure.

17 **COMMISSIONER LEWIS:** -- what has happened because we are not sitting
18 there in the grid operation or in the distribution offices seeing what's happening on
19 the grid. So that --

20 **MR. MATTISON:** I'll make that commitment that we will communicate in a more
21 timely fashion. We've already started working with the Commission. What's that
22 distribution list need to look like? What's the timeframe? And we'll endeavor to
23 do that for sure.

1 **COMMISSIONER LEWIS:** Great. And going back to the April 26 event -- or
2 actually both events, they were -- the one constant that I noticed in the report is that
3 40-plus percent of your generation units were on planned outages. So I know I'm
4 going to ask this question to SPP, but going forward, what are you looking at
5 knowing the weather conditions are changing, knowing that we may not -- peak
6 demand may hit differently? And I know we try to do maintenance traditionally
7 before we get to the hotter months, but as the hotter months are creeping earlier in
8 the calendar, I'm curious from your side, what are you going to do about looking at
9 your maintenance schedule of your generation -- your generators?

10 **MR. MATTISON:** Commissioner, I think there's two things that can happen
11 there. One is to make sure that, as I was telling earlier, Commissioner Skrmetta
12 mentioned it, there needs to be generation running that's not off for maintenance
13 during that time, but what I call the must-run generator in that area to keep the
14 voltage and the VAR support up because the best time to do those maintenance is
15 in those shoulder months, when it's cooler, like you said, before it gets -- that's
16 hotter.

17 **COMMISSIONER CAMPBELL:** Why wasn't that -- why hadn't you done that?
18 You say you need people running --

19 **MR. MATTISON:** The reason that was not done is SPP dictates to us --

20 **COMMISSIONER CAMPBELL:** Have you ever been to talk them about letting
21 us keep some of this power going?

22 **MR. MATTISON:** Yes, we have. We've been doing that for the last several
23 months. We've been working very --

1 **COMMISSIONER CAMPBELL:** After the accident?

2 **MR. MATTISON:** Yeah. Very close together, yes. But yeah. So that's one thing,
3 Commissioner Lewis. The other is, as I said early on, that SPP -- and of course, I'll
4 let them speak for themselves, they had a pretty robust, aggressive forecasting
5 model and they're going a little bit conservative now, which is what we need, too.

6 **COMMISSIONER LEWIS:** Great. Thank you. Those are my two questions for
7 SWEPCO.

8 **CHAIRMAN FRANCIS:** All right, y'all. Okay. Let's get the SPP folks us here,
9 please. We've got three here. We need another chair. Come on up, [INAUDIBLE]
10 -- Kim, I meant. Why is Andy coming up here? Oh, that's right. I'm sorry. You
11 need four. Yeah. I forgot. Thank y'all for risking your lives on the highway to
12 come to -- I guess y'all drove down here from Little Rock or y'all flew down?

13 **COMMISSIONER CAMPBELL:** Have y'all --

14 **MR. PAUL SUSKIE:** [CROSSTALK] flying and driving.

15 **COMMISSIONER CAMPBELL:** Let me ask a question.

16 **CHAIRMAN FRANCIS:** All right. Y'all, tell us who you are here. Wait a
17 minute. Just a second. Let them tell us who they are. Okay. Go ahead. Ladies
18 first.

19 **MS. KIM O'GUINN:** Thank you, Commissioner. Kim O'Guinn, senior director
20 of regulatory policies at Southwest Power Pool.

21 **MR. ANTOINE LUCAS:** Antoine Lucas, chief operating officer of Southwest
22 Power Pool.

1 **MR. SUSKIE:** Paul Suskie, executive vice president, general counsel of the
2 Southwest Power Pool.

3 **MR. EZELL:** Andy Ezell, counsel to Southwest Power Pool.

4 **CHAIRMAN FRANCIS:** Okay. Commissioner Campbell.

5 **COMMISSIONER CAMPBELL:** Yeah. You know, I used to be on y'all's board
6 and I quit. I quit one day after -- I quit and I gave it to Mr. -- this man right here.
7 He took my place.

8 **VICE CHAIRMAN SKRMETTA:** That guy.

9 **COMMISSIONER CAMPBELL:** This guy. But anyway, the reason I quit, I
10 thought I saw a lot of waste up there, a lot of waste. I came to that meeting up there
11 and it was a palatial palace that y'all have. Carpet this deep.

12 **VICE CHAIRMAN SKRMETTA:** Taj Mahal.

13 **COMMISSIONER CAMPBELL:** It is a Taj Mahal if you ever go -- you ought
14 to go look at it.

15 **VICE CHAIRMAN SKRMETTA:** I know.

16 **COMMISSIONER CAMPBELL:** And anyway, I wondered why y'all had such
17 extravagant quarters when you spending the people's money. Have y'all done
18 anything to improve that, or are you still living in the same place and still have your
19 same bill, or what's the deal? Have you told them to cool it down a little bit, or did
20 my speech do any good, or you just take the money and go on and run?

21 **MR. SUSKIE:** SPP is in the same building we've been in since 2013 whenever
22 we moved into that building after renting for 75 years -- sorry, 65 years.

1 **COMMISSIONER CAMPBELL:** Are you the one that told me that you used
2 some -- were you the one answering the questions that day?
3 **MR. SUSKIE:** There were several of us there. I'm not --
4 **COMMISSIONER CAMPBELL:** Well, I asked you a question. You said -- this
5 is awfully palatial and the people are paying for it. And what do you think you
6 said? Well, we use Arkansas' wood or something. Did you -- you the guy that told
7 me that?
8 **MR. SUSKIE:** That was not me.
9 **COMMISSIONER CAMPBELL:** Well, that was -- we cut some wood here and
10 we used it, but it's a shame. And I'll say it again, I say it to y'all here. When you
11 have a palatial place like y'all have and you charge the people for it, that's a hell of
12 a note. And this is not just -- I have been to the Waldorf Astoria. Your place is
13 nicer than that hotel, nicer. Now, if y'all think that's okay, we just disagree. And I
14 resigned that day and I had a lot of people call me, told me thank you for saying
15 what you said, I appreciate it. And I think it's a shame that y'all have a place to
16 work it looks like you got to have a guard to get in. And what killed me, but it
17 probably wasn't you, I pull up to this place and there's a big BMW hooked up to
18 the electricity out there. I said, Jesus Christ, look at this. And I go in, it gets worse.
19 Was that your car?
20 **MR. SUSKIE:** It was not my car.
21 **COMMISSIONER CAMPBELL:** Whose car --
22 **MR. SUSKIE:** I drive a F-150 truck.
23 **COMMISSIONER CAMPBELL:** Whose car was that; do you know?

1 **MR. SUSKIE:** I don't know who you were talking about, but I think the person
2 that I assume you're talking about no longer works there.

3 **COMMISSIONER CAMPBELL:** Well, what happened to him?

4 **MR. SUSKIE:** Just left.

5 **COMMISSIONER CAMPBELL:** Well, anyway, you know, y'all protect
6 people's money and we have -- we were talking about poor people today. Where
7 you come from up there in Lake Providence, it's the poorest part of the -- not just
8 Louisiana, the poorest part of the United States of America. It's hard for me to go
9 to Lake Providence and tell them that I've gone in a place up there where carpet is
10 this thick. And never seen anything like that in my life and I'm not naïve. I've been
11 a few places in my life, not everywhere, but your place is something to behold. And
12 you got these directors up there all making \$100,000 a pop. That's true; isn't it?

