

TRANSCRIPT OF THE LOUISIANA PUBLIC SERVICE COMMISSION BUSINESS AND EXECUTIVE OPEN SESSION HELD ON MARCH 26, 2025 IN BATON ROUGE, 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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1 **TRANSCRIPT OF THE LOUISIANA PUBLIC SERVICE COMMISSION**
2 **BUSINESS AND EXECUTIVE OPEN SESSION HELD ON MARCH 26,**
3 **2025 IN BATON ROUGE, LOUISIANA. PRESENT WERE: CHAIRMAN**
4 **MIKE FRANCIS, VICE CHAIRMAN ERIC SKRMETTA,**
5 **COMMISSIONER DAVANTE LEWIS, COMMISSIONER JEAN-PAUL**
6 **COUSSAN, AND COMMISSIONER FOSTER CAMPBELL.**

7 **CHAIRMAN MIKE FRANCIS:** Let's all stand up, please. Well, welcome to
8 downtown Baton Rouge, again, to another Business and Executive meeting. And
9 I'd like to start by honoring our Creator with a prayer from Commissioner Skrmetta.

10 **[VICE CHAIRMAN ERIC SKRMETTA LEADS IN PRAYER]**

11 **CHAIRMAN FRANCIS:** Let's do the pledge of allegiance, a salute.

12 **[CHAIRMAN MIKE FRANCIS LEADS IN THE PLEDGE]**

13 **CHAIRMAN FRANCIS:** Okay. Ms. Kathryn got some announcements?

14 **MS. KATHRYN BOWMAN:** Yes, sir. Well, I guess, the first announcement
15 would be a reminder that the April B&E will be held in Many at Toledo Bend at
16 the Cypress Cove Resort on April the 16th.

17 **CHAIRMAN FRANCIS:** Yeah. We got a house rule on that meeting. No coat
18 and tie. You not going to get in if you have a coat and tie on. Okay. It's flip-flops
19 and t-shirts and shorts, okay? All right.

20 **MS. BOWMAN:** Flip-flops. Yes, sir. And then for actual agenda items, we have
21 several that are deferred this month and one that is pulled. So Exhibits 3, 6, 11, 23,
22 and 24 are deferred. Again, 3, 6, 11, 23, and 24. And then Exhibit 20 is being
23 pulled. And that's all the announcements that I have.

1 **CHAIRMAN FRANCIS:** Commissioner Skrmetta, do you have any
2 announcements?

3 **VICE CHAIRMAN ERIC SKRMETTA:** We are going to move the directive on
4 cyber to the first item on the agenda after announcements. I have a couple of
5 announcements. First, I'd like to introduce my new Executive Assistant. Her name
6 is Dylan Mauberret. Dylan, please stand up. All complaints now go to Dylan. So
7 at some point, I'd like the Staff to interact with her and share their contact details.
8 They can all get through Brandon and Kathryn and share contact information. And
9 for all the company utilities, y'all will be able to finally do that. Her actual first
10 day will be April 7, but we wanted to get her introduced to y'all so we could go
11 from there. The second announcement is Friday, in Baton Rouge, which will start
12 at 9 A.M., and will go all day, through the day, will be -- the Atlantic Council will
13 be hosting the Frontier Initiative, which is about the modern nuclear pathway for
14 the United States including Louisiana, and Louisiana is going to be the primary
15 focus. It's going to be at the downtown Hilton Baton Rouge. You're all welcome
16 to attend. You contact Lauren Evans, who's sitting over there, smiling about this
17 opportunity for marshalling this invitation out to you. My understanding is the
18 governor is going to open the process for us at 9:00- and we will go all day. I think
19 you'll find it interesting. We're going to have participants from a variety of
20 Louisiana industries as well as Louisiana utilities and nuclear advocates from
21 around the country to talk about, sort of, the pathway for inclusion of this resource.
22 And on one last thing, and this is after discussions with Staff, and also with
23 Commissioner Coussan, and this is about one particular case, and the case is the

1 Rosefield case. And it's something -- I think it's important. We've moved this
2 item til next month. But I do think from my own personal view of this that I do
3 want to tell you, that the Commission, in common carrier cases, does aggressively
4 pursue common carrier cases, particularly in hazardous waste matters, towing
5 cases, moving cases, a lot of things that are -- fundamentally impact the public
6 directly. But what we don't do is aggressively pursue issues associated with
7 pipeline tariffs. They come to us particularly through two issues. The first would
8 be when pipeline tariffs have to be approved to obtain finance on pipelines and the
9 people who are running the money markets need to have pipeline tariffs established,
10 and the other one usually comes to us with parties who are in conflict on a pipeline
11 tariff. And so this concern of the oil industry and the terminal industry of, you
12 know, opening up a, I guess, best, nicest way to say this, a can of worms on this is
13 I think largely unfounded because the Commission itself does not go out and hunt
14 pipeline tariff cases. They come to us when they have conflict where they cannot
15 find a result through interpersonal work on this. They need a place of resort,
16 whether it's going to be here or it's going to be through the civil process ordinaria.
17 And that eventually could start here and it could go to the civil court system, or it
18 could go to the civil court system. Either way, it's a pathway, and it may end up
19 being sent here regardless if it goes to a civil court system. It may be sent back
20 down to us. So I do think it is the proper location for the action to take place, and
21 I do think that the Administrative Law Judge was right. It's just a comment that
22 I'm making in the announcement and I think we'll get to that next month. But other
23 than that, I have no other announcements.

1 **COMMISSIONER FOSTER CAMPBELL:** We're on announcements?

2 **CHAIRMAN FRANCIS:** Announcements, yes, sir. Commissioner Coussan next.

3 **COMMISSIONER JEAN-PAUL COUSSAN:** Okay. Thank you, Mr.
4 Chairman. First and most importantly, it's my Chief of Staff's birthday this
5 morning so, Grayson Walsh, happy birthday to you.

6 **CHAIRMAN FRANCIS:** All right.

7 **COMMISSIONER COUSSAN:** And we're glad to see you here recovering and
8 with a smile on your face. So this year will be your year, my friend. Secondly, to
9 Commissioner Skrmetta's point, you know, obviously, we have two parties that are
10 in a conflict and, you know, likewise, we do want to allow the Staff some time to,
11 you know, give us their even more in-depth opinion, Ms. Bowman, of, you know,
12 the effects of our ruling in the event that we rule in favor of jurisdiction. And, you
13 know, what does it look like from a budgetary and staffing situation relative to how
14 many instances we've gotten calls over the years about a situation like this to the
15 point -- to Mr. Skrmetta's point, you know? My communication with oil and gas
16 marketing experts that are familiar with all of these parties and familiar with
17 Louisiana's position in the oil and gas industry is that it may not be as big of a
18 situation where there's a slippery slope argument that you might think about on it's
19 face. Where, you know, one oil and gas marketer said that there was only one
20 situation in the last 12 years where they thought that this could have come to the
21 PSC if we had ruled that we would have jurisdiction in this case. And that was a
22 situation where a portion of a pipeline had gotten sold off to someone outside of
23 the normal process and so they were, you know, increasing their fees just for

1 traveling through that portion of the pipeline. And so -- and this is someone that
2 does this as their career over the last 25 years. So with that said, I'd like you to do
3 a deep dive into that as our budget is pending with the state, and we're talking about
4 staffing issues. You know, when we rule next time, if that rule is that we have
5 jurisdiction, would that impact our staffing issues and our jurisdictional issues that
6 we're facing on an ordinary basis?

7 **CHAIRMAN FRANCIS:** Thank you, Commissioner. Ms. Kathryn, is that
8 Bowman or Bowman?

9 **MS. BOWMAN:** It's Bowman.

10 **CHAIRMAN FRANCIS:** Okay.

11 **COMMISSIONER COUSSAN:** It's Coussan, not Poussan.

12 **CHAIRMAN FRANCIS:** All right. One for one today. Commissioner Campbell,
13 did you have something?

14 **EXECUTIVE SECRETARY BRANDON FREY:** Commissioner Campbell had
15 something he wanted me to read, so we're trading glasses, but I think he's got
16 another pair now. This is a letter to the editor that Foster sent out last -- I think it
17 was last week. When they vote on March 29, Louisiana voters should reject
18 Constitutional Amendment Number 2. Passage of this irresponsible amendment
19 will destroy our carefully managed savings account that has funded classroom
20 needs in our state's public and private schools for more than 30 years. As a member
21 of the Louisiana Senate in 1990, I led the fight to establish this savings account.
22 This was on my mind in 1999 when I considered how the legislature would spend
23 four billion paid to the state by big tobacco companies. Most of this tobacco

1 settlement would rightly be devoted to public health, but I argued that one-fourth
2 of the settlement should go to education. Just a few years before, I had worked
3 with elected officials in Bossier Parish to budget 500,000 in proceeds from the state
4 casino tax to education. The result was the Bossier Educational Excellence Fund,
5 or BEEF. Thanks to BEEF, the Bossier Parish School Board has, for decades,
6 deposited its casino revenue into a savings account and used the interest earned to
7 fund classroom needs. The result is that BEEF now has a secure balance of 70
8 million. The school board invests the principle and uses interest earnings every
9 year to pay for computers, art supplies, and other classroom enhancements. BEEF
10 was my model for the Louisiana Education Excellence Fund. With help from my
11 fellow Democrat, Randy Ewing, as well as Republican colleagues, including John
12 Hainkel and Jay Dardenne, the legislature dedicated one billion of the four billion
13 tobacco settlement to the EEF. Thanks to that legislative foresight, and the
14 subsequent support of Louisiana voters in amending the state constitution, the EEF
15 fund now has a balance of 482 million. Interest earned on the balance pays for
16 classroom needs in the school systems throughout Louisiana each year. One of the
17 stated goals of Amendment 2 is to fund teacher pay raises. During my 27-year
18 Senate tenure, I recognize the challenges faced by our teachers and voted for every
19 teacher pay raise. Our teachers today need better pay, but it's foolish to fund raises
20 by destroying a savings account that yields continuing benefits each year for school
21 children in our public and private schools. Don't fool with a good thing. The
22 Educational Excellence Fund is a good thing for our public and private elementary

1 and secondary schools. Just vote no on Amendment Number 2. And that's Foster's
2 letter to the editor.

3 **COMMISSIONER CAMPBELL:** Mr. Chairman.

4 **CHAIRMAN FRANCIS:** Yes, sir.

5 **COMMISSIONER CAMPBELL:** I want to say a few things about this,
6 [INAUDIBLE] everybody wants to. This is just my opinion. I think it's a good
7 opinion. You have a chance to vote for Amendment 2 or against Amendment 2 this
8 coming weekend. I hope you vote against it. We put -- when I was in the
9 legislature, we sued the tobacco companies. Mike Foster was the Governor; didn't
10 want to sue the tobacco companies because he said nobody makes people smoke.
11 But we've taken care of a lot of poor people in the various hospitals through the
12 years, with cancer of the lung, emphysema, different kind of diseases. We sued
13 them, and we got \$4 billion. That's how much we would have lost if we wouldn't
14 have sued them. I was able to take 1 billion and create the Louisiana Educational
15 Excellence Fund, LEEF, and take money and put it in there with specifications now.
16 It's very, very limited what -- no football, no basketball, no baseball. It has to be
17 in a classroom. You can't build buildings with it. It's safeguarded money in our
18 fund. If you -- teachers want a pay raise. I was in the Senate for 27 years, I never
19 voted against a teacher. But what -- there's other places to get money and you can
20 raise money. You don't need to break these special funds because there's some
21 money there to give teachers a pay raise. If it's \$2,000 a year, when you pay the
22 taxes, they'll wind up getting about \$125 a month, which is some money, but you're
23 going to bust a \$450 million trust fund to give the teachers a \$150 a month pay

1 raise. I think that's foolish. There's other places to get the money. It was a billion,
2 until Mr. Jindal got to be Governor, and he took about 400 million for his projects.
3 Everybody wants to go where the money is and take a little bit for those special
4 projects. This money goes to all those schools. Everybody up here has a school.
5 Everybody out there has a school. This is distributed per pupil ratio, how many
6 people in your classes. For example, in Bossier Parish, my parish got \$450,000 a
7 year out of this fund. Caddo Parish got more because Caddo had more members.
8 So I hope you can vote no. It's a smart thing to do. I see where the Morning
9 Advocate came out against it. I'm glad to see that. There's other places to get
10 money. Teachers need a pay raise, I'm all for it. Like I told y'all, I was in the
11 Senate 27 years, I never voted against a pay raise and I'm not voting against this
12 one. I'm voting against breaking up a trust fund. When you break up trust fund,
13 the money goes, and there's always a hundred good reasons that it goes. And
14 they're looking some place now. They want to get the teachers on their side. And
15 when I was a teacher, \$150 a month is a big deal, but it's not worth busting up a
16 \$450 million trust fund that gives money every year to all the parishes and their
17 Catholic schools. The Catholic schools and Parochial schools, all Baptist schools
18 or whatever you got, they all sharing the money. That's the only way I could get
19 John Hainkel and other people to help me vote for it. They had to make sure the
20 Catholic schools were covered, and I was glad to do it. So anyway, that's all I have
21 to say. I sent this thing out to y'all, y'all can read it and think about it. But I hope
22 you can vote no this coming Saturday. Thank you very much.