13 **MR. SUSKIE:** Yeah. Some of our employees do --

14 **COMMISSIONER CAMPBELL:** Hundred thousand dollars a pop and all a
15 sudden people want to know why their utility bills are high. That's why they're high
16 because you guys -- maybe about -- y'all put up with that stuff. I don't know how
17 you do it. I don't know how when you -- what goes off in y'all's mind when you
18 say, well, look, I'm going to build a building here for utility people? What goes off
19 in your mind? Say, why are we going to have something this nice? Who would
20 think of something that -- look at this building here. It's pretty plain, but we had a
21 meeting here today just as good as any other building, but it's plain. I just wondered
22 how that works. I went in SWEPCO's building in Shreveport. It's pretty plain.
23 You know, that's a big corporation, United Gas. But I'm just troubled by that

1 because I know that I'm a democrat and I worry about money too much, but I don't.
2 That really bothers me and I never got any good answers why you do it other than
3 we can do it because we got the power, we can do it. So you do have the power
4 and you can do it, but it's damn sure bad taste I'll tell you that. If the people in
5 Lake Providence, where you come from, would come up to that building and look
6 in that building and see those people saying these are people sending you the bills,
7 they'd vomit. They would not like it worth a darn and I don't like it and I represent
8 those people up in Lake Providence where you come from. By the way, it's a nice
9 town, a lot of nice people, a lot of poor people. The poorest place in the United
10 States of America, one of them is Lake Providence, Louisiana. And you're being
11 represented by people that walk on carpets a foot deep. So I mean, that's just the
12 way I feel about it. I felt about that three years ago and I still feel about it today
13 because it hadn't changed, it hadn't changed. And I wished y'all would watch after
14 the money a little closer. It bothered me to see all these directors up there. General
15 so-and-so, admiral so-and-so, captain so-and-so, all on your board of directors.
16 What does he make? Hundred thousand. He makes 100,000. He makes 100,000.
17 And these guys are retired admirals or something, like it's some kind of great deal
18 to have a admiral on your board for 100,000 a year. Those people really justified
19 for 100,000 a year? Admiral so-and-so, captain so -- general so-and-so. That's the
20 damndest thing I've ever seen. Look like it just boom, boom, boom. If you're a
21 general, you've been working for the Army or the Navy or the Air Force. If you're
22 a general, and you made all this money, and you come back, and you get another
23 big job off the government, another 100,000. Are those people qualified? You

1 going to tell me today they're qualified to be on your board? Can you tell me that?

2 Is general so-and-so, admiral so-and-so -- did that know that much about electricity

3 they ought to be on your board?

4 **MR. SUSKIE:** Yeah. So I'll walk through how our board members are selected.

5 With a committee of 11 people, 9 are the member utilities and stakeholder

6 members. They do a national search.

7 **COMMISSIONER CAMPBELL:** And they came up with a general?

8 **MR. SUSKIE:** At the conclusion of the national search --

9 **COMMISSIONER CAMPBELL:** Oh, come on, man.

10 **MR. SUSKIE:** -- there was a vote of the membership. We currently have over

11 100 members. At the time he was elected, it was less, and he was elected

12 unanimously.

13 **COMMISSIONER CAMPBELL:** But you couldn't pay -- the admiral, he stood

14 out after all of them? He was the guy --

15 **MR. SUSKIE:** He's a retired admiral with an incredible service to our country

16 including --

17 **COMMISSIONER CAMPBELL:** I didn't say he wasn't a service to the country.

18 I'm talking about service to the people. I'm not talking about the American people.

19 I'm talking about the people who flip on the switch and buy the electricity. Was he

20 the right choice for those people? Now he might've been the right place at the

21 [INAUDIBLE] and I respect him. He was a general or a admiral, whatever he was.

22 But he might've been a great choice for those people. But was he the right choice

1 for you guys or did we just have somebody who's a admiral? You have a general
2 too; don't you?

3 **MR. SUSKIE:** No. No general, no captains. He's now retired. He was on the
4 board about --

5 **COMMISSIONER CAMPBELL:** Who'd you replace him with?

6 **MR. SUSKIE:** I don't remember exactly, but several of the people on the board -
7 - most of them are former people that have experience with electric utilities.

8 **COMMISSIONER CAMPBELL:** They were electric people?

9 **MR. SUSKIE:** Yeah.

10 **COMMISSIONER CAMPBELL:** Not that gentleman we're talking about,
11 wasn't an electric people. That's all I got to say. I just -- it's just tough to --

12 **CHAIRMAN FRANCIS:** All right. Thank you, Commissioner Campbell. I was
13 elected to replace Commissioner Campbell, so over the last three years I don't have
14 those same feelings that he has, but we're all different. One good thing about that
15 building, if you have an earthquake, it's earthquake-proof, which is really --
16 nowadays we're having a lot of earthquakes.

17 **COMMISSIONER CAMPBELL:** Yeah. I know you're great at one thing. I
18 know one thing you're good at. I'm going to give you credit for it. You damned
19 sure can take people to eat in fine places. You can damn sure do that. And you
20 know what you do every time? Where y'all eating tonight? Where you eating
21 tonight? I'm just sort of wondering about that. Where you eating tonight? But
22 that's the people's money, too. That's the people's money. You're eating big up
23 there and you got a palatial place, and the first thing you do when you come up,

1 where we going tonight or who's playing golf or whatever. I don't know. It just
2 drives me crazy that people spend money like that, the people's money. And you
3 look like a fine man and I know you got a good job. But does it bother you a little
4 bit when you see waste like that? It would just drive me crazy. I wouldn't sleep
5 good at night. I promise you that. And I'm not exactly broke. I've been around
6 just a little bit, not much, but a little bit. But when I came here, I passed a rule, if
7 people eat here, they pay for their own. We pay for our own food. We don't eat
8 on -- where we eating tonight? Who's picking up the deal? Anyway, I'm just --
9 look, if I've offended you, I'm sorry. In a way, I'm sorry, but not really because I
10 meant every word of it. But thank you for coming.

11 **CHAIRMAN FRANCIS:** Okay. After this load shed situation, I was made aware
12 that Shreveport area is kind of like a load pocket. And so then I've learned the
13 definition of load pocket. So it's an area that's a little more critical when you have
14 bad weather or some sort of an outage of some kind. So is it true that the RTO's
15 position is to recommend that the utility -- you need to do this to fix that load pocket
16 area? Would that be true?

17 **MR. LUCAS:** Yes, sir. That's correct.

18 **CHAIRMAN FRANCIS:** All right. Good. And look, you're at 14 states in the
19 SPP right now and MISO is 15 states. I mean, we're part of over half of America.
20 I think that some of the smartest people in the world who know about generation
21 and transmission, you know. So you're sitting there and you're looking at a load
22 pocket, are y'all going to recommend to SPP y'all need to put in a generator or

1 transmission? Would y'all be -- we should expect y'all to be suggesting those things
2 for them? Or is that SWEPCO's deal? Should SWEPCO take care of that?

3 **MR. LUCAS:** So it's somewhat of a blend. As the RTO, we don't have
4 jurisdiction over generation decisions.

5 **CHAIRMAN FRANCIS:** Right. Right.

6 **MR. LUCAS:** But we are able to direct the construction of new transmission. We
7 are undergoing right now a planning process where the Shreveport area is part of a
8 target area where we're focused on identifying new transmission that will help to
9 address or alleviate the undesirable effects of that load pocket situation. We plan
10 to bring that proposal for projects forward in November of this year for
11 consideration by our board of directors.

12 **CHAIRMAN FRANCIS:** We voted about a year ago for a whole bunch of
13 transmission projects all over the map, I remember that. Was there one in that
14 Shreveport area? I don't remember if that was suggested or not. Do you recall
15 that?

16 **MR. LUCAS:** We have about -- I think about three projects right now that were
17 approved but not yet in service that were identified in past planning processes and
18 I think those are coming in, each of those, over the next three years. I think one
19 towards the end of this year and then the other two I think are 2026, 2028 timeframe.

20 **CHAIRMAN FRANCIS:** Would y'all -- you think you're possibly suggesting a
21 generator in that area for the future or do you know? Yes or no?

22 **MR. LUCAS:** No. We wouldn't be able to speak to IRPs or generation plans.

1 **CHAIRMAN FRANCIS:** But you suggest to SWEPCO to put in another
2 generator?

3 **MR. LUCAS:** We typically don't do that either. We defer to the utilities to work
4 with their states on generation plans. But we have developed a process, a expedited
5 resource addition service process, or the ERAS process, that would help fast-track
6 any new generation that SWEPCO identifies that they may need for resource
7 adequacy to utilize that process to get it done faster.

8 **CHAIRMAN FRANCIS:** When our customers call us and the -- we had a load
9 shed, you know, who we going to tell them whose fault was it? Was it SPP or was
10 it SWEPCO, you know?

11 **MR. LUCAS:** I think each one of these events, the circumstances tend to differ.
12 But I think we learned a lot from each of these events. We have a number of plans,
13 improvements that we feel like we're making to our overall processes that we
14 included in our report and I hope you all agree that those are solutions that should
15 help avoid these types of scenarios in the future.

16 **CHAIRMAN FRANCIS:** When y'all do the next day planning, y'all work with
17 the weather man. The weather has a little bit to do with it because of the windmills,
18 the solar panels; isn't that right?

19 **MR. LUCAS:** That's correct. One of the things that I think Brett mentioned earlier
20 is just us making more considerations about how we can have more -- we have more
21 headroom, more room for changes between forecast and real-time circumstances to
22 allow us to be able ride through those events while maintaining reliability. That's
23 the crux of most of the changes that we are implementing.

1 **CHAIRMAN FRANCIS:** You heard Bobby and Brett say it was y'all's fault you
2 had the load shed; y'all heard that? Y'all were sitting up back there. Y'all agree
3 with that? That might be a lawyer's decision to answer, one of the lawyers, you
4 know.

5 **MR. LUCAS:** Yeah. I don't -- so, Commissioner, I'm not going to point to anyone
6 and say that it's anyone's fault. I will say that we try to forecast what we expect to
7 happen and those forecasts touch a number of things. There's the demand, there's
8 the transmission facilities that are available, there's generation, there is what energy
9 is being transferred by our neighbors. All of those factors impact the situation or
10 circumstance. For this particular one, we did have somewhat of a perfect storm of
11 challenges in each one of those areas. The generating resources that would've been
12 available to us had long lead times, which didn't allow us to be able to access those
13 as quickly as the reliability situation was deteriorating and that really left us with
14 not many tools to solve the problem, which lead us kind of to the last resort, which
15 is load shed. And even for load shed, that is only to prevent outages that would be
16 larger and of a longer duration because if we have uncontrolled outages, it damages
17 the system equipment, and once that equipment is damaged, you can't do anything
18 about it until you're able to repair it. And that's what makes that action one that we
19 do everything we can to avoid, but if we get in that circumstance, we have to pull
20 the trigger.

21 **CHAIRMAN FRANCIS:** Commissioner Lewis.

22 **COMMISSIONER LEWIS:** Thank you, Mr. Chairman, and thank you all for
23 being here. I just have some few questions, kind of picking up where I left off with

1 SWEPCO. I mean, as we saw 40 percent plus of their generators were on planned
2 outages. So I'm curious what is your plan to better spread out these outages, since
3 we're seeing the shoulder months really get more narrow? So what are some of the
4 conversations happening about how we, one, of course keep generation
5 maintenance well, but also looking at how we're seeing that with capacity
6 constraints, that we are -- we may need to look at what we count as a shoulder
7 month?

8 **MR. LUCAS:** Yeah. So a couple of things. One of the biggest ones is allowing
9 for more uncertainty in our forecast. So, you know, as we talked about with weather
10 and some of those other factors that I mentioned before, things can happen outside
11 of what we forecast and our ability to react can be improved based on the more --
12 the larger margin for error in those forecasts. So we are going to allow more margin
13 for error on those forecasts in the future. What that looks like is the commitment
14 of more generation that will be online basically on standby and available to be able
15 to address those issues should they occur. Now, a big part of our responsibility as
16 an RTO is we try to balance reliability and affordability. And on the affordability
17 side of it, when you commit more of those units just in case, they're there to support
18 reliability, but they are also costing money because it takes fuel and staff and other
19 things to have those resources available. Recognizing that, you know, the situation
20 that we experienced, that that's a trade-off that we're going to have to accept to be
21 able to help mitigate that in the future. In addition, we are going to -- or we are
22 currently already doing it. We're doing studies further in advance to give us more
23 time to identify conditions that would still allow us to commit some of these long

1 lead generators that take much longer to be committed and be online when you need
2 them.

3 **COMMISSIONER LEWIS:** Great. Thank you. And reading through the report,
4 especially for the April 26 event that the reliability forecast was off, you have gone
5 ahead and started to fix those calculations that created the forecast to be off; is that
6 correct?

7 **MR. LUCAS:** So we've -- we have reviewed our forecasting processes,
8 particularly around load, also our vendor processes and try to make improvements
9 there. But again, in addition to that, we're creating a larger margin for variance in
10 that forecast in case it's not correct.

11 **COMMISSIONER LEWIS:** Thank you. And I know we've been talking, and
12 I'm not going to belabor the point about whether or not north Louisiana is becoming
13 a true load pocket, and I know your transmission buildout has focused primarily on
14 the west. So the east, I would -- I assess, is paying for it by congestion pricing, is
15 kind of creeping up out of the way. So what are you really looking at in terms of
16 some transmission buildup on the east side, which I think can alleviate some of this
17 capacity congestion that we're seeing?

18 **MR. LUCAS:** Yeah. So in our current plan, and I call it a plan because ultimately
19 it does have to be approved by our board of directors, we are looking at very large
20 significant new transmission lines that will directly connect into the Shreveport area
21 and those lines are intended to create more import capability for megawatts, but
22 then also to provide more megavars that'll support voltage in the area, which will
23 also help give us more -- give us more room to deal with some of the negative

1 impacts of a load pocket. Now, again, I say those are the projects that we are
2 looking at today. We will resolve the needs. The certainty on which projects
3 resolve those needs is yet to be determined, as our stakeholders and our board will
4 have a say in the process of determining how best to solve those issues.

5 **COMMISSIONER LEWIS:** Thank you. Because I mean, I've been a harper that
6 transmission, especially in all the RTOs, is truly needed and we need to have some
7 more robust conversations around that and looking through this action-after report,
8 especially for the April 26 -- excuse me, the April 2 event, that there was a tripped
9 transmission line by SWEPCO that was part of the major reason that we saw that
10 load shed for April 2, but also what we saw on April 26. And so I guess the last
11 question that I have looking over the report goes back to the communication. What
12 is SPP looking to do to ensure that this Commission is fully communicated,
13 especially with some of those 72-hour after reports? I mean, I read in the report
14 that we did not receive the first report from April 2 until we requested a report for
15 the second outage in April 26. So what has internally happened to ensure our Staff
16 does not have any request to those 72-hour after-action reports?

17 **MR. SUSKIE:** Yeah. Certainly. Well, we appreciate that question and we are
18 working not only with your Staff, but also internally with SPP staff to find out
19 what's the best way to communicate to the Commission and who to communicate
20 to. For example, I called Mike Francis within 24 hours, but obviously, as you
21 pointed out from a earlier question, broader notification is best. And so when we
22 find out who the Commission wants to know and when and how, we'll do that.
23 Also, some type of a report level within the 72 hours, obviously these are complex

1 activities and a lot of analysis that has to be done, but clearly we can get you
2 something in 72 hours. May not be the final, complete report, but at least what we
3 know at that time.

4 **COMMISSIONER LEWIS:** No. Thank you for that commitment. And as I said,
5 as I read through these, I will say that I don't believe there were egregious actions
6 taken that caused this load shed, but there are definitely areas of improvement that
7 can happen and I hope between our orders, your work, we start to address this
8 problem and get it better. But thank you for attending and your response to all of
9 our Staff's data request and the report that you submitted.

10 **CHAIRMAN FRANCIS:** Okay. Commissioner Campbell.

11 **COMMISSIONER CAMPBELL:** [INAUDIBLE] money, you know, I'm just
12 sort of interested in money. And I want to know how much SWEPCO pays you to
13 belong not -- SWEPCO, I'm talking to you back there -- SWEPCO pays to belong
14 to your organization. How much do you charge SWEPCO to be a member of your
15 organization?

16 **MR. SUSKIE:** I would defer to SWEPCO. I think we may have included some
17 of that, or SWEPCO did, in some of the data requests. That's based -- a rate based
18 upon the usage of the system.

19 **COMMISSIONER CAMPBELL:** Usage. Would you have any idea of how
20 much they might pay you to -- they pay you to keep their electricity on; is that
21 correct?