1 **CHAIRMAN FRANCIS:** Okay. Commissioner Campbell votes no on
2 Amendment 2. Commissioner Skrmetta, how do you vote?
3 **COMMISSIONER CAMPBELL:** Who do you say?
4 **VICE CHAIRMAN SKRMETTA:** I haven't read them all. I'm going to be like
5 the rest of the population and read them at the polls.
6 **CHAIRMAN FRANCIS:** Well, God forgive me. The Chair votes yes on Number
7 2. How do you vote, Commissioner Lewis?
8 **COMMISSIONER DAVANTE LEWIS:** I'm with my good friend over there on
9 the other side, Mr. Campbell. I'm voting no on Amendment 2.
10 **CHAIRMAN FRANCIS:** Okay. Commissioner Coussan?
11 **COMMISSIONER COUSSAN:** Let's just say it's too late.
12 **CHAIRMAN FRANCIS:** All right. All right. All right.
13 **COMMISSIONER COUSSAN:** I voted early.
14 **CHAIRMAN FRANCIS:** Forgive me, Lord, for my first sin today. Okay.
15 Moving on.
16 **COMMISSIONER COUSSAN:** No. I was in the legislature. Strong support of
17 Amendment 2 and it's an important step for the progress of the state.
18 **CHAIRMAN FRANCIS:** I think all the Republican legislators voted to support
19 Number 2, if I remember right. Okay. Let's move on.
20 **COMMISSIONER LEWIS:** Mr. Chairman, I have some announcements real
21 quick.
22 **COMMISSIONER CAMPBELL:** When you bust those trust funds, 4G and
23 things like that, people worked hard to put -- it's easy to spend the money. Spending

1 money is the easiest thing in the world. Saving money is hard, and protecting
2 money is hard, but you could spend the hell out of money, that's easy. Everybody
3 wants to spend money, but saving it and making sure it goes in the right places is
4 another thing.

5 **CHAIRMAN FRANCIS:** Okay. Commissioner Lewis has something to say
6 about announcements.

7 **COMMISSIONER LEWIS:** Thank you, Mr. Chairman. I'm not going to talk
8 about the amendments. First, I want to congratulate my alma mater in your district,
9 McNeese State University's men basketball team, for advancing in the NCAA
10 tournament. Go Pokes. As you can see, I wore my tie I bought sometime in college
11 to support Will Wade. I know he's moving on from McNeese and then going to
12 North Carolina State University, but he brought some great pride to the Poke Nation
13 and to Lake Charles. And so as a former Poke, I want to congratulate them on a
14 successful journey and also breaking my bracket because I did not pick them to
15 win, so I lost very early. So I probably should always bet on my alma mater. Mr.
16 Chairman, I also want to concur on the comments that Commissioner Skrmetta and
17 Commissioner Coussan made on Agenda Item Number 24. I know we have
18 deferred that for a month, but I do think is an important case for the Commission.
19 I think we should take this very seriously. I know there's conversations about
20 potentially going across the street for legislative fixes, but I think what
21 Commissioner Skrmetta and Commissioner Coussan have already stated, I concur
22 in those views and wanted to put that on the record as well. I know we were going
23 to talk today about energy efficiency, and we have deferred that motion until May,

1 but I wanted to make sure that we were aware that the American Council for an
2 Energy-Efficiency Economy released their 2025 scorecard. It's an independent
3 analysis of energy efficiency across the country, and Louisiana was named one of
4 the most improved states. Our rankings moved up nine spots due to the work that
5 we did here at the Commission, as well as the legislature updating our building
6 codes. Right now, we have been in a very ambitious utility energy savings goal
7 here in Louisiana in our current rule, becoming the first state in the south to switch
8 our energy efficiency to an independent program run by the Commission. And I
9 think the work that we've already done speaks for itself. We are seeing that the
10 independent analysis is showcasing that we are making progress, and I am hopeful
11 that this Commission will continue to make progress towards making Louisiana
12 more energy efficient. As you know, I've stressed multiple times, we are a very
13 high consumption state. Our residential consumers consume more energy than any
14 other state in the nation, which means if we are going to seriously talk about our
15 demand crisis that we're coming from, from big plants, we have to talk about
16 reducing our capacity, which is energy efficiency and demand response. That's
17 how we're going to ensure people have affordable bills, and it makes great
18 investments into our state's future and into our state's economic future. And so I
19 look forward to the remaining conversations on it, but I wanted everyone to know
20 how the independent analysis is showing the progress that Louisiana has already
21 made. Thank you, Mr. Chairman.

22 **CHAIRMAN FRANCIS:** And I want to fortify what he just said about energy
23 efficiency. We actually haven't started the new program yet, so we're on the way

1 up, and we're going to continue to go up with that, God willing. Thank you. Any
2 other announcements of any kind? [NONE HEARD] Ms. Bowman.

3 **MS. BOWMAN:** So we are going to go to Exhibit Number 26 first, which is
4 undocketed, and it's a directive to Staff regarding cybersecurity at the request --

5 **COMMISSIONER CAMPBELL:** Let me ask a question. Why are we going to
6 26?

7 **VICE CHAIRMAN SKRMETTA:** That's me. I made a request to move it up.

8 **MS. BOWMAN:** Just asked to move it up to the beginning of the agenda. And
9 this is at the request of Vice Chairman Skrmetta. I direct Staff to look into the
10 potential effects data centers can have on utility infrastructure, specifically from the
11 cybersecurity perspective. This should be done in connection with our current
12 cybersecurity monitoring docket, which is Docket Number X-35764. Depending
13 on the information garnered and if deemed necessary, Staff is directed is open a
14 rulemaking to look at establishing safeguards for jurisdictional utilities in
15 connection with potential cybersecurity threats. In conducting this research, Staff
16 is also directed to coordinate with our current team on cybersecurity.

17 **CHAIRMAN FRANCIS:** Any comments, any opposition to that? [NONE
18 HEARD] Hearing none, we will follow through with Commissioner Skrmetta's
19 proposal.

20 **MS. BOWMAN:** So going back to the front of the agenda with Exhibit Number
21 2, it's Docket Number T-37409. This is the Commission versus Tiger Airport
22 Shuttle, regarding an alleged violation of the Revised Statutes 45:161 through 180.1
23 and General Order dated April 25, 2012 by engaging in activities related to

1 transporting passengers intrastate without Commission authority. It's a discussion
2 and possible vote pursuant to Rule 57 on affidavit and stipulation executed by the
3 carrier. So this will need two votes. As a result of a complaint submitted to
4 Transportation Staff, a citation was issued to Tiger Airport on October 22, 2024.
5 In response to the citation, the owner of the company executed an affidavit and
6 stipulation admitting to violating all of the violations, and the carrier agreed to the
7 imposition of a \$500 fine and \$25 citation fee with \$500 being suspended
8 contingent on Tiger Airport Shuttle ceasing to conduct LPSC regulated services
9 until such time as a common carrier certificate is issued to Tiger Airport, execute
10 the affidavit and stipulation along with the fines and fees totaling \$525, and
11 acknowledging that failure to comply with the affidavit and stipulation will result
12 in the \$500 suspended portion becoming immediately due. Staff recommends that
13 the Commission exercise its original and primary jurisdiction under Rule 57 to
14 consider the affidavit and stipulation, and two, accept the affidavit and stipulation
15 executed on February 26, 2025 for fines and fees totaling \$525.

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

17 **COMMISSIONER COUSSAN:** Second.

18 **CHAIRMAN FRANCIS:** We have a move by Commissioner Skrmetta to take it
19 up under Rule 57. Seconded by Commissioner Coussan. Is there any objection to
20 that? [NONE HEARD] Hearing none, we'll make the motion to accept --

21 **VICE CHAIRMAN SKRMETTA:** Second.

1 **CHAIRMAN FRANCIS:** -- Number 3 by the Chair. Seconded by Commissioner
2 Skrmetta. Is there any discussion or objection to that? [NONE HEARD] Hearing
3 none, it's in the books.

4 **MS. BOWMAN:** Exhibit Number 3 is deferred, so we'll move to Exhibit Number
5 4, which is Docket Number R-31106.

6 **VICE CHAIRMAN SKRMETTA:** Did you also defer 4?

7 **CHAIRMAN FRANCIS:** No, no.

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

9 **CHAIRMAN FRANCIS:** Four is not deferred.

10 **VICE CHAIRMAN SKRMETTA:** Okay.

11 **MS. BOWMAN:** It's a rulemaking to study the possible development of financial
12 incentives for the promotion of energy efficiency by jurisdictional electric and gas
13 utilities. It's a discussion and possible vote to retain an evaluation, measurement,
14 and verification contractor. And based on the General Order dated April 24, 2024
15 and the assistance from J. Kennedy, Staff issued an RFP 24-09 in October of last
16 year. It resulted in four companies being qualified to be the Commission's energy
17 efficiency EM&V contractor. Staff has reviewed all four proposals, conducted
18 interviews, and conducted reference checks. The four companies that submitted
19 proposals to the Commission were DNV for a total budget of \$4,537,405, Tetra
20 Tech for a total budget of \$7,238,549, Opinion Dynamics for a total budget of
21 \$8,425,000, and ADM for a total budget of \$10,913,933. Staff makes no
22 recommendation as all four bidders are qualified, but before we entertain a motion,
23 we do have comment cards, but it just references the energy efficiency docket. So

1 I'm not sure if any of these people would like to speak on Exhibit Number 4. If
2 you do, raise your hand or stand up. Okay. So we can --

3 **CHAIRMAN FRANCIS:** The Chair makes a motion that we accept number two,
4 Tetra Tech is our choice for this -- Number 4.

5 **COMMISSIONER LEWIS:** I'll second.

6 **CHAIRMAN FRANCIS:** Second by Commissioner Lewis.

7 **VICE CHAIRMAN SKRMETTA:** Objection.

8 **CHAIRMAN FRANCIS:** And we have an objection. So we'd have a roll call
9 vote.

10 **VICE CHAIRMAN SKRMETTA:** Actually, I want to make a statement about
11 the objection.

12 **CHAIRMAN FRANCIS:** All right.

13 **VICE CHAIRMAN SKRMETTA:** First off, I have not had any of these
14 companies come and talk to me about this. These numbers seem to be
15 extraordinarily high without explanation and a visit on these things. These type of
16 numbers are extraordinarily high, and these type of numbers for this type of work
17 eventually have rate impact on ratepayers. At a time where we're looking to avoid
18 waste, fraud, and abuse in government contracting, this is the type of thing where
19 you question where we are. We've just had a statement from Commissioner Lewis
20 about how we've been recognized as having big steps forward in improvement in
21 energy efficiency, with a program that we've been running that has had no
22 contractor like this and we've been able to save money. And then the money we've
23 been saving, we're looking right now to hire somebody and propose right now to

1 pay them over \$7 million. It seems to be counterintuitive. But at the same time,
2 not being, you know -- not having spoken to anybody to know what they're going
3 to do with -- for this money, I can't in any good conscience vote on this item. So
4 I'm going to vote no versus voting yes or even abstaining, I'm just going to vote
5 no.

6 **COMMISSIONER LEWIS:** Mr. Chairman.

7 **CHAIRMAN FRANCIS:** Okay. Recognize Commissioner Lewis.

8 **COMMISSIONER LEWIS:** Thank you, Mr. Chairman. I believe it's important
9 that we move forward in hiring an EMV contractor. I mean, I have sat through and
10 met with all the companies, read their proposals, I first want to say that we saw very
11 great responses, thorough responses. I particularly want to -- even though the
12 motion on the table right now is for Tetra Tech, I want to commend Opinion
13 Dynamics. They were a very strong bid and wrestled. I would say for the record
14 that Tetra Tech is also hired by our current IOU's, so I would say that it's not
15 creating new administrative costs. It's just now the Commission sees those costs
16 because the utility typically hires their EMV contractors. So I don't think we are
17 going to see great impact, because if we are looking at who they already work for,
18 they are the EMV contractor for Entergy currently, they are the EMV contractor for
19 SWEPCO, they have in their bid, Frontier, who works for CLECO and SWEPCO.
20 So this is to me, moving the same people that are doing the great work in Louisiana
21 to the forefront for everyone to be able to see, and I support that we need to continue
22 to move forward with our program. And this would make the most sense today to

1 hire Tetra Tech, and that's why I seconded the Chairman's motion. Thank you, Mr.
2 Chairman.

3 **CHAIRMAN FRANCIS:** Okay. And I want to make a brief statement. In making
4 this motion, I had serious consultation with Ms. Bowman on this. She's kind of
5 been the key staffer on this. Do you have any -- can you make us -- simplify this
6 situation any from what you've heard so far?

7 **COMMISSIONER COUSSAN:** Can I ask her in another way?

8 **CHAIRMAN FRANCIS:** All right.

9 **MS. BOWMAN:** Please.