22 **MR. SUSKIE:** Part of it. Help them manage the grid [CROSSTALK] --

1 **COMMISSIONER CAMPBELL:** But that's why they belong. That's the whole
2 theory behind you guys that you put you together and you can wheel out electricity
3 here and there and it's better than just a company do it. About how much do you
4 charge SWEPCO to do that a year?

5 **MR. SUSKIE:** I don't know off the top of my head. I think the data --

6 **COMMISSIONER CAMPBELL:** Well, would it be a million dollars?

7 **MR. SUSKIE:** It would be north of that.

8 **COMMISSIONER CAMPBELL:** North of a million? About 10 million? North
9 of 10 million?

10 **MR. SUSKIE:** It certainly could. I don't know. We know what AEP's load is and
11 so that's a part of it [CROSSTALK] --

12 **COMMISSIONER CAMPBELL:** So let me see if I got this. They give you \$10
13 million dollars to -- I'm just saying 10 million. You said it was okay, but maybe
14 I'm fudging a little bit. I don't know. But anyway, they give you 10 million to keep
15 the power on, but you know where SWEPCO gets the 10 million? They get it from
16 us. They get it from my friend here from Lake Providence. That's where they get
17 the money. SWEPCO doesn't get it. Entergy gets you from you guys, but you take
18 money from poor folks' pockets. And, you know, Louisiana is one of the -- and
19 Mr. Francis don't like me to say this, we're one of the poorest states in the United
20 States of America, and we don't have the cheapest electricity by the way. We're
21 about the fifth poorest state and electricity is about third or something from the
22 bottom, and we have -- some of our electricity is very expensive. So I'm just
23 wondering how -- and I was wondering if you could get me -- and I'm not on your

1 board anymore because I quit. I quit. Before I quit, I wish I'd have got a member
2 -- the people that was working there and how much you paid them. I'd like to see
3 some of these salaries that some of these people make. I'm not saying you're not
4 qualified. I don't know. It looked like Cape Canaveral when I was there. But
5 anyhow, I was just wondering why -- how much money you guys make because
6 you take it -- you take it from the people's pocket. SWEPCO takes it from me and
7 all the people -- I represent a million people and about a half a million is in
8 SWEPCO's. So that's what you do, so I'm just wondering about that. You think
9 you can get me that?

10 **MR. SUSKIE:** Yeah. A lot of that information is public record as well.

11 **COMMISSIONER CAMPBELL:** Well, I know. You think you could get it to
12 me?

13 **MR. SUSKIE:** Sure, yes.

14 **COMMISSIONER CAMPBELL:** I'd appreciate it. Thank you.

15 **CHAIRMAN FRANCIS:** Thank y'all for coming. Thank you. We'll see you at
16 the next meeting. Okay.

17 **MR. SUSKIE:** All right. Thank you.

18 **VICE CHAIRMAN SKRMETTA:** We already moved to accept the Staff's
19 report. And is there any opposition?

20 **CHAIRMAN FRANCIS:** Is there any opposition to Staff's report? [NONE
21 HEARD] Hearing none, it's approved. Thank you, Staff.

22 **MS. BOWMAN:** So moving to Exhibit 13. It's Docket Numbers X-37602, X-
23 37603, and X-37604. This is the Commission's audit of the purchased gas

1 adjustment filings for CenterPoint Energy Arkla and CenterPoint Energy Entex for
2 January 2023 through March 30, 2025, and the audit of the natural gas division of
3 Entergy Louisiana for the period of January 2023 through June 30, 2025. It is a
4 discussion and possible vote to hire an outside consultant. We received five bids
5 on this one. The first is United Professionals Company of 50,000 in fees, 1,000 in
6 expenses, Henderson Ridge Consulting of 79,600 in fees and 1,800 in expenses,
7 Exeter and Associates of 87,000 in fees and 4,000 in expenses, GDS Associates of
8 140,000 in fees and 6,468 in expenses, and London Economics International of
9 193,896 in fees and \$3,608 in expenses. And Staff makes no recommendation as
10 all bidders are qualified.

11 **CHAIRMAN FRANCIS:** Motion to accept Henderson Ridge Consulting, number
12 two.

13 **COMMISSIONER LEWIS:** Second.

14 **CHAIRMAN FRANCIS:** Got a second from Commissioner Lewis. Is there any
15 objection or discussions? [NONE HEARD] Hearing none, Henderson Ridge
16 received this job.

17 **MS. BOWMAN:** Exhibit Number 14 is our reports, resolutions, and ratifications.
18 We do have a report from AT&T regarding its process for relocating assets. That
19 will be first.

20 **CHAIRMAN FRANCIS:** AT&T. All right. There is no lawyer, no assistant, all
21 by yourself. Okay.

22 **MS. STEPHANIE DOIRON:** Just me, Commissioner. Good afternoon.
23 Stephanie Doiron with AT&T. So Commissioner Coussan asked me to please give

1 a bit of a readout about how communications companies work alongside the power
2 companies to look at replacing poles and moving our attachments from the old pole
3 to the new pole, making sure that the old pole gets pulled at the end of the process.
4 So just a bit of a quick walk down of what that process looks like. So a company
5 recognizes that a pole needs to be replaced for whatever reason, maybe it's a safety
6 issue, the pole needs to be replaced, and they go out there and they start the process
7 replacing the new pole. Whoever is placing the new pole, then communicates with
8 all the pole attachers. We have a software system that we commonly use, the pole
9 attachers and the pole owners, to communicate with each other about those poles
10 that have been placed and when an attacher needs to move to the new pole. So
11 what happens is when you look at a pole, kind of the stack of -- on a pole, power is
12 always at the top, and that's for safety reasons, right? So power is at the top and
13 there's a certain distance from the top attacher for power to the next attacher, which
14 is usually communications. And then if you have multiple communication
15 companies on the pole, which is very common these days, there's lots of us out
16 there in communication business, then they're stacked a certain distance from each
17 other. So as you're removing an old pole, power always moves first to the new
18 pole and then each attacher gets notified of their need to move over. AT&T is
19 always at the very bottom of the pole, so if we're on a pole, we're going to be the
20 very last one to transfer over to the new pole. So once that is done, then the pole
21 owner is notified via that software system that all the work's done, the old pole can
22 be pulled and the pole is pulled out. So that is the traditional process that we follow
23 to be able to make sure that those old poles are completely removed and all the

1 attachers know that they need to move whether we're an attacher or if we happen
2 to be the pole owner.

3 **COMMISSIONER COUSSAN:** Let me say something real quick, Mr. Chairman.

4 **MS. BOWMAN:** Foster, your mic wasn't on, Commissioner.

5 **COMMISSIONER COUSSAN:** If you don't mind, Mr. Chairman.

6 **CHAIRMAN FRANCIS:** Commissioner Coussan.

7 **COMMISSIONER COUSSAN:** Thank you. First, AT&T is making a
8 presentation today and Stephanie Doiron does an incredible job for AT&T. They're
9 somewhat of a guinea pig today because I've asked her to kind of describe how the
10 whole entire system works. Obviously AT&T is not the only attacher, they're not
11 the only owner. As a matter of fact, Stephanie and my office had a very productive
12 meeting this week regarding some constituent issues, but we brought Entergy into
13 the meeting so they can describe, as one of the primary pole owners, how they see
14 their part in the process with what AT&T is describing here. AT&T is also a pole
15 owner, but has historically reduced their pole ownership just because of the way
16 that the system has worked over the years; is that correct?

17 **MS. DOIRON:** That's a fair statement. Yes, Commissioner.

18 **COMMISSIONER COUSSAN:** And we have worked tirelessly together with
19 AT&T to address some of our constituent concerns, which have all been satisfied
20 at this point, so I want to commend AT&T for that. But as part of that exercise, for
21 my own edification and for you all who may not have heard it in a while, I just
22 asked her to come and give this overview. As part of that overview, I did want the
23 Staff, who's going through all of our old open dockets, and we're trying to move

1 some dockets into the dust bin, I guess you could say, I wanted to make sure that,
2 you know, we didn't open up a new docket that we didn't need to open up and that
3 we close any dockets that may have to deal with these issues that we no longer
4 needed. So I did want the Staff to kind of tell us where we are on any open dockets
5 regarding relocation of assets, pole ownership, attachers, and then I want to come
6 back to the word -- the stubs that were -- be dealing with which is I thought -- I
7 think that's a common term maybe in, you know, the utility world, but it's
8 something that a lot of people don't realize. When they're calling us, they're calling
9 about the stubs. They're calling about the stubs that are out there, who owns them,
10 why they're there, how long is it going to take to get it out of the way. But can I
11 turn it over to Staff first, if you don't mind, before the rest of the Commissioners
12 ask you any particular questions. Where are we on our dockets?