10 **COMMISSIONER COUSSAN:** My question for the Staff is, you know, what are
11 the contractual obligations should we move forward today with a vote, but then
12 move in a different direction, you know, in our next meeting? Because I would not
13 want to put us in a position where we obligate ourselves to spend money on
14 something that doesn't actually become part of the final program. I understand that
15 there is an opinion, that there will be a need for this aspect of the energy efficiency
16 program under either option that we move forward with in the next few months.
17 But could you, you know, express your opinion on the contractual side of this if we
18 move forward with this vote today? 'Cause I'm very concerned about that part of
19 it.

20 **MS. BOWMAN:** Absolutely. So the vote today starts the contract negotiation
21 with whichever company we hire, specifically for this, because it's such a large
22 amount. When we hired APTIM, we went through at least a month and a half,
23 maybe two months, of contract negotiations with them prior to executing the

1 contract and prior to them actually starting work for us as the statewide program
2 administrator. The same thing would happen in this one. For APTIM's contract,
3 and I would have the same clause in this contract, is that the Commission has the
4 ability to terminate or cancel the contract with 30-day written notice. So if we do
5 decide to move into a different direction once this EM&V contractor is hired, and
6 we determine that they're no longer needed, we would need to provide them 30
7 days written notice of the termination of the contract, and we could terminate.

8 **CHAIRMAN FRANCIS:** Okay. And I would also add to Commissioner
9 Coussan, too, these four contractors, you need to go see Commissioner Skrmetta.
10 They've come to see me and apparently Commissioner Lewis, and I don't know
11 why. Maybe it was airlines going to New Orleans was blocked.

12 **MS. BOWMAN:** And I will relay that to the companies as well.

13 **CHAIRMAN FRANCIS:** And I appreciate what Commissioner Coussan has said.
14 This is a -- this is just the very beginning of this. This is not something we can't
15 unwind if we need to and as we study this over the next month or so.

16 **VICE CHAIRMAN SKRMETTA:** I have one comment.

17 **CHAIRMAN FRANCIS:** Okay. Commissioner.

18 **VICE CHAIRMAN SKRMETTA:** You know, Commissioner Lewis, said that,
19 you know, this amount of money is already going to be -- effectively, what I'm
20 garnering from what you said, was that these are funds that are being paid by the
21 utilities themselves, so it's going to be an offset. I don't see it that way, until I see
22 it that way in writing that this could effectively be a double dip. That the utilities
23 are going to pay these people if they're already working for them, which I do not

1 know that all of these companies are working -- or if even Tetra Tech is working
2 for all the utilities 'cause I don't believe that's the case because I know for sure that
3 one of them does not use them. And that, two, if it is going to be a double dip, then
4 it is going to be a layup of extra money on top of it. So it's a problem from not
5 even creative accounting, but just piling on cash for no reason whatsoever. So I
6 understand that this is the beginning, but this looks like a real cart before the horse
7 moment. So which is -- I have a continuing problem with it. And look, they can
8 come see me all they want, and I appreciate that, and I'll be glad to talk to them.
9 But, you know, in meeting with the various utilities, they are all and have performed
10 adequately, and actually beyond adequately, on managing their programs. And to
11 throw more money on top of it, then are we saying that we're going to take
12 somebody that we're going to pay here and remove the utilities' personnel from
13 doing the job and replace it with this person? Because that's taking away the
14 company's internal action and operator and replacing it with this, which I
15 understand we're not doing. So this is a confusing aspect of what this contractor
16 would be doing, 'cause we don't really have the rule yet. But, you know, like I
17 said, I see a real big problem with stepping into this with this -- what I see as an
18 incorrect statement as to this is going to eliminate the cost associated with this type
19 of work from the utilities and replace it with this. And then it's going to have to
20 recover it back from the utilities, so it's going to be an offset. I don't see it that
21 way, and until it's clarified that it's just a simple offset, then I can't vote for this.
22 Thank you.

1 **CHAIRMAN FRANCIS:** Okay. The Chair calls for a roll call vote.
2 Commissioner Skrmetta?
3 **MS. BOWMAN:** No. I'm sorry.
4 **CHAIRMAN FRANCIS:** I'm sorry.
5 **MS. BOWMAN:** We have one constituent who would like to speak.
6 **VICE CHAIRMAN SKRMETTA:** They changed their mind?
7 **CHAIRMAN FRANCIS:** Yeah. Okay.
8 **MS. BOWMAN:** They did, yes.
9 **VICE CHAIRMAN SKRMETTA:** Okay.
10 **MS. BOWMAN:** Is it -- Ms. Mary Anne, is it Mushatt?
11 **MS. MARY ANNE MUSHATT:** [INAUDIBLE]
12 **MS. BOWMAN:** And, Ms. Mushatt, please just limit your comments to the
13 EM&V contractor hire, because that's the only vote that we're discussing today.
14 **MS. MUSHATT:** Okay.
15 **MS. BOWMAN:** Thank you.
16 **CHAIRMAN FRANCIS:** What's your name, please?
17 **MS. MUSHATT:** Mary Anne Mushatt.
18 **CHAIRMAN FRANCIS:** Mary Anne.
19 **MS. MUSHATT:** I am a constituent of Commissioner Skrmetta, and I live in New
20 Orleans.
21 **CHAIRMAN FRANCIS:** Okay.
22 **MS. MUSHATT:** And I am in full support of taking the efficiency component out
23 of energy and placing it in a third party.

1 **CHAIRMAN FRANCIS:** Okay.

2 **MS. MUSHATT:** And I just want to say I have had Entergy's efficiency people
3 come out to my house twice, and all they did was give me light bulbs and a little
4 thing to put on my kitchen sink to make the stream -- a shower, and that was their
5 concept of helping me save. So I question that last statement about how they're
6 doing such a good job. And I just think you should stay the course, take it out of
7 the vendor, and give it to a independent party to help the people of Louisiana.
8 That's basically all I wanted to say.

9 **CHAIRMAN FRANCIS:** Thank you, Mary Anne. Does Entergy want to come
10 forward and defend their self on that? [NONE HEARD] Okay. Seeing no Entergy
11 person --

12 **COMMISSIONER LEWIS:** Mr. Chairman, could we have a representative of
13 Entergy, SWEPCO, and Tetra Tech, please? I do have some questions.

14 **MS. BOWMAN:** Entergy, SWEPCO, and Tetra Tech? Okay.

15 **COMMISSIONER LEWIS:** I believe so.

16 **MS. BOWMAN:** I don't know if Tetra Tech has someone here.

17 **COMMISSIONER LEWIS:** They do.

18 **MS. BOWMAN:** Oh, okay. Oh, hi. I didn't see you earlier.

19 **MR. LARRY HAND:** Good morning, Commissioner.

20 **CHAIRMAN FRANCIS:** Okay. I think the first thing I would like to hear from
21 Entergy about the lightbulbs and the faucet thing they got.

22 **MR. HAND:** If I heard correctly, and I think I did, the lady who spoke is a resident
23 of New Orleans. I work for Entergy Louisiana.

1 **CHAIRMAN FRANCIS:** Oh, okay.

2 **VICE CHAIRMAN SKRMETTA:** That's Entergy New Orleans.

3 **MR. HAND:** I can't speak to Entergy New Orleans' programs, so with all due
4 respect, I'm not the right person to talk about Entergy New Orleans.

5 **CHAIRMAN FRANCIS:** So Entergy New Orleans is regulated by the mayor and
6 the city council, not the Commission, right?

7 **MR. HAND:** The city council, and they have a separate energy efficiency
8 program. Right now, I just can't speak to the ins and outs of it.

9 **CHAIRMAN FRANCIS:** Okay. Just delete my request to get an explanation.

10 **MR. HAND:** Acknowledged.

11 **CHAIRMAN FRANCIS:** Okay. Thank you. All right. So we've got --
12 Commissioner Lewis.

13 **COMMISSIONER LEWIS:** One quick question for Larry. Mr. Hand, can you
14 explain Entergy's current EM&V contractor and how you hired them? What do
15 those administrative costs look like? I mean, I think there's some confusion, but
16 that's why I called you up to table to explain kind of what you're already doing
17 with an EMV contractor.

18 **MR. HAND:** I will do my best, with all due respect, at a high level because I don't
19 have the details. My expert on energy efficiency, you know, Heather LeBlanc, is
20 not here. She could -- and I'll bring her to meet with you guys to talk through it,
21 but at a high level we do contract for EM&V services under the utility-led program.
22 I will -- not to disparage anybody, you know, we did switch the company that we've
23 used for EM&V services from a different provider. You know, we had issues with

1 a different provider. We were not pleased with the level of service. We did switch
2 I believe last year, don't quote me on the date. We did switch to contract with Tetra
3 Tech as our provider now. I don't know the amount of the contract, and even if I
4 did, I don't know that I would --

5 **COMMISSIONER LEWIS:** Yeah, no. Absolutely.

6 **MR. HAND:** -- want to disclose it publicly. But, you know, we did switch to
7 them. It is part of the services, you know, we contracted for under our utility-led
8 programs. I don't know if that helps.

9 **COMMISSIONER LEWIS:** No, no. That absolutely helps and I see our friends
10 from Frontier and Tetra Tech. I just --

11 **MS. DEBRA MILLER:** Actually, I'm from SWEPCO.

12 **COMMISSIONER LEWIS:** SWEPCO, I'm sorry. We talked about Frontier with
13 you, so apologies for getting mixed up. But also, I would like to hear your response
14 kind of that same question I asked Mr. Hand.

15 **MS. MILLER:** Well, we do --

16 **MS. BOWMAN:** And please introduce yourself for the record.

17 **MS. MILLER:** Okay. Thank you.

18 **MS. BOWMAN:** Thank you.

19 **MS. MILLER:** I'm Debra Miller. I manage an energy efficiency program from
20 SWEPCO. We currently use a different EM&V evaluator in Louisiana. We use
21 Tetra Tech in our Texas programs and that's why I was asked to come up here and
22 speak about them.

1 **COMMISSIONER LEWIS:** Got you. Thank you. Thank you so much for that
2 clarification. Mr. Chairman, I'm good. No more questions.

3 **CHAIRMAN FRANCIS:** Okay.

4 **MS. BOWMAN:** And we have one more --

5 **CHAIRMAN FRANCIS:** Anybody else?

6 **MS. BOWMAN:** Yes, sir. We have one more constituent who would like to speak
7 very briefly.

8 **CHAIRMAN FRANCIS:** Okay.

9 **MS. BOWMAN:** He promised he'd be brief. Mr. Clarke, do you want to walk
10 up?

11 **COMMISSIONER CAMPBELL:** There's a guy in a red shirt. Hey --

12 **MS. BOWMAN:** Mr. Clarke.

13 **VICE CHAIRMAN SKRMETTA:** Y'all can just go bring them over there.

14 **MR. JIM CLARKE:** Good morning.

15 **CHAIRMAN FRANCIS:** Good morning.

16 **MR. CLARKE:** How are you guys doing?

17 **COMMISSIONER LEWIS:** Press the green button.

18 **CHAIRMAN FRANCIS:** What's the name?

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

20 **MR. CLARKE:** Jim Clarke.

21 **CHAIRMAN FRANCIS:** Jim? Okay. Jim, go ahead.

22 **MR. CLARKE:** I'm an energy efficiency contractor in the industry and the
23 CLECO program. And because you guys deferred Number 3, I wasn't going to

1 come up and speak because that's what I'm really interested in. The lady that came
2 up a while ago is speaking on the crux of my issue with the programs. She lives in
3 New Orleans, so she's obviously an Entergy customer. She probably has gas heat.
4 Entergy and CLECO treat gas customers completely different. If you're an Entergy
5 customer, you get almost no rebate to help towards your energy efficiency upgrade,
6 which would be the same process when the TPA takes over the whole thing. If
7 you're a CLECO customer, y'all get treated the same. So when Entergy contractors
8 come in to do the work, we can do more work per home with less outlay from the
9 customers to get the most energy efficiency upgrades for the customer. I met with
10 a couple of the Entergy heads for the -- a couple of the Commissioners, and it
11 doesn't seem like anybody knows a lot about the residential side. Everybody's
12 focused on commercial because that's where the big green energy savings come in.
13 So I would beg you guys to hold off and learn more about the way the residential
14 programs work because that's who votes for you. Those are the people that are --
15 need to save money. Those are the ones that need the energy efficiency upgrades
16 to pay their bills. And we make huge differences in people's homes in St.
17 Tammany. I mean monstrous. I would venture to say that we do more work per
18 home than any other contractor in the program, and have for the last seven or eight
19 years. I wasn't going to speak, because like I said, you deferred the deal, but I had
20 to answer that because the difference between treating customers the same means
21 that in St. Tammany Parish, every single citizen is a customer without any
22 drawbacks. When you go into the energy program, and a contractor goes into a
23 gas-furnaced home, I mean, it's like 20 cents a square foot towards a insulation

1 rebate. And CLECO, it's 60 cents a square foot because CLECO gives 74% of the
2 funds back to the consumer, and Entergy is about 51 because of their higher
3 overhead with the corporate administration of the program. And that's what we
4 want to do all over the state, especially the people in the outlying areas. They're
5 going to be completely left out. No contractor is going to travel an hour to not make
6 any money on a house. And although we want to help people, we do run businesses.
7 So I'd like to meet with every one of you. I've talked to Commissioner Lewis, I've
8 talked to Mary, and I used to speak with Bill Robinson all the time, Foster. He was
9 a great guy.

10 **CHAIRMAN FRANCIS:** Jim, listen, we hear what you're saying. We want to
11 hear from the contractors like yourself, so just for your benefit, these rules are not
12 locked in today.

13 **MR. CLARKE:** Right.

14 **CHAIRMAN FRANCIS:** We are working on changing them to be friendly to the
15 homeowners, consumers, and the best advice is going to come from the vendors
16 who get out there. And we want you to make a profit and have a stable business.

17 **MR. CLARKE:** Yes.

18 **CHAIRMAN FRANCIS:** And we can't do the job without you, so come see the
19 Commissioners. I would share that word all over the state to each of us. We're
20 listening to you.

21 **MR. CLARKE:** Appreciate it.

22 **CHAIRMAN FRANCIS:** And we want to improve the system we have.

23 **MR. CLARKE:** Awesome.

1 **COMMISSIONER LEWIS:** And, Mr. Chairman, if I may, I would -- under the
2 current rule, we've created an energy efficiency working group to address these
3 questions and challenges that you've brought up. So I know we may be having a
4 working group meeting relatively soon, so I would advise you and I'll work with
5 you, and my Staff will work to get that information to attend the working group
6 which has the utilities, it has advocates. We definitely want trade allies so we're
7 making sure that we are looking at every issue from every vantage point. And so
8 under the current rule right now, we've developed that working group, so I would
9 encourage you to please join us and bring --

10 **MR. CLARKE:** Be glad to.

11 **COMMISSIONER LEWIS:** -- those details, so we can make sure that if there's
12 anything that needs to be tweaked, changed, or address some of your concerns, we
13 can do that as well.

14 **MR. CLARKE:** Awesome. Okay. Thank you, guys.

15 **CHAIRMAN FRANCIS:** Okay. Any other -- Okay. Well, let's call a --

16 **VICE CHAIRMAN SKRMETTA:** Roll call vote.

17 **COMMISSIONER COUSSAN:** Mr. Chairman, one last comment on the issue,
18 and ordinarily, I would defer to my colleague who is asking for a delay on this
19 matter. But out of respect to the contractors who have submitted bids, who have
20 flown in and traveled from around the United States to meet with some of us.
21 Obviously, not all of us. They were consummate professionals. I believe they all
22 presented excellent bids for us to choose from. Out of respect to their time and
23 their efforts and running their own businesses, I think it would be a disservice to

1 them to postpone this for another four weeks, when obviously our colleague would
2 maybe meet with them, but might not change his overall opinion on whether or not
3 any of them should be hired. And so out of respect to him, so that he's not wasting
4 his time, out of respect to the companies, I'm going to support the motion that was
5 made and I'll be voting along with you and the second.

6 **CHAIRMAN FRANCIS:** Okay. Let's call a roll on Exhibit 4. Commissioner
7 Skrmetta?

8 **VICE CHAIRMAN SKRMETTA:** No.

9 **CHAIRMAN FRANCIS:** Commissioner Campbell?

10 **COMMISSIONER CAMPBELL:** No.

11 **CHAIRMAN FRANCIS:** Commissioner Lewis?

12 **COMMISSIONER LEWIS:** Yes.

13 **CHAIRMAN FRANCIS:** Commissioner Coussan, yes?

14 **COMMISSIONER COUSSAN:** Yes.

15 **CHAIRMAN FRANCIS:** Commissioner -- Chairman votes yes, so it's three to
16 two. So Number 4 is passed. Number 5?

17 **MS. BOWMAN:** Exhibit Number 5 is the same docket, R-31106. The
18 Commission's energy efficiency docket. It's a discussion and possible vote to
19 approve a proposed budget increase of Chris Justin due to a scope expansion. This
20 was Exhibit 4 last month. During the transition period from the Quick Start to the
21 statewide program, a need was identified for the Commission to have assistance in
22 researching and providing analysis of external energy efficiency programs, and
23 exploring the integration of complementary programs. Chris Justin was retained at

1 the Commission's February 2024 B&E to assist the Commission, and in order to
2 ensure a timely and smooth rollout, the Commission has identified the need to keep
3 Mr. Justin retained as liaison between the Commissioners. Based on the identified
4 need, Mr. Justin submitted a proposed budget of 72,000 in fees and 12,000 in
5 expenses for a total budget not to exceed of 84,000. Staff recommends that the
6 Commission retain Christopher Justin for a budget of 72 in fees and 12 in expenses
7 for a total budget not to exceed of 84,000. And again, just for clarity, since this is
8 also on Docket R-31106, I have a couple of cards who have not spoke yet. I just
9 want to make sure you do not want to speak on this item as well. Okay. We are
10 good.

11 **CHAIRMAN FRANCIS:** Seeing none, I'll make a motion --

12 **COMMISSIONER CAMPBELL:** Is Mr. Justin around?

13 **MS. BOWMAN:** Sir?

14 **COMMISSIONER CAMPBELL:** Mr. Justin.

15 **MS. BOWMAN:** He's here, yes, sir.

16 **COMMISSIONER CAMPBELL:** Where is he? Tell him to come up here.
17 Thank you.

18 **MR. CHRIS JUSTIN:** Yes, sir.

19 **COMMISSIONER CAMPBELL:** Tell me exactly what you been doing.

20 **MR. JUSTIN:** I have been -- excuse me. Chris Justin, consultant for the PSC. I
21 have been assisting Commissioners with requests to understand the program design
22 -- the upcoming program design, the cost benefit analysis of the change, and
23 identifying opportunities for improvement.

1 **COMMISSIONER CAMPBELL:** Did you contact our office?

2 **MR. JUSTIN:** I did, yes.

3 **COMMISSIONER CAMPBELL:** And what happened?

4 **MR. JUSTIN:** I spoke to Joe a couple times.

5 **COMMISSIONER CAMPBELL:** What did Joe tell you?

6 **MR. JUSTIN:** Joe told me that he has been supportive, that he's appreciated the
7 work that I've done for the programs, and again offered to meet with you anytime
8 you're available at the end of the meeting last month. I offered as well to meet with
9 you and -- yeah. Joe has shared that he thought that, overall, I was doing a good
10 job.

11 **COMMISSIONER CAMPBELL:** You worked in Motiva -- Notiva as an
12 engineer?

13 **MR. JUSTIN:** Yes. Yes, sir. I worked at the Shell Norco refinery for six years.
14 I was a chemical engineer.

15 **COMMISSIONER CAMPBELL:** What kind of engineer are you?

16 **MR. JUSTIN:** Chemical.

17 **COMMISSIONER CAMPBELL:** Chemical engineer. Okay. So do you set this
18 salary schedule? I mean, is that your idea? Who set the \$72,000 a year?

19 **MR. JUSTIN:** That was working with Kathryn to identify the needs of the
20 Commission and discussion with Kathryn and Commissioner Francis. Those are
21 the primary parties that worked through that.

22 **COMMISSIONER CAMPBELL:** Yeah. I didn't know anything about it, but
23 that's okay.

1 **MR. JUSTIN:** I am happy to meet with you. If you need something, I'm happy
2 to come up to your office next week.

3 **COMMISSIONER CAMPBELL:** There's more than two -- there's more than
4 two people up here.

5 **MR. JUSTIN:** I have met with the remaining Commissioners and I have -- again,
6 I'm very happy to meet with you any time that you're available.

7 **COMMISSIONER CAMPBELL:** I heard you were very polite and I appreciate
8 that, so I'm going to vote for you, but next time, check with everybody.

9 **MR. JUSTIN:** Yes, sir.

10 **COMMISSIONER CAMPBELL:** Okay. Thank you.

11 **CHAIRMAN FRANCIS:** I'd like to make a motion we accept Staff's
12 recommendation. Is there a second?

13 **COMMISSIONER LEWIS:** I'll second.

14 **CHAIRMAN FRANCIS:** Second by Commissioner Lewis. Is there any objection
15 or any other discussion on this issue? [NONE HEARD] Hearing none, Exhibit
16 Number 5 is approved. Skip 6.

17 **MS. BOWMAN:** Exhibit 6 is deferred and Exhibit 7 is Docket Number S-37391.
18 It's 1803 Electric Cooperative's petition for approval of a letter of non-opposition
19 authorizing 1803 to secure a loan for the acquisition of transmission assets. It's a
20 discussion and possible vote on a Staff report and recommendation. On September
21 24, 2024, 1803 filed its request pursuant to General Order dated November 13,
22 1996. The request seeks the Commission's approval authorizing 1803 to enter into
23 a financial arrangement with Rural Utility Services in connection with initial

1 acquisition costs and capital improvements through 2027. The request was
2 published in the Commission's Official Bulletin and no interventions were
3 received. 1803 seeks to have a loan of approximately \$41.5 million, which would
4 be drawn down as needed, and expects to be able to make those draws to acquire
5 the transmission assets, and then reimburse capital projects upon completion of
6 those projects. Due to delays with the RUS system, 1803 also filed a supplemental
7 request to include a bridge loan with CoBank for approximately 22 million with a
8 two-year maturity date from the closing. On March 13, 2025, Staff filed its report
9 and recommendation into the record and concurred with 1803's assertion that the
10 requests are in the public interest and will have no immediate effect on rates and
11 terms of service conditions for its members. Staff further recommended that the
12 Commission express its non-opposition to 1803's request, subject to standard
13 conditions associated with loan approvals. Staff recommends that the Commission
14 accept the Staff report and recommendation filed into the record on March 13, 2025.

15 **COMMISSIONER CAMPBELL:** Where are the people from 1803?

16 **SECRETARY FREY:** I know Mr. Hobbs is here. I saw him earlier.

17 **MS. BOWMAN:** I think Foster wants you up.

18 **SECRETARY FREY:** Yeah, there he is. Come on up, Brian.

19 **MS. BOWMAN:** And just when you guys get done, please fill out a card. Thank
20 you.

21 **MR. KYLE MARIONNEAUX:** Commissioners, Kyle Marionneaux on behalf of
22 1803.

23 **MR. BRIAN HOBBS:** Brian Hobbs, CEO of 1803 Electric Cooperative.

1 **COMMISSIONER CAMPBELL:** I got a question, it's on everybody's mind.
2 Y'all made a lot of promises about lowering the utility rates, I voted for it and I
3 voted for y'all. Are we still on the same railroad?

4 **MR. HOBBS:** We are. We began service to our first co-op on January 1, and the
5 transition went very, very smoothly. We looked at costs for that cooperative in the
6 month previous of service and the month after and there was -- sorry. And there
7 was a significant reduction.

8 **COMMISSIONER CAMPBELL:** So there is going to be -- at first, y'all said it
9 was going to be a 20% reduction, that's what you were selling. Are we still on for
10 that?

11 **MR. HOBBS:** As we said, a couple of months ago, we went through an analysis.
12 At that time, we were still showing about 17%, and I want to remind the
13 Commission that that was all based on a 2026 look. This year, the transition year,
14 there's a lot of moving parts. So really won't be a normal operation until 2026, and
15 so that's the comparisons that we've been doing on rates.

16 **COMMISSIONER CAMPBELL:** So in 2026, we can expect a reduction? Your
17 folks.

18 **MR. HOBBS:** That is our --

19 **COMMISSIONER CAMPBELL:** How many co-ops are -- five? You have five?

20 **MR. HOBBS:** Five that will be taking all requirements power supply from us, yes.

21 **COMMISSIONER CAMPBELL:** Okay. All right. I don't have any other
22 questions.

23 **CHAIRMAN FRANCIS:** Who are the five co-ops you're representing?

1 **MR. HOBBS:** Claiborne Electric Cooperative, Beauregard Electric Cooperative,
2 Northeast Louisiana Electric Cooperative, South Louisiana Electric Cooperative,
3 and Washington-St. Tammany.

4 **COMMISSIONER CAMPBELL:** Concordia. Concordia's in it? No.

5 **MR. HOBBS:** No. Pointe Coupee is a transmission-only member.

6 **COMMISSIONER CAMPBELL:** Yeah. Okay.

7 **MR. HOBBS:** They're not buying power, they're taking transmission service.

8 **CHAIRMAN FRANCIS:** So you have a major footprint in Commissioner
9 Campbell's area?

10 **MR. HOBBS:** We do.

11 **CHAIRMAN FRANCIS:** Yeah.

12 **MR. HOBBS:** Spread all over the state, too.

13 **CHAIRMAN FRANCIS:** Yeah. All right. Yeah. In my area, too. Okay. Any
14 other questions? [NONE HEARD] And I'd like to make a motion we accept the
15 proposition by 1803 on Exhibit Number 7.

16 **COMMISSIONER CAMPBELL:** I'll second.

17 **CHAIRMAN FRANCIS:** Seconded by Commissioner Campbell. Is there any
18 discussion or objection? [NONE HEARD] Hearing none, 7 is in the books.

19 **MR. MARIONNEAUX:** Thank you.

20 **MS. BOWMAN:** Exhibit Number 8 is Docket Number S-37410. This is Dixie
21 Electric Membership Corporation's request for letter of non-opposition.

22 **CHAIRMAN FRANCIS:** Excuse me.

23 **MS. BOWMAN:** Yes, sir?