13 **MS. BOWMAN:** So there are -- to my knowledge right now we have two dockets
14 open related to pole attachments. One is specific to 5G attachments. That one I
15 think is still going on. There is a outside consultant on that one. I think they are
16 still interviewing and just talking to the utilities and to, you know, Ms. Doiron and
17 all the other types to figure out how that works. That's all I know about the 5G
18 docket. The other docket that we have open is -- we just coined it the pole viability
19 docket. That docket has a final recommendation from Staff in the docket that has
20 never been voted on by the Commission, but my appreciation of that is that was
21 because, based upon that final rule filed, there was a lot of comments filed by
22 stakeholders, utilities, pole attachers, and the like that had issues with the rules,
23 mainly that they were extremely onerous on the utilities and the attachers in the

1 sense of reporting requirements and time of reporting, as well as just getting
2 inventories. So that's one we can go back and look at and see whether it needs to
3 move forward or close, but it sounds like from y'all's conversations, there is a
4 process already in place that maybe we don't need that docket open.

5 **COMMISSIONER COUSSAN:** Yeah. We want to remove red tape to --

6 **MS. BOWMAN:** Right. Exactly.

7 **COMMISSIONER COUSSAN:** -- get the stub out the ground. We don't want to
8 add red tape.

9 **MS. BOWMAN:** Yes. So I can certainly get a little more information on that and
10 report back to you, and if we can close that docket, we absolutely can. No issues.

11 **COMMISSIONER COUSSAN:** That will be fantastic. And, yeah, if we move
12 to 6G, I guess we can close the other one, too.

13 **MS. BOWMAN:** True.

14 **COMMISSIONER COUSSAN:** Commissioner Campbell I think had a question.

15 **MS. BOWMAN:** Commissioner, turn your mic on. There you go.

16 **COMMISSIONER CAMPBELL:** When you take out the poles, what happens?
17 A lot of them are disregarded. I know some of them are not in good shape. But
18 what happens to those ones, if you take them out, they're in good shape? What do
19 you do with them?

20 **MS. DOIRON:** I'm not sure because in many cases, they're not reusable. The
21 reason they're being removed is because they're aged and they're such that you
22 wouldn't want to redeploy them. But I can [CROSSTALK] question afterward.

23 **COMMISSIONER CAMPBELL:** Unless you don't use wood poles anymore.

1 **MS. DOIRON:** We still -- yes. Wood poles are still commonly used.

2 **COMMISSIONER CAMPBELL:** I know, but a while ago you were talking
3 about some poles are not wood now.

4 **MS. DOIRON:** Well, if a wooden pole is pulled out, sometimes it's because it's
5 really old and it's aged and it's not in a condition that you want to put it back in the
6 ground again [CROSSTALK] --

7 **COMMISSIONER CAMPBELL:** So you have no set way of getting rid of them,
8 right? Is that what you're telling me?

9 **MS. DOIRON:** For the ones that are reusable, I can take that question back for
10 you and let you know.

11 **COMMISSIONER CAMPBELL:** Okay.

12 **CHAIRMAN FRANCIS:** Commissioner Skrmetta.

13 **VICE CHAIRMAN SKRMETTA:** Yeah. Just a couple things. Actually, this
14 isn't an altogether new issue. I think some years ago, we had problems where there
15 was new roads being made and we had transfer of power and transfer of
16 communication lines. And I know there's a certain amount of time available to you
17 to do the transfers and affect the transfers. And so obviously the Staff has looked
18 this as before. We just need to, you know, make sure that the communications are
19 in place to make sure that the transfers are put in a position to get done in a timely
20 manner. And then the old poles pulled and, you know, moved out and not just left
21 on the side of the road. I think that's going to be a critical thing. The one thing I
22 wanted to add since you were here -- and, Brandon, this is more so for your
23 attention. And what I'd like to look at is a report from AT&T. And, Brandon, I'd

1 like you to look at this possibly because I have a complaint from the constituents in
2 Jefferson Parish and might require a presentation from both AT&T and Jefferson
3 Parish Government at the October meeting. There is issues that sort of resurrecting,
4 sort of de novo from pre-2008 issues of the fees associated -- I guess, what kind of
5 fees would you call these?

6 **MS. DOIRON:** There is franchise fees that we discuss sometimes.

7 **VICE CHAIRMAN SKRMETTA:** We have franchise?

8 **MS. DOIRON:** Yes.

9 **VICE CHAIRMAN SKRMETTA:** Okay. So franchise fees associative with
10 permitting of services in municipalities and also parish governments, right?
11 Problem is, my understanding is that in Jefferson Parish, private enterprises that are
12 customers cannot get permits for attachment because of the franchise fee issue.
13 And that is a federal matter and not a state or a local matter, and that that had been
14 resolved some years ago, actually during my predecessor's service as a
15 Commissioner, and it might have to be looked at again. Brandon, I mentioned him
16 because he's the expert on telecoms or old telecoms.

17 **SECRETARY FREY:** To the extent we still have any.

18 **VICE CHAIRMAN SKRMETTA:** I'll put it this way, rotary dial telecoms.

19 **SECRETARY FREY:** Yes, yes.

20 **VICE CHAIRMAN SKRMETTA:** And so -- but I think we might have to have
21 an open dialogue about this and a discussion to make a determination about
22 jurisdictional supremacy because we need to find out what needs to be done because
23 I've got private consumers that are trying to get your service and they can't get it.

1 And even though we may not have full jurisdiction or jurisdiction elements over
2 fiber, I do think it's a regulatory compact issue and I think we need to look at it and
3 have a discussion about it. So I'd like you to work with Brandon and then work
4 with, I guess, President Sheng's office and make a determination of how we can
5 get together for October and have a discussion about this. Thank you.

6 **MS. DOIRON:** Understood, Commissioner.

7 **VICE CHAIRMAN SKRMETTA:** Thank you.

8 **CHAIRMAN FRANCIS:** I'd like to complement Ben Lilley's work. Whenever
9 I call him, he jumps on it. So only wish you had a dozen Ben Lilleys working for
10 you. Okay. Thank you.

11 **MS. DOIRON:** Thank you. He does great work. Thank you.

12 **COMMISSIONER LEWIS:** Really quickly, Mr. Chairman, but it's for Staff. In
13 the pole viability docket, I know we've had these conversations, I would love for
14 us to see if we can toy with the question about pole attachments. I know that docket
15 has other requirements, reporting, but I think knowing from -- I can speak at least
16 from my district and I'm assuming the others would say we get a lot of questions
17 about the communication and the coordination of these pole attachments and why
18 those stubs are still there. And so I think there is some work if potentially -- even
19 without going to the full rule, if there's some wiggle room within that rule to maybe
20 limit the scope of that final Staff report or just some processes forward going on,
21 particularly that question, while we deal with the other questions in the pole
22 viability docket.

1 **MS. BOWMAN:** Sure. So I'm going to repeat to make sure I understand, but you
2 would like us to narrow that docket to specifically look at communications
3 associated with pole attachments between the utilities and the attachers. We can
4 certainly -- honestly, I haven't looked at that report in I don't know how long, so
5 I'm not sure what --

6 **COMMISSIONER LEWIS:** Yes and no.

7 **MS. BOWMAN:** -- addresses that, if any. If it doesn't, obviously we can work to
8 put out some sort of proposed rule in that docket to address the communication
9 issues, if necessary, and then have stakeholder feedback on that.