1 **CHAIRMAN FRANCIS:** Statement from Commissioner Coussan.

2 **COMMISSIONER COUSSAN:** Thank you, Mr. Chairman. Members, a brief
3 moment of personal privilege, I'd like to welcome someone to our meeting who
4 may not be able to stay the entire time. But many years ago, I befriended a young
5 legislator who was a leader on the floor and vigorously represented his constituents.
6 And following his tenure at the legislature, he was elected to become the parish
7 president of West Feliciana. So I just want to welcome Parish President Kenny
8 Havard to our meeting today. Thank you for coming, Kenny. It's good to see you.
9 Yes, sir.

10 **CHAIRMAN FRANCIS:** Stand up, Kenny. Let's see you.

11 **COMMISSIONER COUSSAN:** Stand up, Kenny. I was able to spend a little
12 time in West Feliciana in the hamlet of St. Francisville this weekend for the Tunica
13 Hills Music Festival. And it won't be secret for long, Kenny, but it was a nice and
14 pleasant experience and it was good to be up there in West Feliciana. Y'all have a
15 great thing going up there. Thank you.

16 **CHAIRMAN FRANCIS:** All right. Thank you, Commissioner Coussan. Ms.
17 Bowman?

18 **MS. BOWMAN:** Thank you. And so Exhibit Number 8, Docket S-37410. This
19 is DEMCO's request for a letter of non-opposition authorizing to secure a loan for
20 a four-year construction work plan and mortgage assets associated therewith. It's
21 a discussion and possible vote on a Staff report and recommendation. On October
22 22, 2024, DEMCO filed its request and notice of the request was filed in the
23 Commission's Official Bulletin with no interventions being received. DEMCO

1 sought to enter into a loan agreement valued at approximately \$236 million with
2 FFB for a 30-year term with a fixed interest rate to be determined at the time each
3 loan advance while the company works to enact its construction work plan. The
4 loan will be secured through mortgage of DEMCO's assets. On February 17, 2025,
5 Staff filed its report and recommendation into the record and concurred with
6 DEMCO's assertion that the request is in the public interest and will have no
7 immediate effect on rates and terms of service conditions for its members. Staff
8 further recommended that the Commission express its non-opposition to DEMCO's
9 request, subject to standard conditions associated with loan approvals. Staff
10 recommends that the Commission accept Staff's report and recommendation filed
11 into the record on February 17, 2025.

12 **VICE CHAIRMAN SKRMETTA:** Move to accept Staff recommendation.

13 **MS. BOWMAN:** It's a motion by --

14 **CHAIRMAN FRANCIS:** Is anybody here with DEMCO, like, to tell us what's
15 going on?

16 **VICE CHAIRMAN SKRMETTA:** And I move to accept.

17 **CHAIRMAN FRANCIS:** Okay. Commissioner Skrmetta moves to accept and
18 I'll second it. I'd just like to -- let's hear from DEMCO what's -- we're right here
19 in your neighborhood. What are y'all -- what are you doing with all this money?

20 **MS. KARA KANTROW:** Good afternoon. Kara Kantrow on behalf of DEMCO,
21 and I have Jeff Andry, chief strategy and regulatory officer.

22 **CHAIRMAN FRANCIS:** Commissioner Skrmetta.

23 **VICE CHAIRMAN SKRMETTA:** I don't have any questions for them.

1 **COMMISSIONER LEWIS:** I had some.

2 **CHAIRMAN FRANCIS:** Oh, I'm sorry. Commissioner Lewis.

3 **COMMISSIONER LEWIS:** No. Thank you, Mr. Chairman. First, I want to
4 commend you all for securing federal funds to improve system reliability. As you
5 know, I've been a big proponent of utilizing -- excuse me, federal programs and I
6 know there's a lot of layers of oversight. But you believe this will ultimately benefit
7 your members, correct?

8 **MS. KANTROW:** Yes.

9 **COMMISSIONER LEWIS:** So the only question I have is I'm looking at the
10 structure of the loan. It's correct that there's no immediate rate impact and anything
11 would be reviewed in your next FRP rate case; is that -- my understanding correct
12 on that?

13 **MS. KANTROW:** That's correct. Right. And the interest rate is determined upon
14 when they pull the money out.

15 **COMMISSIONER LEWIS:** Perfect. Great. Full support, but I just wanted to
16 make sure we clarified that and put that on the record.

17 **MR. JEFF ANDRY:** That's right, Commissioner. This is non-opposition to the
18 funding mechanism for the construction workplan, so it's a 30-year financing
19 instrument that we would drill down on over time to complete projects, so no
20 immediate rate impact.

21 **COMMISSIONER LEWIS:** Great. Let's just hope you get a good interest rate.

22 **MR. ANDRY:** If we drew it today, it would be 4.56%, so actually a little bit of a
23 discount 30-year treasuries.

1 **COMMISSIONER LEWIS:** Thank you. Thank you. Thank you, Mr. Chairman.

2 **MS. KANTROW:** Thank you.

3 **CHAIRMAN FRANCIS:** All right. Any other questions? [NONE HEARD]

4 Thank y'all for your attendance.

5 **MR. ANDRY:** Thank you.

6 **MS. KANTROW:** Thank you.

7 **CHAIRMAN FRANCIS:** All right. We've got a motion and a second.

8 **MS. BOWMAN:** Yes, sir.

9 **CHAIRMAN FRANCIS:** Is there any objection? [NONE HEARD] Hearing

10 none, Number 8 is in the books.

11 **MS. BOWMAN:** Exhibit Number 9 is Docket Number S-37461. This is

12 Brightspeed of Louisiana and Brightspeed of South Arkansas' request for a letter

13 of non-opposition to issuance of guarantees and pledge of assets as security in

14 connection with the refinancing agreement of its parent company, Connect Holding

15 II. Discussion and possible vote on a joint report and draft order. On December

16 10, 2024, the companies requested non-opposition to granting security interest in

17 their respective assets in connection with Connect Holding II's indirect parent,

18 adding the companies as guarantors of Connect Holding's secured debt. Notice of

19 the request was published in the Commission's Official Bulletin and no

20 interventions were filed. Pursuant to the Commission's 1994 General Order, the

21 company sought Commission approval to pledge their assets and issue guarantees

22 as security for financing obtained by their direct parent company. The financial

23 restructuring involves multiple debt facilities totaling approximately \$7 billion.

1 Upon review, Staff determined that the proposed security interest presents no
2 adverse impact on customers, competition, or service quality; there is no merger,
3 acquisition, or transfer of control involved; and the companies will continue to
4 operate as before. The financing does not involve a change in ownership or control
5 and Staff found no risk that would warrant denial of the proposal. Staff filed its
6 recommendation indicating such on March 5, 2025. Staff recommends that the
7 Commission express its non-opposition, subject to the conditions contained in
8 Staff's report and recommendation filed into the record on March 5, 2025.

9 **VICE CHAIRMAN SKRMETTA:** Motion to accept Staff recommendation.

10 **COMMISSIONER LEWIS:** I'll second.

11 **CHAIRMAN FRANCIS:** Commissioner Skrmetta moves to accept Staff
12 recommendation on Exhibit 9, seconded by Commissioner Lewis. Any objection
13 or discussion? [NONE HEARD] Hearing -- Number 9 is in the books.

14 **VICE CHAIRMAN SKRMETTA:** Kathryn, I have a detailed motion for you
15 from me on Exhibit 10. I've texted it to you, but I don't know if you already had
16 it.

17 **MS. BOWMAN:** No, I do have it. Yes, sir.

18 **VICE CHAIRMAN SKRMETTA:** Okay. All right. Thank you.

19 **MS. BOWMAN:** Exhibit Number 10 is Docket Number U-37143. This is Entergy
20 Louisiana's request for an exemption under the Commission's General Order dated
21 October 10, 2013, the Transmission Sitting Order, regarding the West Bank 230kV
22 Transmission Project. On March 22, 2024, Entergy filed the instant application in
23 accordance with the Commission's general order. The application was published

1 in the Commission's Official Bulletin and timely interventions were filed by
2 LEUG. On May 6, 2024, Commission Staff filed objection without prejudice and
3 LEUG filed a statement of objection. Notice of assignment was issued in May 14.
4 In the application, Entergy sought, consistent with the Commission's Transmission
5 Sitting Order, an exemption from certification with respect to the construction of
6 the portfolio of the transmission projects. On February 11, 2025, Entergy and Staff
7 filed a joint motion for the scheduling of hearing on uncontested stipulated
8 settlement agreement where Entergy and Staff supported and LEUG did not oppose
9 a settlement of this proceeding. The uncontested stipulated settlement agreement
10 resolves all issues in the docket and ultimately found that exemption did not apply,
11 but that certification was in the public interest. Staff recommends that the
12 Commission accept the uncontested stipulated settlement filed into the record on
13 February 11, 2025. And as indicated, I have a motion by Commissioner Skrmetta.

14 **VICE CHAIRMAN SKRMETTA:** Thank you.

15 **MS. BOWMAN:** He moves to approve the uncontested stipulated settlement,
16 which would approve a portfolio of projects referred to as the West Bank 230kV
17 Project, but he wants to provide context to the public for why the Commission is
18 approving this project today. Two days ago, President Trump and Governor
19 Landry, joined by the other Louisiana leaders and Hyundai Motor Group,
20 announced from the Oval Office that Hyundai Motor Group has made a
21 groundbreaking decision to invest \$5.8 billion in a new manufacturing facility in
22 Louisiana. This first of its kind site marks Hyundai's inaugural North American
23 steel facility, establishing a fully-integrated made in America supply chain to

1 support its automotive manufacturing operations across the United States. The
2 ultra-low carbon steel production plant will be located on approximately 1,700
3 acres in Donaldsonville anchoring the RiverPlex MegaPark on the west bank of the
4 Mississippi River. At approximately 1,700 acres, the RiverPlex is the largest
5 undeveloped track along the deep-water segment of the Mississippi River. Hyundai
6 Steel Company, which is a member of Hyundai Motor Group, is expected to create
7 more than 1,300 direct new jobs with an average salary of 95,000 jobs. With this
8 announcement and previously announced Meta investment, Louisiana is winning,
9 and winning big. I want to thank Governor Landry for his leadership in positioning
10 Louisiana for this moment. I also want to commend the Commission and my fellow
11 Commissioners for our part in preparing Louisiana. Projects like Hyundai Steel
12 would not be possible without the Commission's oversight and approval of
13 infrastructure projects like the West Bank 230kV Project. Not only does Louisiana
14 need transmission investment to attract projects like these, but we also need an
15 adequate supply of reliable and affordable generation. Through the integrated
16 resource planning process and our certification proceedings over the last decade,
17 Louisiana is able to offer reliable and affordable power that is attractive to
18 companies like Hyundai and others. In fact, the most recent Energy Information
19 Administration report indicated that Louisiana had the lowest industrial rates in the
20 nation, and I want to underscore it. This enormous Hyundai investment in our state
21 is a direct result of both proactive approach to investment in our electric grid and
22 also the competitiveness of our industrial rates. I'm ready to roll up my sleeves and
23 keep advancing the infrastructure needed to support Louisiana's economic

1 development opportunity, while ensuring cost stays affordable rates for all
2 residential, commercial, and industrial customers. And that ends the motion.

3 **CHAIRMAN FRANCIS:** Okay. Entergy people come forward and no gloating.
4 Okay. And you have a motion from Commissioner Skrmetta. Really appreciate
5 that motion and I'll second that. And I think we've got some questions, first from
6 Commissioner Lewis. And y'all announce who you are and everything.

7 **MR. HAND:** Good morning, again, Commissioners. Larry Hand on behalf of
8 Entergy Louisiana.

9 **CHAIRMAN FRANCIS:** Okay.

10 **MR. PHILLIP MAY:** And Phillip May, president, CEO of Entergy Louisiana.

11 **CHAIRMAN FRANCIS:** Thank y'all for coming. Okay. Commissioner Lewis?

12 **COMMISSIONER LEWIS:** Thank you. Thank you, Mr. Chairman. And thank
13 you, Larry. And just a few questions that I have for you. So my understanding is
14 that this project will serve new and expanded industrial loads as a part of a larger,
15 three-part Amite South transmission project; is that correct?

16 **MR. HAND:** That's correct.

17 **COMMISSIONER LEWIS:** And it was -- what was the level, like, of increase
18 that you were seeing or you were projecting in that area?

19 **MR. HAND:** In terms of load?

20 **COMMISSIONER LEWIS:** Yes, in terms of load.

21 **MR. HAND:** I can't speak to specific customers other than Hyundai Steel is
22 announced, right?

23 **COMMISSIONER LEWIS:** Right.

1 **MR. HAND:** So we're not going to talk about specific customers, but, you know,
2 as I think is well known, the west bank of the river in that area is largely
3 undeveloped. A lot of the current industrial complex is on the east bank. And so
4 that area has been identified for many years as being ripe for new industry and
5 we've been, you know, working through the transmission planning process. And
6 it's definitely, I would say, in the thousands -- not many thousands, but thousands
7 of megawatt scale is the opportunity that we are pursuing and preparing for on the
8 west bank of the river there. And Phillip is probably closer to the details, may have
9 a different sense of not only the scale of it, but also the different types of industries.
10 And I do want to say, you know, we had this announcement in Louisiana. We, you
11 know, Phillip and I, were in Gonzales for the announcement. Governor Landry and
12 other state leaders were in the Oval Office, so they kind of live-streamed it. We
13 did not get the invite, but we were super excited. And as excited as we are for the
14 state with the Meta announcement, we're equally excited about projects like this,
15 traditional industry, because the number of jobs, as was alluded to earlier, is just
16 phenomenal, and so it's a lot of permanent jobs. It is the [INAUDIBLE] of we love
17 the technology and the data center, doing it the right way. I think it's good for the
18 state, but we also, you know, want to make sure we don't ignore what got us here
19 today in terms of traditional industry. And I think a steel mill -- certainly a low-
20 carbon steel mill is just a great investment for the state, so we're super proud. But,
21 Phillip, I'll let you get into more details.

22 **MR. MAY:** Yeah. And specifically to your question, when we looked at the
23 enormous pipeline of interest in Louisiana, we looked at where could world-scale

1 projects locate. And frankly, there's very little space left in Louisiana that meets
2 certain criteria, like, you got to have deep water access, you have to have rail
3 availability, you have to have gas pipeline, workforce, an ability to train that
4 workforce, and of course, low-cost energy, both natural gas and electricity. And
5 because there's so much out there that's coming, and I've been doing this for 40
6 years, we've never seen anything like what is about to come to Louisiana. It's an
7 opportunity to change the economic trajectory of this state forever. But recognizing
8 that this is a space and talking about the pipeline that's coming, you know, you go
9 back 5, 10, and certainly longer than that, you probably had 1 or 2 large projects.
10 And you couldn't really bet on those because if one of them missed, you may have
11 not of gotten the thing you thought you were going to get. But it's the depth of the
12 companies that are interested, the diversity of the companies that are interested, the
13 size and the number of customers that are interested, that we felt that if we took
14 some proactive steps, these things would fall in line. Hyundai Steel can't build and
15 employ not just the 1,300 people that are going to be on that site every day, but the
16 5-time multiplier, that means more than 5,000 jobs. My understanding,
17 Donaldsonville has a average income around 24,000. An incredible impact for that
18 area, and by looking at that pipeline and understanding that yes, we may have a
19 bunch of these assigned at 30% or even 50%. But even -- because of the number
20 there, even if just a few of those hit, it's going to be an enormous impact for the
21 state of Louisiana. We went to Hyundai and visited Hyundai in their facilities twice
22 ahead of this announcement. We visited a research and development facility that
23 has this campus about the size of LSU of 14,000 employees working and thinking

1 about what that future looks like. This is the kind of company you want to get a
2 footprint in Louisiana. This is their first investment, this will not be their last
3 investment, and the kind of investment a company and partnership you want in the
4 state of Louisiana because they value the places where they work and live. And so
5 all of that to say that these proactive investments are helping change the outlook for
6 Louisiana and I know many of you heard this before, but I continue to now get calls
7 from folks who moved out of Louisiana and are now calling to say: I hear what's
8 going on there; tell me how -- what opportunities might be available for me; I'd like
9 to move back. That's what this is about and I think it's important that we recognize
10 the LPSC's critical role. You all have helped make this happen by having a
11 proactive vision and it's turning the state into a powerhouse around economic
12 development. And over the next three to five years, we can forever change the
13 economic trajectory of this state, improve the outcomes for our communities and
14 our citizens, and have a better quality of life for everyone. That's what this is about.
15 Thank you.

16 **COMMISSIONER LEWIS:** [INAUDIBLE] --

17 **CHAIRMAN FRANCIS:** Randy -- oh, I'm sorry. You still -- Okay.

18 **COMMISSIONER LEWIS:** Yeah.

19 **CHAIRMAN FRANCIS:** Go ahead.

20 **COMMISSIONER LEWIS:** No problem. Thank you. No, thank you so much
21 for that. I mean, as you know, I'm a big proponent of smart expansion and
22 hardening the grid. This is even better because it's in my district, so thank you for
23 coming to District III. Just one or two more questions that I had and then I'll pass

1 it off to my colleagues. Can you tell me what the rate or bill impact would be under
2 this proposal?

3 **MR. HAND:** Yeah. And, Commissioner, this project, this -- as you said, it is part
4 of a multi-phased transmission, you know, expansion -- load-serving expansion.
5 But this phase, the capital cost to be, you know, invested in it is roughly \$500
6 million. You know, it will -- like any infrastructure, it does have an impact on rate
7 base and it goes into rates. There's the retail rate, there's a wholesale rate, so it's a
8 complicated formula. And the number I'm about to give you does not take into
9 account the increased denominator in terms of sales and kind of the spreading of
10 that effect. So this is kind of a -- what I would call a, kind of, a gross number in
11 terms of it is what the rate base effect of it for a residential customer for ELL using
12 1,000 kilowatt-hours a month, it would be roughly \$1.50 per month.

13 **COMMISSIONER LEWIS:** \$1.50. Okay. And if I understand correctly that the
14 rate impact will not be as severe because some of the revenue collected from the
15 new customers. Can you explain that and do you have like an estimate for the net
16 effects on bills so we can kind of understand that portion of it?

17 **MR. HAND:** So I will explain it. I don't have an estimate and I'll explain --
18 hopefully explain why. But, you know, as we make these investments, whether it's
19 a generator or transmission, and they enable load growth, whether it's a Meta,
20 Hyundai Steel, the other industrials who are looking at that area, when you make
21 the investments to enable economic development, basically you increase the
22 kilowatt-hour, megawatt-hour sales, and you have a broader customer base and
23 more usage to spread the investment over. So if you're in a world where you had

1 to make investments to refresh a generator or build transmission and you had
2 declining sales or flat sales, that's the -- sometimes it happens. That is not the good
3 scenario because you have a -- you're incurring cost but not increasing sales.
4 Investments like these that enable additional sales and load growth have a
5 dampening effect or a mitigating effect on the actual rate increase. I can't tell you
6 what the mitigation will be without knowing exactly which and how many of these
7 loads materialize in the future. So I think if we were to look back in five years, we
8 can have that discussion and look who came or who's coming and do the math to
9 say: All right, we spent, you know, X million dollars to enable this; what's the
10 additional load it gave us and how did that work out for us? I hope that helps.

11 **COMMISSIONER LEWIS:** No. That definitely helps and, I mean, I think -- the
12 reason I was asking that question is because as we talk about these expansions and
13 economic developments, you know, there's concern at least some of my
14 constituents have raised about our -- how does this benefit me? Right. And so
15 that's why I wanted to say it seems like we don't want to get in a phase where
16 residential are subsidizing large industrial users, but the advancement and
17 hardening the grid is also important. So I guess the last question I'll have is can
18 you speak to that concern of how this line and this investment actually benefits all
19 of the customer class, not just a select few?

20 **MR. HAND:** Yeah, 100%. So as we -- as we, again, increase the industrial sales
21 associated with that corridor, yes, we are asking all of our customers across the state
22 to pay for it, but it is an investment in Louisiana's future. Those additional sales,
23 not only the direct sales -- and so we talked about direct and indirect jobs, you

1 know, when development happens, it's not just the steel mill. It's all of the other
2 industry that needs to support the steel mill. It's the car dealerships, it's the
3 housing. So the follow-on effect will, just like the Meta deal in north Louisiana,
4 this will revitalize. And I had the pleasure of, you know, seeing the Donaldsonville
5 mayor, energetic gentleman, and just so excited about the opportunity. Finally, he
6 is seeing for his part of the parish what he has seen across the river for many years.
7 And so just that economic impact, that stimulus for that part of the parish is I think
8 what all customers get from it. They will see not only the mitigating effect of the
9 increased industrial sales, but they will see the economic development, you know,
10 in terms of all the small businesses that will come up around this to support this
11 industry.

12 **COMMISSIONER LEWIS:** Thank you. Thank you. Thank you, Mr. Chairman.

13 **CHAIRMAN FRANCIS:** Randy, sit in the middle, in between these two guys,
14 please.

15 **MR. RANDY YOUNG:** Yes, Commissioner.

16 **CHAIRMAN FRANCIS:** Well, you didn't. You don't want to sit between them?
17 Okay.

18 **MR. YOUNG:** Mr. Hand likes his middle seat, so I'll leave him to it, but I'm glad
19 to answer any questions.

20 **CHAIRMAN FRANCIS:** I asked Randy to come up. Randy represents the
21 industrial side of this and this line is probably more for the support the industrial
22 family; isn't it? Isn't that true?

1 **MR. YOUNG:** Well, Commissioner, so as you know, we represent a group called
2 the Louisiana Energy Users Group, which is a group of existing industrials in
3 Louisiana. So our approach in this case was as a ratepayer, as a ratepayer being
4 asked to pay a lot of cost for this new project. And so I think Mr. Hand would tell
5 you that, if anything, I was a bit of a thorn in this process because I was very
6 persistent in pursuing questions to make sure we understood is this line really
7 needed, are the projects really real and coming, and so that we're not putting cost
8 on existing customers that are not unnecessary in terms of their need to serve the
9 load. And so we did ask all those questions and we made sure that we covered
10 those bases. And also made sure that as part of this settlement, that we kept open
11 the path, so we can continue to ask those questions and make sure that the loads are
12 real and the line is really needed. So we very much approached it as a -- from the
13 standpoint of existing customers being asked to pay for this and is it the right thing
14 to do, and at the end of the day, we believe that it was the right answer.

15 **CHAIRMAN FRANCIS:** Well, you know, the -- some of the people I represent
16 up in LaSalle Parish and then Commissioner Campbell on up all the way to
17 Arkansas, it's a long ways down to where this line is being built. It's a lot of money,
18 but there are also all the Entergy customers, the homeowners, who are going to help
19 pay for this along with industrial; is that right? Is it not true that about half of the
20 industrial load and electricity in Louisiana, about a half of the load is industrial and
21 about half is homeowners and all? Am I in the ballpark? Okay, so.

22 **MR. YOUNG:** That is correct, Commissioner.

1 **CHAIRMAN FRANCIS:** And this Commission approving this line, this money
2 spent, is equally -- more or less equally shared between industry and the
3 homeowners, right? Isn't that true?

4 **MR. YOUNG:** Yes, Commissioner. I can tell you, too, that there's, I mean, a lot
5 of existing customers that are very large customers that are being asked to pay for
6 this.

7 **CHAIRMAN FRANCIS:** Yeah.

8 **MR. YOUNG:** And their rate impact is going to be very significant for having to
9 pay for this. So they were very interested in making sure that this line is really
10 needed and we satisfied that in the process.

11 **CHAIRMAN FRANCIS:** You know, those -- I call them rednecks up there in
12 LaSalle Parish that we represent. A lot of them -- the business people say no risk,
13 no reward, you know. And this is another investment, another risk. I think the
14 reward is going to be tremendous for the industry and for the homeowners and for
15 the jobs, for the -- some of my friends' kids and grandkids up there in LaSalle
16 Parish, they made -- they may move down to that area like some of us did, you
17 know, to get employment, but. So I just wanted some of my friends in LaSalle
18 Parish to understand the total impact of this and I think it's good. But again,
19 Entergy, no gloating. Okay. All right. Anybody else?

20 **MR. MAY:** May I add something real quick?

21 **CHAIRMAN FRANCIS:** Okay.

22 **MR. MAY:** I do want to say thank you to Mr. Young. We have the benefit of
23 having a regulated system that provides certainty and stability and that is one of the

1 reasons why Louisiana is seeing 55% of the energy investment along the Gulf
2 Coast. The next up is 45% in Texas. The rest of the coast is rounding error. And
3 one of the reasons why a state that is six times larger in population than Louisiana,
4 in population, and we're winning, is because of the work that this Commission does
5 in ensuring we have stable certain rates, a Commission that is fair and reasonable,
6 and that's what's driving investment to this state. And the process that Mr. Young
7 participated in, ensuring and doing due diligence on these investments we make,
8 that is part of a regulated process that provides a fair and equitable outcome for
9 everyone and that's why we're winning in Louisiana.

10 **CHAIRMAN FRANCIS:** Are you saying, Mr. May, that three votes can help
11 make this happen in Louisiana? Is that true?

12 **MR. MAY:** I'm saying that what Louisiana has is an advantage and it's -- and what
13 -- a key reason why we're winning.

14 **VICE CHAIRMAN SKRMETTA:** Speaking of votes --

15 **CHAIRMAN FRANCIS:** I'm going to correct it, five votes. Okay.

16 **MR. HAND:** I think, Commissioner, I would say five votes is going to make this
17 win.

18 **CHAIRMAN FRANCIS:** Okay. Amen. Amen.

19 **VICE CHAIRMAN SKRMETTA:** Speaking of votes, move to vote.

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

21 **MS. BOWMAN:** We have a motion by Commissioner Skrmetta, and a second by
22 you, Chair.

23 **COMMISSIONER CAMPBELL:** Mr. May --

1 **CHAIRMAN FRANCIS:** Commissioner Lewis seconded?

2 **MS. BOWMAN:** No, you seconded it.