10 **COMMISSIONER LEWIS:** Great. Thank you. Yeah. But I mean I believe the
11 -- I haven't read the report in God knows how long either, but I think there's a lot
12 of great stuff in there. But I think there are places where we can just take some
13 bites at the apple rather than trying to solve the entire issue of pole viability, but
14 that we can move -- especially on this issue, which I think -- I know from our local
15 government has been probably the biggest conversation and it's not just for you,
16 Stephanie, at AT&T, just across the board. That's the question I get a lot from my
17 city counsel members about that and I think that's an issue I would love for this
18 Commission in the near future to at least bring some resolve. But -- and also,
19 Stephanie, while I have you, I want to thank you for -- you and Ben for all the
20 assistance in my district as well. You were very timely, responsive to the calls. I
21 know part of some of the complaints that we send to you are not in our regulatory
22 jurisdiction, but I appreciate that you never tell me that you shouldn't tell me that.

1 You just try to work on it, even if it's not in our jurisdictional authority. So really
2 appreciate that service.

3 **MS. DOIRON:** Thank you, Commissioner.

4 **CHAIRMAN FRANCIS:** Thank you, Stephanie. Appreciate it. We got
5 resolutions?

6 **MS. BOWMAN:** We do, yes, sir. Well, not -- excuse me, not resolutions. We
7 have three ratifications. The first ratification is a discussion and possible vote to
8 ratify the votes taken by Vice Chairman Skrmetta acting as this Commission's
9 representative of the Board of Directors of the Organization of MISO States. And
10 Staff recommends that the Commission ratify Vice Chairman Skrmetta's votes
11 taken on June 9 and July 7, 2025 as the Commission's representative to the OMS.

12 **CHAIRMAN FRANCIS:** Motion to accept Staff's recommendation.

13 **MS. BOWMAN:** And Commissioner Skrmetta abstains?

14 **VICE CHAIRMAN SKRMETTA:** Skrmetta abstains.

15 **CHAIRMAN FRANCIS:** Skrmetta abstains. Is there a second?

16 **COMMISSIONER LEWIS:** Second.

17 **CHAIRMAN FRANCIS:** Seconded by Commissioner Lewis. Any objections or
18 -- one abstention. It's passed. Okay.

19 **MS. BOWMAN:** There are also discussion and possible vote to ratify the votes
20 cast by Chairman Francis, acting as the Commission's representative on the
21 Regional State Committee of the Southwest Power Pool, and Staff recommends
22 that the Commission ratify Chairman Francis' votes cast on August 4, 2025, as the
23 Commission's representative to the SPP RSC.

1 **VICE CHAIRMAN SKRMETTA:** Move to ratify the vote of Chairman Francis.

2 **CHAIRMAN FRANCIS:** I'd have to abstain.

3 **COMMISSIONER CAMPBELL:** I second.

4 **CHAIRMAN FRANCIS:** Seconded by Commissioner Campbell.

5 **MS. BOWMAN:** And then lastly there is discussion and possible vote to ratify

6 interventions of the Commission in RTO-related or other FERC related

7 proceedings. Staff recommends that the Commission ratify the following dockets.

8 **VICE CHAIRMAN SKRMETTA:** Move to ratify the interventions on the RTO-

9 related issues at the Federal Energy Regulatory proceedings.

10 **CHAIRMAN FRANCIS:** Second by Francis.

11 **COMMISSIONER LEWIS:** Mr. Chairman, if I may, really quickly. There is

12 only one in this proceeding that I would need to object to, so if we could modify --

13 **VICE CHAIRMAN SKRMETTA:** Move to roll call vote.

14 **CHAIRMAN FRANCIS:** We have a roll call vote. How do you vote,

15 Commissioner Lewis?

16 **SECRETARY FREY:** I think he wants to clarify, there's just one of the

17 ratification -- there's like about 20 dockets. It's only one.

18 **VICE CHAIRMAN SKRMETTA:** How many -- well, you want to just separate

19 that one out?

20 **COMMISSIONER LEWIS:** Yeah. That's what I -- I'm sorry. That's what I was

21 asking to do.

22 **VICE CHAIRMAN SKRMETTA:** You want to separate that out for a roll call

23 vote?

1 **COMMISSIONER LEWIS:** Yes.

2 **MS. BOWMAN:** So Staff recommends that the Commission ratify the
3 intervention in docket number -- hold on, I have two together, I apologize -- in
4 Docket Number EL25-109.

5 **VICE CHAIRMAN SKRMETTA:** Move to ratify the Staff's intervention in
6 docket as stated by the Staff Attorney.

7 **CHAIRMAN FRANCIS:** And second that motion.

8 **COMMISSIONER LEWIS:** And then I have an objection. Mr. Chairman, I'm
9 going to be extremely brief on why I'm objecting to the complaint against Tranche
10 2.1. I just have some concerns with this complaint. I think it's a little -- based on
11 some hypotheticals and I've also spoken with some of our MISO North
12 Commissioners who have some concerns about how this may threaten their
13 economic development. And so I would urge us to take a second look and think
14 about how we react to this. Tranche 2.1 has no cost allocations to the state of
15 Louisiana, and while there are some concerns, and I think there are some
16 assumptions in Tranche 2.1, I am worried it may jeopardize future conversations
17 around long-range transmission planning, especially in MISO, which is very much
18 needed. I am also worried about what this may do if FERC upholds this complaint
19 to the ERAS process, which we've talked significantly about earlier today. Some
20 of that ERAS process that MISO developed has assumptions in them based off of
21 Tranche 2.1. And so if FERC upholds our complaint, it could actually slow down
22 what we just voted on earlier today, Meta, by somewhere up to 8 to 10 months
23 simply because of the assumptions that were used in the ERAS process which

1 we've already filed for Meta in -- could be there. And so I just had to abstain --
2 excuse me, object to this because I think there are still further conversations in
3 Tranche 3, cost allocations. I think MISO has made it very clear that they respect
4 us out and they will listen to our concerns and Tranche 2.1 will not become the
5 framework for Tranche 3, but that is the reasonings why I must object today to this
6 ratification of the intervention filed at FERC.

7 **VICE CHAIRMAN SKRMETTA:** Move for roll call vote.

8 **CHAIRMAN FRANCIS:** Okay. Commissioner Coussan.

9 **COMMISSIONER COUSSAN:** With respect to Commissioner Lewis, and I
10 understand this puts everyone in a difficult position, I need to understand what the
11 Staff's position is on what he just said about, you know, delaying on the -- you
12 know, if the results of this delays some of the Meta deal or the Entergy deal. I'd
13 just like to know if that's less likely or more likely to actually happen. Like I said,
14 I respect his opinion, but I'd like to hear from some others.

15 **SECRETARY FREY:** Noel Darce, our special counsel who filed the intervention
16 is coming up.

17 **COMMISSIONER COUSSAN:** Thank you.

18 **CHAIRMAN FRANCIS:** Oh, good. Noel Darce.

19 **MR. NOEL DARCE:** Thank you, Commissioner Coussan. This ERAS issue is
20 something I just learned about today. You know, MISO is indicating that when it
21 models the ERAS process, it includes the Tranche 2.1 projects in that modeling
22 process, and if somehow in the future, that 2.1 stuff went away because of this
23 complaint or for any other reason, that it might interfere with that modeling. I don't

1 know if that argument is accurate or complete. We haven't had a chance to think
2 about it. Like I said, I learned about it at the Commission meeting today. But the
3 ERAS process has been approved by the FERC. The first window of ERAS
4 projects have been submitted. The deadline's passed. The ERAS process is
5 supposed to study those projects beginning in the September, October time period.
6 If this, you know, complaint runs its course, I'm sure it's going to take several
7 months. But as to a definitive answer as to whether that's going to create a problem
8 or not, I just can't tell you because I just don't know. We haven't thought it through
9 and we have to discuss it with our -- you know, with UPC and our experts to look
10 at what that issue might be. And I will say, that complaint, you know, was
11 originally from North Dakota. There are several other states involved. Even if we
12 weren't involved in that, I don't see that complaint going away. So whatever
13 problem that it's going to be, it's going to be there whether we're a signatory to the
14 complaint and intervenor or not at all.

15 **COMMISSIONER COUSSAN:** Okay. Thank you. You just answered my
16 question.

17 **VICE CHAIRMAN SKRMETTA:** All right. Move for a roll call vote.