3 **CHAIRMAN FRANCIS:** Okay. I seconded it. All right. Is there any --

4 **COMMISSIONER CAMPBELL:** -- you just changed my mind.

5 **MS. BOWMAN:** Oh, wait.

6 **CHAIRMAN FRANCIS:** Okay. Is there any other discussion, any objection to

7 this? [NONE HEARD] Hearing none, Number 10 is in the books.

8 **MR. MAY:** Thank you.

9 **MS. BOWMAN:** Exhibit 11 is deferred, so we are moving to Exhibit Number 12,

10 which is Docket Number U-37208. This is Panola-Harris Electric Cooperative's

11 request for modifications to its base rates and standard terms and conditions. It's a

12 discussion and possible vote on an uncontested stipulated settlement. On May 15,

13 2024. Panola filed its request, and which was published in the Commission's

14 Official Bulletin with no interventions received. Following discovery on Panola's

15 application and accompanying testimony, Staff filed its recommendation on

16 November 11, 2024. Subsequently, Panola and Staff reached an agreement and

17 executed an uncontested stipulated settlement, which was filed into the record on

18 January 8, 2025. The major terms of the settlement are as follows: Panola-Harrison

19 is authorized to implement an increase in rates to achieve an additional

20 approximately \$4.2 million in base revenues as compared to the 2023 test year;

21 Panola is authorized to adjust all rate class fixed billing components as proposed in

22 the request, except for the residential customer charge, which is lowered from \$15

23 to \$12.50 per meter per month; and of the total increase, an amount of \$1 million

1 annually will be assigned to deferred liability account earmarked for capital
2 expenditures, which proceeds to be utilized for specific projects requested in
3 Panola's application. As there are no unresolved issues, Staff recommends that the
4 Commission approve the uncontested stipulation filed into the record on January 8,
5 2025.

6 **COMMISSIONER CAMPBELL:** Mr. Chairman.

7 **CHAIRMAN FRANCIS:** Commissioner Campbell.

8 **COMMISSIONER CAMPBELL:** Panola-Harris is a co-op --

9 **MS. BOWMAN:** Commissioner, can you use your mic?

10 **SECRETARY FREY:** Foster, [INAUDIBLE] mic down?

11 **COMMISSIONER CAMPBELL:** Panola-Harris is a cooperative in east Texas
12 and it serves a lot of northwest Louisiana. They do a fine job, so I'll recommend
13 that we accept Staff recommendation. I don't ever have any problems out of them.
14 Call them, they answer.

15 **MS. BOWMAN:** So that's a --

16 **CHAIRMAN FRANCIS:** I'm sorry.

17 **MS. BOWMAN:** -- motion by Commissioner Campbell to accept the uncontested
18 stipulated settlement.

19 **CHAIRMAN FRANCIS:** And I would second that. So there's a motion by
20 Commissioner Campbell, seconded by Chair. Is there any discussion or
21 opposition? [NONE HEARD] Hearing none, 12 is passed.

22 **COMMISSIONER CAMPBELL:** Thank you.

1 **MS. BOWMAN:** Exhibit Number 13 is Docket Number U-37209. This is South
2 Coast Gas Company's request for an interim operating revenue rider. It's a
3 discussion and possible vote on a motion for an amendment of that rider for the
4 South Coast Gas Company. On May 14, 2024, South Coast filed a request for an
5 interim operating revenue rider, which was ultimately approved by the Commission
6 in Order Number U-37209. On February 20 of this year, South Coast filed a motion
7 for amendment of that recovery rider. The motion was published in the
8 Commission's Official Bulletin with no interventions. Since the issuance of the
9 Commission order, South Coast lender, Capital One Bank, has demanded that
10 South Coast liquidate the short-term debt in full on or before November 15 of this
11 year, and make principle payments in the amount of approximately \$42,600 per
12 month. South Coast has been unable to secure alternative financing arrangements.
13 Therefore, to avoid default, South Coast has sought an additional \$952,000 through
14 this rider authorized by the Commission. Staff does not oppose South Coast's
15 request to amend the interim cost recovery rider in Commission Order Number U-
16 37209. Therefore, Staff recommends that the Commission accept that motion for
17 amendment of the interim cost recovery rider for South Coast Gas Company that
18 was filed into the record on February 20, 2025.

19 **CHAIRMAN FRANCIS:** And I'd make a motion that we accept it. And can I get
20 a second?

21 **COMMISSIONER LEWIS:** I'll second.

22 **CHAIRMAN FRANCIS:** And a second by Commissioner Lewis. Now, we got
23 a discussion.

1 **COMMISSIONER COUSSAN:** Kathryn, could you explain to me and the
2 Commission, what would be the impact should we not take this action and follow
3 the Staff's recommendation in this matter?

4 **MS. BOWMAN:** Commissioner, I'm going to either ask our Staff attorney or
5 auditor to answer that or I don't -- if they're not sure of the impact, I think they do
6 have a representative of South Coast here. They probably could answer the
7 question better.

8 **COMMISSIONER COUSSAN:** This issue is in my district, so I'm asking it on
9 behalf of the constituents --

10 **MS. BOWMAN:** Absolutely.

11 **COMMISSIONER COUSSAN:** -- who could possibly stand to lose their gas
12 service, see much higher rates as a result of a bank default over time. And so I'd
13 just like someone to testify to that effect, to the extent that we have someone here
14 to be able to do that.

15 **MS. BOWMAN:** I believe the best would be Mr. Young if he -- did he step out?

16 **SECRETARY FREY:** Well, and our Staff as well. And look, while Randy's
17 coming up I can say, you know, we have meetings on a regular basis as well with
18 Department of Energy and Natural Resources, and this is becoming an issue. I
19 mean, more money has got to be invested in these systems to keep them running.
20 And there is a -- and Randy can probably agree with this, there is that narrow delta,
21 I guess, of rates. Because if you go too high on gas, people just convert to
22 something else, whether it be propane or electric. So, you know, we have that in

1 mind when we're working with these gas companies. But yes, this investment has
2 to be made to the systems.

3 **COMMISSIONER COUSSAN:** Brandon -- Secretary Frey, you know, I think
4 your perspective is part of what I'm looking for. And so as a historic matter, what
5 has been the transition from some of these smaller companies? How have they
6 transitioned? How have they been able to invest? Or from a business decision
7 standpoint, you know, what has happened to a lot of the industry relative to the
8 capital costs that, you know, we're looking at from -- whether its inflation or just,
9 you know, older infrastructure? What have you seen over the time that you've been
10 here, over the last 20 years?

11 **SECRETARY FREY:** Twenty-five now, jeez. But no, it's obviously more
12 expensive to do anything. And we saw this -- we had a big settlement last year with
13 Atmos, who is a big company who has the financial wherewithal and we saw the
14 cost there for pipe replacement. It's not going to get any cheaper. And it's even
15 more of an issue for these smaller companies like Randy represents to have access
16 to that capital, so they need us working with them to ensure their companies
17 continue to operate. But we are seeing it -- the smaller ones, I mean, they're also
18 at risk of going out, and then the people lose -- to your point, they lose their supply
19 totally. And these systems are aging, so there are -- there is substantial work that
20 needs to be done. This is a pretty good -- well, it's not a pretty, it's a really well-
21 run company. I handled rate cases for them probably -- Randy, what was that?
22 About 20 years ago, we might have work on our first rate case together with this
23 company. It's a very well-run company. They used a lot of money out of their

1 pockets for years, if I remember right. A very close-knit family company. They're
2 only coming to us when they absolutely need something.

3 **COMMISSIONER COUSSAN:** Thank you. Mr. Young, do you want to add to
4 that?

5 **MR. YOUNG:** So, Commissioner, in terms of investment in the system, I guess
6 a couple things come to mind. One is that there is a Department of Natural
7 Resources requirement that the company go in and do some testing on its system
8 and so forth. And the Staff is monitoring those efforts and where the company
9 stands on those efforts as part of the rate stabilization plan, and we have to submit
10 an updated report on that every year. And so as the company goes through that
11 process, as they see the needs for capital investment, and we see those dollars
12 coming down the road, then they will be coming to y'all, I would suspect, to address
13 those issues as they arise. But they're not here yet in terms of the overall upgraded
14 system and what those needs may be. On the generator topic, as we've discussed
15 with you, so that's been something new that's developed in terms of a lot of people
16 installing home generators. And now, South Coast is up to about a third of their
17 customers that they know of that have generators. And so that creates a new
18 demand on the system. And it's not something they can just figure out every day
19 because they don't really understand what the impacts are until there's an electricity
20 outage, and all these generators turn on, and then there's a sudden draw on the
21 system. And so back during Hurricane Ida, the system performed very well, no
22 issues. During Hurricane Francine, there was a lot more generators and a lot more
23 issues that came up and complaints, and so they're working -- have hired an

1 engineer to work on that to identify what are the needs, what are the costs. And
2 they've done some projects and have more on the way. And as they see the need
3 for financial assistance to work through those issues, I'm sure they'll be coming to
4 the Commission.

5 **COMMISSIONER COUSSAN:** I don't want to see a local family-run company
6 go into default. And we think that would have catastrophic business consequences;
7 would you agree?

8 **MR. YOUNG:** Yes, Commissioner. And that's, you know, the topic that's on the
9 agenda today is about that specifically, and I'm glad to talk through that topic if
10 you'd like.

11 **COMMISSIONER COUSSAN:** Well, that's what I'm asking about.

12 **MR. YOUNG:** Yeah. Okay. All right. So on that topic in particular, let me give
13 you some -- the short answer on this or the short point about what this request is for
14 is that one of the company's creditors that holds the line of credit has requested that
15 they liquidate that line of credit by November. And so to do that, it's going to take
16 about \$950,000, and so what they're asking for is an amendment to their interim
17 rider to raise that \$950,000 over 6 months. And so it would be an adder to the bills
18 for six months, and then it would terminate and go away. But let me give you the
19 bigger, kind of, story on this, and I'll try to be brief. So historically, South Coast
20 has been a very low-cost, low-rate company, and they're very proud of that. But
21 what's happened in more recent years is they've had some cashflow challenges.
22 And why and where did that start? One of -- a big part of it has been just more
23 moderate weather, less cold days, so they're selling less gas. But some information

1 I have from the company is that they also got hit after Hurricane Ida with a reduced
2 number of customers. They lost about 850 customers after Hurricane Ida, including
3 sales from a hospital that shut down that was a significant commercial customer.
4 Over time, they've achieved about half of those customers back; now they're down
5 about 400 compared to where they were from Ida. But those reduced sales are
6 having an impact. And so when you look at just their sales, they were down 34%
7 after Hurricane Ida, and so it's a huge drop in sales. The next year, it bounced back,
8 it rebounded by about 7%, but they're still down. And so that's what's caused the
9 cashflow problems that they've had, and their line of credit went from running
10 about a half a million dollars per year just a few years ago to suddenly up to a
11 million and then it got up over two million. And so they needed a path to work
12 through that and figure out how do we get through this line of credit debt and pay
13 that down. And the rate stabilization plan does not provide that path, because it just
14 handles scheduled loans that are amortized over time. It doesn't address, beyond
15 the interest, how do you pay down the line of credit? So we came to the
16 Commission this past October and we worked with the Staff on a plan to approach
17 it in a increment. We said, okay, let's do an interim rider that will be \$2.50 a month
18 over 12 months that we'll pay down a third of that short-term debt, and then let
19 them try to refinance the rest of it over time. But what happened was they went to
20 this bank and this bank said no, we want 90% of that money plus we want you to
21 pay us off in full by November. And so now they're caught in that squeeze and
22 saying, okay, we need to work through this, otherwise, go into default. And so
23 that's why we had to come back to the Commissioner and say -- Commission and

1 say, can we put this additional amendment on the rider for six months to raise the
2 money to pay off that creditor? And that's the ask on the table.

3 **COMMISSIONER COUSSAN:** No, and I appreciate that explanation. I think
4 that's very thorough and understandable. And, you know, once the company gets
5 its balance sheet back in order, I think we all need to make an effort to find a new
6 bank and get one that, you know, is going to really work with Louisiana companies
7 facing the issues that we're seeing more often than not relative to the issues that
8 they've been facing with the cashflow and the storms and so on and so forth. So I
9 appreciate your testimony. That's all the questions I have.

10 **MR. YOUNG:** Thank you, Commissioner.

11 **CHAIRMAN FRANCIS:** There ain't nothing like a banker calling a business and
12 say I'm going to call in your loan. That's terrible news. And I think this is a cycle
13 caused by a lot, by the weather, and from what I've seen, I think you're going to
14 work out of it. And I agree with Commissioner Coussan. So maybe we'll help you
15 call the next bank and twist their arm, get a better banker to help you.

16 **MR. YOUNG:** Thank you, Commissioner. Appreciate it.

17 **CHAIRMAN FRANCIS:** Is there any other comments?

18 **COMMISSIONER LEWIS:** Just a few while I have Randy. Randy, thank you
19 for that history. Can you -- do you know if South Coast Gas will start pursuing
20 other financial options regardless of this vote?