18 **CHAIRMAN FRANCIS:** Okay. Roll call vote. Commissioner Campbell, how
19 do you vote?

20 **COMMISSIONER CAMPBELL:** Yes.

21 **CHAIRMAN FRANCIS:** Yes. Okay. Commissioner Coussan, how do you vote?

22 **COMMISSIONER COUSSAN:** Yes.

23 **CHAIRMAN FRANCIS:** Skrmetta?

1 **VICE CHAIRMAN SKRMETTA:** Yes.

2 **CHAIRMAN FRANCIS:** Yes. Commissioner Lewis?

3 **COMMISSIONER LEWIS:** No.

4 **CHAIRMAN FRANCIS:** The Chair votes yes. Four to one, so it passed.

5 **VICE CHAIRMAN SKRMETTA:** And does the reading you made of the other

6 one still count for the reading of the in re?

7 **MS. BOWMAN:** I think so, yes, sir. So it would just need to move to ratify the -

8 -

9 **VICE CHAIRMAN SKRMETTA:** Move to ratify the previous reading of all

10 other proposed ratifications.

11 **CHAIRMAN FRANCIS:** Chair seconds it.

12 **VICE CHAIRMAN SKRMETTA:** Any opposition?

13 **MS. BOWMAN:** Okay. And then --

14 **CHAIRMAN FRANCIS:** Any opposition? [NONE HEARD] Hearing none, it

15 passed.

16 **MS. BOWMAN:** Moving back to Exhibit Number 3, which is Docket Number R-

17 31106. This is the Commission's rulemaking to study the possible development of

18 financial incentives for the promotion of energy efficiency by jurisdictional electric

19 and gas utilities. It's a discussion and possible vote on the Louisiana Energy

20 Efficiency Program rules. Staff recommends that the Commission adopt the LEEP

21 rules filed on August 7, 2025. And Commissioner Coussan I believe has a motion.

22 **COMMISSIONER COUSSAN:** I do have a motion.

1 **MS. BOWMAN:** Would you like me to read it? Okay. Considering that there are
2 some industrial customers that have relied on not participating at this rulemaking -
3 - as this rulemaking has evolved, but they have industrial operations that are served
4 below 69 kV and they are not covered by an opt-out from the inception of the Quick
5 Start program many years ago, I move that the definition of industrial customer in
6 section three of the proposed rules be revised to read as follows. Electric: Any
7 entity receiving electric power at 69 kilovolts or higher or any industrial customer
8 account that elected to opt-out during the Commission's Quick Start program or
9 any industrial customer that provides its electric utility provider with a written
10 notice of opt-out following Commission approval of these rules and not later than
11 October 1, 2025. Consistent with the Quick Start program, eligibility for opt-out
12 shall be limited to large industrial customers having one or more individual electric
13 service accounts within its utility service provider's service territory with a
14 combined aggregate demand of 5,000 kilowatts or more and only customers with
15 annual peak loads equal to or greater than 200 kilowatts located within the utility
16 service territory may aggregate. I also move that, by September 1, 2025, the electric
17 utilities that have currently existing industrial customer opt-outs under their Quick
18 Start programs notify such customers that they have already elected to opt-out to
19 avoid duplication of time and effort. That is the motion.

20 **VICE CHAIRMAN SKRMETTA:** I'll go ahead and second it, but I also want
21 commentary from Cleco on one particular issue because I might want to modify or
22 offer a substitute motion. There's one particular issue in the body of the energy
23 efficiency program that is affecting Cleco that I still have questions about.

1 **MS. BOWMAN:** Okay. And we also have one card from Alaina DiLaura with
2 the Alliance for Affordable Energy, but we'll hear from Cleco first and then we can
3 bring her up.

4 **VICE CHAIRMAN SKRMETTA:** Yeah. That's fine because we're still not
5 clarified on what the motion's going be.

6 **MS. BOWMAN:** Yes. That's perfect.

7 **VICE CHAIRMAN SKRMETTA:** Mr. Kleehammer, you and I have discussed
8 the issue about the recovery issues and how Cleco is being treated somewhat
9 differently than the other investor-owned utilities and I'd like to hear your analysis
10 of this and tell me where you would like to be on this in inclusion of this program.

11 **MR. MARK KLEEHAMMER:** Thank you. Mark Kleehammer on behalf Cleco
12 Power. First and foremost, I would like to say that Cleco strongly supports the
13 Louisiana Energy Efficiency Program, LEEP, rules. We believe in energy
14 efficiency. We think it is beneficial to our customers when it is done appropriately.
15 We have voluntarily participated in EE programs for over a decade, since the
16 inception of the programs in the state. We do -- we have seen that probably the
17 biggest challenge for the energy efficiency program to date has been the starts and
18 the stops and the changes based upon various stakeholders' point of view. And are
19 pleased to see that there is a path forward with some certainty and some structure
20 on a new program. Having said that, we are disappointed in one aspect of this rule,
21 which is the treatment of the lost fixed cost contribution, or LCFC. Again, as a
22 whole, we are very supportive of the rules. The way the LCFC was written up in
23 the final rules would cap LCFC at the midpoint of an earnings band. For Cleco,

1 we're relatively unique in the fact that we don't have an earnings band. We have
2 no downside protection. So for instance, for the last five years, on average we
3 earned about 7.8%, which is very different than our target of 9.7. Last year was
4 below that. So that's the unique issue that we have that Staff has tried to fix the
5 LCFC issue in one way in allowing Cleco to cumulate the LCFC year over year
6 over year because we don't change rates in a formula rate plan the way others do,
7 but it does not recognize the asymmetric band that we have, which means if we
8 over-earn, we give money back, if we under-earn, nothing happens.

9 **VICE CHAIRMAN SKRMETTA:** So what do you suggest as a solution to allow
10 this to move forward with inclusion of you, so it's not effectively becoming a
11 discriminatory practice against you or company versus other companies?

12 **MR. KLEEHAMMER:** Well, our arguments have all along been that it would be
13 appropriate if you were going to cap LCFC at the top of any company's band that
14 it's allowed because then it does exactly what it's designed to do, which is give
15 back the lost contribution of fixed costs.

16 **VICE CHAIRMAN SKRMETTA:** Who's our attorney on this? Okay. Kathryn.

17 **MS. BOWMAN:** Yes, sir.

18 **VICE CHAIRMAN SKRMETTA:** Do you see this as a way of modifying the
19 submitted program to accommodate them on the way they are looking at doing this
20 with the LCFC to where it can treat all the companies equally, including Cleco? To
21 incorporate --

22 **MS. BOWMAN:** So without looking --

1 **VICE CHAIRMAN SKRMETTA:** To basically to incorporate language that can
2 satisfy them so it would be able to move forward under -- with the obvious motion
3 that Commissioner Coussan has made, but with the modification that would make
4 no differential between how the accounting is done between Cleco and, say,
5 Entergy and SWEPCO.

6 **MS. BOWMAN:** So off the top of my head, I would want to look at it. I would -
7 - could see arguments being made that if we treated Cleco differently in this
8 perspective where we allow them to earn at the top of the band, but not let the other
9 utilities earn to the top of the band, that would be discriminatory to the other
10 utilities.

11 **VICE CHAIRMAN SKRMETTA:** I'm sorry. I can't quite hear you.

12 **MS. BOWMAN:** I'm sorry.

13 **VICE CHAIRMAN SKRMETTA:** That's okay.

14 **MS. BOWMAN:** So without looking at actual financials, and off the top of my
15 head, if we allowed what Mr. Kleehammer is suggesting for Cleco, which is allow
16 Cleco to earn LCFC until the top of the band, but we kept the rest of the utilities at
17 the midpoint, the other utilities could argue that that's discriminatory against them.
18 So if the motion was to be made, it, in my opinion, would need to be made to all
19 utilities participating in the program.

20 **VICE CHAIRMAN SKRMETTA:** Okay. So what would -- restate that last part
21 so it's clear to me how you would say that.

22 **MS. BOWMAN:** So the rule says that the utilities can earn the LCFC up to the
23 midpoint of their band. To accommodate what Mr. Kleehammer is pointing out,

1 that language, just in the rule itself would need to be changed across the board to
2 just say all utilities could earn LCFC to the top of their respective bands.

3 **VICE CHAIRMAN SKRMETTA:** Okay.

4 **MS. BOWMAN:** That's a very simple change.

5 **VICE CHAIRMAN SKRMETTA:** Okay. Well, I would offer a substitute
6 motion to approve the energy efficiency program, including the language of --
7 Commissioner Coussan's language associative with the issues that he has restated,
8 but allowing to change the LCFC to the top of the bandwidth, and that way all the
9 companies would be treated in the same pathway and it would be no question about
10 Cleco having a discriminatory practice held against them. And that's my motion.

11 **CHAIRMAN FRANCIS:** Got a substitute motion. Is there a second? Is there a
12 second? [NONE HEARD] No second, it dies, Kleehammer.

13 **VICE CHAIRMAN SKRMETTA:** I'd file suit if I were you. Discrimination is
14 a terrible thing, Mr. Kleehammer.

15 **MS. BOWMAN:** Before we ask if there's any opposition to the original motion by
16 Commissioner Coussan, which was seconded by Commissioner Skrmetta, we do
17 have --

18 **VICE CHAIRMAN SKRMETTA:** Wait. Wait.

19 **MS. BOWMAN:** Oh, I'm sorry.

20 **VICE CHAIRMAN SKRMETTA:** Commissioner Campbell said he seconded
21 my motion. I called it up, she said she didn't hear you.

22 **MS. BOWMAN:** So you're seconding Commissioner Skrmetta's substitute
23 motion?

1 **VICE CHAIRMAN SKRMETTA:** He's seconding my substitute motion.

2 **MS. BOWMAN:** Okay.

3 **CHAIRMAN FRANCIS:** Okay. Let's call a roll call vote.

4 **MS. BOWMAN:** Before we do roll call vote, we do have a public comment card

5 from the Alliance.

6 **VICE CHAIRMAN SKRMETTA:** Oh, yeah. That's right. Somebody's got to

7 come and --

8 **MS. BOWMAN:** So, I mean, Mark, if you want to just stay just in case, but --

9 **MR. KLEEHAMMER:** Okay. Thank you.

10 **MS. BOWMAN:** -- Ms. DiLaura, if you'd like to come up.

11 **MS. ALAINA DILAURA:** Good afternoon, Commissioners. My name's Alaina

12 DiLaura and I am representing the Alliance for Affordable Energy. As y'all know,

13 our job here is to make sure that families across the state are able to pay their light

14 bill. I want to just start off by thanking y'all and the Commission Staff for the

15 diligence that y'all have put in to make sure that the energy efficiency rules are as

16 strong as possible to really protect residents. The Alliance does support the initial

17 rules that were proposed. Especially at a time when the cost of electricity is rising

18 double the rate of inflation, it is really important, as we heard from the testimony

19 today, that we are doing things to really protect people. And so I want to give y'all

20 a big thanks for the work that y'all are doing to do that. The Alliance would like to

21 highlight a couple of parts of the rules that we do like, including the low-income

22 carveout, that's something that is really important, as well as the measured savings.

23 It's really important that we know how much money we're actually saving as

1 opposed to just estimating our savings. And so, you know, there has been a motion
2 on the table, a new addition. The Alliance looks forward to working in the working
3 group to make sure that ratepayers, particularly residents and small commercial
4 customers, are getting the best bang for our buck. Thank you.

5 **CHAIRMAN FRANCIS:** Thank you.

6 **MS. BOWMAN:** Okay. So we have a substitute motion on the floor by
7 Commissioner Skrmetta, which incorporates Commissioner Coussan's revisions to
8 the industrial opt-out or exclusion language, as well as increases the recovery to the
9 top of the band for lost revenues on the utilities, which was seconded by
10 Commissioner Campbell.

11 **VICE CHAIRMAN SKRMETTA:** Correct. And we vote on that first, correct?

12 **MS. BOWMAN:** Yes.

13 **VICE CHAIRMAN SKRMETTA:** Okay. And we have opposition, I guess, so
14 we'll need a roll call vote. We'll need a roll call vote on my substitute.

15 **CHAIRMAN FRANCIS:** Okay. Roll call vote on the substitute motion.
16 Commissioner Campbell, how do you vote?

17 **COMMISSIONER CAMPBELL:** I want to ask Mr. Kleehammer a question.

18 **MS. BOWMAN:** Use your microphone, Commissioner.

19 **COMMISSIONER CAMPBELL:** Does this satisfy you?

20 **MR. KLEEHAMMER:** Yes.

21 **COMMISSIONER CAMPBELL:** Does it help you or does it make it fair?

22 **MR. KLEEHAMMER:** It makes it fair. I think it makes it fair across the --

23 **COMMISSIONER CAMPBELL:** It wasn't fair?

1 **MR. KLEEHAMMER:** It is not fair when there are participating utilities and
2 there are non-participating utilities, and those that participate are taking on a risk
3 that is capped. So I think it makes it fair for all participating utilities.

4 **CHAIRMAN FRANCIS:** We got a yes from Commissioner Campbell?

5 **VICE CHAIRMAN SKRMETTA:** Yes from him.

6 **CHAIRMAN FRANCIS:** How about Commissioner Skrmetta?

7 **VICE CHAIRMAN SKRMETTA:** Yes.

8 **CHAIRMAN FRANCIS:** Yes. Commissioner Coussan?

9 **COMMISSIONER COUSSAN:** Yes.

10 **CHAIRMAN FRANCIS:** Commissioner Lewis?

11 **COMMISSIONER LEWIS:** No.

12 **CHAIRMAN FRANCIS:** The Chair, in sympathy for Commissioner Campbell
13 and Skrmetta, going to vote a yes.

14 **VICE CHAIRMAN SKRMETTA:** Thank you, sir.

15 **CHAIRMAN FRANCIS:** We got a four to one, it passed. Okay. All right.

16 **MR. KLEEHAMMER:** Thank you very much.

17 **MS. BOWMAN:** Okay. We have one last agenda item.

18 **COMMISSIONER COUSSAN:** [INAUDIBLE]

19 **MS. BOWMAN:** Yes, sir.

20 **COMMISSIONER COUSSAN:** Does that mean our rules for energy efficiency
21 are completed?

22 **VICE CHAIRMAN SKRMETTA:** Yes.

23 **COMMISSIONER COUSSAN:** Thank you. I just wanted to --

1 **MS. BOWMAN:** I would like to say yes.

2 **COMMISSIONER COUSSAN:** Okay. Thank you.

3 **VICE CHAIRMAN SKRMETTA:** Close enough for now.

4 **CHAIRMAN FRANCIS:** Man, I could almost object to that, but I don't think I

5 can.

6 **VICE CHAIRMAN SKRMETTA:** We might have more stuff -- we might do

7 more later.

8 **CHAIRMAN FRANCIS:** Yeah. Right.

9 **MS. BOWMAN:** So we have -- we do have one more agenda item. It is

10 undocketed. It is a possible Executive Session to discuss allegations and

11 misconduct. We need a motion to enter into the Executive Session. And we will

12 just go to a side room instead of everyone else, but I need a motion first.

13 **VICE CHAIRMAN SKRMETTA:** Move to go into Executive Session.

14 **MS. BOWMAN:** And a second, please.

15 **CHAIRMAN FRANCIS:** Second.

16 **[OFF THE RECORD]**

17 **[BACK ON THE RECORD]**

18 **VICE CHAIRMAN SKRMETTA:** Move to come out of Executive Session.

19 Need a second.

20 **CHAIRMAN FRANCIS:** Second. Second on the Executive Session.

21 **VICE CHAIRMAN SKRMETTA:** And -- oh, are we running? Okay. Great.

22 Move to adjourn.

23 **CHAIRMAN FRANCIS:** Move to adjourn, I'll second it. It's over.

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(WHEREUPON THE MEETING WAS ADJOURNED)

3

1 I certify that the foregoing pages 1 through 184 are true and correct to the best
2 of my knowledge of the Open Session of the Business and Executive Meeting
3 held on August 20, 2025 in Plaquemine, Louisiana.

4 *****

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