21 **MR. YOUNG:** Yes, Commissioner. So they have worked with a new banker and
22 they have that in process, but what happened is a lot of their collateral's been tied
23 up with the bank that wants the liquidation. So once we can get through that, I think

1 it will assist that process tremendously. And I do want to add one more thing,
2 Commissioner. That South Coast -- and Mr. Frey mentioned, that they were, you
3 know, a very conservative run company and they always try to do this right thing.
4 This past year, on their own, realizing that, you know, they were in a difficult place
5 and wanting to not just be -- not have this one-sided, they went to their board or
6 their board decided several very significant steps in that they declared no stock
7 dividends in 2024, they reduced their board of director fees in half for the year.

8 **COMMISSIONER CAMPBELL:** How much are they making?

9 **MR. YOUNG:** They reduced it from 1,000 a month to 500 a month. And no cost
10 of living increases for salaried employees in 2024. They left a slight 3% increase
11 for the hourly workers. And no 401K contributions for 2024. So they've tightened
12 the belt on their side as well.

13 **COMMISSIONER LEWIS:** Thank you. And after this rider expires in
14 November, correct? That's the timeline? Do you believe South Coast will be
15 financially stable or do you think we will see any more emergency requests?

16 **MR. YOUNG:** I'm very hopeful, Commissioner, that this would get them through
17 this difficult challenge that they're in and that they'll be back on track by the end
18 of the year. I'm very optimistic about that.

19 **COMMISSIONER LEWIS:** Great. So is it -- and just so I'm sure, this is a 6
20 month increase that we will see about maybe just shy of 9 -- just over 8 and 50
21 cents, right? About 8.57. Is that --

22 **MR. YOUNG:** Yes, Commissioner. And the months are April through September.
23 So it's six months.

1 **COMMISSIONER LEWIS:** Okay. And what has South Coast -- what measures
2 will South Coast do to inform their customers about this?

3 **MR. YOUNG:** So there is a -- something that we coordinate with the Commission
4 Staff that we send out a notice card to the customers to let them know, so they're
5 fully apprised.

6 **COMMISSIONER LEWIS:** Okay. Great. Thank you, Mr. Chairman, that's all.

7 **CHAIRMAN FRANCIS:** Are the board members appointed, or are they
8 stockholders?

9 **MR. YOUNG:** That I'm not sure. I have some folks here from South Coast if you
10 would like to ask them that question.

11 **CHAIRMAN FRANCIS:** Well, no.

12 **MR. YOUNG:** I do not know, Commissioner.

13 **CHAIRMAN FRANCIS:** That's not -- no, I don't think you need to call them up.
14 Let me ask you one final question.

15 **MR. YOUNG:** Yes, sir.

16 **CHAIRMAN FRANCIS:** This area is subject to storms, hurricanes. Live in the
17 beautiful south Louisiana. So a lot of folks have generators, and there was a
18 demand on the line from the storm, and some peoples' generators wouldn't run.
19 You know, in the electricity business, we have a demand charge for those who have
20 -- sometime have a peak demand like this, but we don't have that on gas, so --
21 customers with gas. You think it's fair to have a demand charge on these peak
22 demands on gas? For those who need gas in these emergencies, get extra gas,

1 should they pay -- help pay for the expense of the gas line so we could supply the
2 demand? What's your opinion on that?

3 **MR. YOUNG:** So you have raised that question, Commissioner, and I have it on
4 the shortlist to take a look at. And the question, as I understood it from you, is that
5 if the folks with generators are increasing the need for infrastructure, then should
6 there be some charge on the bills for those folks that have the generators and -- to
7 account for that? And we're going to take a close look at that.

8 **CHAIRMAN FRANCIS:** Well, I have a gas generator at my home. I'd love to
9 pay a little extra and make sure I got the gas, you know, keep the lights on. And I
10 just can't see how my friends around Thibodaux that I know -- I know they would
11 love to kick in a couple extra bucks to make sure we got that gas line. So let's send
12 a message out there. Maybe Atmos and CenterPoint, all the others, would consider
13 the same to help keep building this infrastructure in Louisiana, just like the
14 transmission lines for electricity. Well, thank you.

15 **SECRETARY FREY:** And, Mr. Chairman, you did have a directive on that for
16 us to look into it, and we are looking into that issue of the increased impact on these
17 local distribution companies of standby generators, particularly, when --

18 **[FIRE ALARM SOUNDS]**

19 **SECRETARY FREY:** Hopefully that's a drill or they're working on it. But about
20 the impact on the systems, and particularly when there's no permits actually issued
21 to it, the companies like South Coast has no clue what's on there if there's not
22 permit being submitted. So we're trying to figure out a mechanism by which we
23 can identify that.

1 **CHAIRMAN FRANCIS:** That was the head guy, Secretary Frey. He said don't
2 worry about that.

3 **SECRETARY FREY:** Well, I'm just -- they usually tell us something. We'll
4 keep y'all posted. But if we do have to evacuate, we go straight across the street.

5 **CHAIRMAN FRANCIS:** Comedians are starving to death, you know. Okay.
6 Well, where we at? Do we have a --

7 **SECRETARY FREY:** We have a motion by you and second by Commissioner
8 Lewis.

9 **CHAIRMAN FRANCIS:** All right. Is there any objection?

10 **MS. BOWMAN:** Hey, hey. Guys, guys. We're still working.

11 **CHAIRMAN FRANCIS:** Thank you.

12 **MS. BOWMAN:** Sorry.

13 **CHAIRMAN FRANCIS:** Thank you. Is there any objection to this, or? [NONE
14 HEARD] Number 13 is passed.

15 **MS. BOWMAN:** So moving to Exhibit 14, while hopefully Brandon goes to see
16 if we need to leave. Docket Number U-37341 is Pointe Coupee Electric
17 Membership Corporation's application for an increase of base rates, including
18 request for interim rate relief, request for associated tariff modifications, and
19 request to establish a formula rate plan and emergency reserve fund. It's a
20 discussion and possible vote on an uncontested stipulated settlement. On July 30,
21 2024, Pointe Coupee filed its application, which was published in the
22 Commission's Official Bulletin, and no interventions were received. Following
23 discovery on the application -- are we all good?

1 **CHAIRMAN FRANCIS:** Yeah.

2 **MS. BOWMAN:** Okay. Thank you. Following discovery on the application, Staff
3 filed its report on January 9, 2025. And on January 27, 2025, Pointe Coupee,
4 excuse me, filed correspondence acknowledging receipt of Staff's report and
5 accepting it without objection. Pointe Coupee and Staff subsequently entered into
6 an uncontested stipulated settlement, which was filed into the record on February
7 18, 2025. The major terms of the settlement are as follows: Pointe Coupee is
8 authorized to implement an increase in rates to achieve an additional \$3.6 million
9 in base revenues as compared to the '23 test year; Pointe Coupee is authorized to
10 reestablish a formula rate plan with a 1.75 to 1.95 MDSC bandwidth, a reset to the
11 midpoint with a secondary revenue check of an OTIER of 1.25; and Pointe Coupee
12 is authorized to create an emergency reserve fund rider to collect an additional \$1.1
13 million over 3 years. Staff recommends that the Commission approve the
14 uncontested stipulated settlement filed into the record on February 18, 2025.

15 **COMMISSIONER CAMPBELL:** I'll make a motion.

16 **CHAIRMAN FRANCIS:** Commissioner Campbell makes a motion --

17 **COMMISSIONER COUSSAN:** And I'll second.

18 **CHAIRMAN FRANCIS:** -- to accept it. Seconded Commissioner Jean-Paul
19 Coussan. Is there any discussion or objection? [NONE HEARD] Hearing none,
20 it's in the books.

21 **COMMISSIONER CAMPBELL:** These people seem to be doing a good job.
22 Nice folks. Small co-op, but they're doing a good job. They take care of people
23 over there and I didn't mean to jump the gun on you, but anyway.

1 **CHAIRMAN FRANCIS:** Well, sometimes we jump into each other's area a little
2 bit, we don't mean no offensive. Did we recognize the new leader at Pointe
3 Coupee?

4 **MS. BOWMAN:** We haven't, but we absolutely can. Perfect timing.

5 **CHAIRMAN FRANCIS:** We can do it again. We did it already?

6 **SECRETARY FREY:** No, we did not.

7 **MS. BOWMAN:** No, no. We have not. But I think it's perfect timing.

8 **CHAIRMAN FRANCIS:** Really?

9 **SECRETARY FREY:** All right. Jennifer, you want to bring him up and
10 introduce?

11 **CHAIRMAN FRANCIS:** Man. Excuse us, I wasn't sure.

12 **MS. BOWMAN:** No. Yeah.

13 **SECRETARY FREY:** No. This would actually be the first opportunity 'cause last
14 month was Myron's last month, so.

15 **CHAIRMAN FRANCIS:** Well, good. I've got a star on my crown today, man.
16 All right.

17 **MS. JENNIFER VOSBURG:** Thank you, Commissioners. Jennifer Vosburg on
18 behalf of Pointe Coupee Electric, and it's my pleasure to introduce our new general
19 manager, Mr. Craig Magruder, who has been with the co-op for -- I don't know if
20 I'm allowed to say how many exact years, but a long time.

21 **COMMISSIONER CAMPBELL:** 200 years.

22 **MS. VOSBURG:** Craig, you want to introduce yourself?

1 **MR. CRAIG MAGRUDER:** Yes. Good morning, Commissioners. Craig
2 Magruder, Pointe Coupee Electric general manager, newly appointed. As Jennifer
3 said, I've been there for a little over 39 years and I have served in different
4 capacities. My last capacity was operations manager for the last 20 something years
5 and appreciated working with Myron Lambert, our past general manager and look
6 forward to working with y'all in the future.

7 **CHAIRMAN FRANCIS:** Well, you going to fill some big shoes. I don't know if
8 your foot is that big.

9 **MR. MAGRUDER:** Well, I hope my feet doesn't grow that big.

10 **CHAIRMAN FRANCIS:** If he was here, I'd have him come up and
11 [INAUDIBLE].

12 **COMMISSIONER LEWIS:** He's in the back. He's in the back.

13 **COMMISSIONER COUSSAN:** We already told him goodbye, so we're going to
14 welcome you today. But, Mr. Magruder -- Mr. Chairman, do you mind?

15 **CHAIRMAN FRANCIS:** Yeah. Go ahead.

16 **COMMISSIONER COUSSAN:** The company is very well liked across the
17 region, across the state, as we just recognized. And I want to recognize that it's in
18 the middle of my district and I've heard nothing but positive comments. The
19 company, with you involved obviously, 39 years, has been very forward-thinking,
20 economic-based, but takes care of its people and its membership. Can you
21 comment to what you see in the future? You'll stay on that same path, I assume?

22 **MR. MAGRUDER:** Exactly. You know, I'm a peoples' person. I love to work
23 with the customers of, you know, Pointe Coupee Electric, and making sure they

1 have good, safe, reliable, and affordable electricity. And so I think with our new
2 contract beginning April 1, it's going to prove to our membership that we are
3 working to, you know, make big strides of trying to reduce rates and, you know,
4 work hard to make sure we ensure reliability, especially with our new workplan
5 being approved. And we're waiting on some loan documents for that, you know,
6 in the future. So as soon as we get that, we'll be off and running, so.

7 **COMMISSIONER COUSSAN:** I'll say it anyway, welcome. Welcome to the
8 Commission --

9 **MR. MAGRUDER:** Thank you. Thank y'all.

10 **COMMISSIONER COUSSAN:** -- and we look forward to seeing you back here
11 again for all positive things.

12 **COMMISSIONER LEWIS:** And, Mr. Chairman, while you're at it, I want to also
13 welcome you and thank you. It was great to join you all in -- was it last week --
14 New Roads for the --

15 **MR. MAGRUDER:** Yes.

16 **COMMISSIONER LEWIS:** -- annual meeting. Commissioner Coussan, I did
17 not tell Representative LaCombe to text you. That wasn't me. He did it on his own
18 right. But looking over this, it's great to see the benefits of the new power supply
19 contract that will go into effect April 1 and the savings, and I'm looking forward to
20 kind of seeing how long you think we can last on that. And also, while I have you,
21 credit you all for the aggressive work that you've done going after federal funds.
22 I'm hopeful that the New ERA dollars still come through and we can continue to
23 make the necessary improvements. Unlike Commissioner Coussan, I only have a

1 sliver of your customer base, but I echo his sentiments. To my office's knowledge,
2 I don't think I've ever had anyone call me about Pointe Coupee Electric, so that's
3 kudos to the work that you do.

4 **MS. VOSBURG:** Thank you. And, Commissioner, an update on New ERA. We
5 saw a posting last night that they are actually going to release the New ERA funding
6 with some additional modifications, so we'll stay tuned --

7 **COMMISSIONER LEWIS:** Great.

8 **MS. VOSBURG:** -- but it looks like there's progress on that side.

9 **COMMISSIONER LEWIS:** Good to hear that. I'm looking forward to that group
10 chat about that.

11 **COMMISSIONER COUSSAN:** And I'll be in the district for a crawfish boil
12 competition April 27 over in New Roads, so hopefully you're there.

13 **MS. VOSBURG:** Yeah, we will be.

14 **CHAIRMAN FRANCIS:** Congratulations, again, and 15 is passed. All right.

15 **MS. VOSBURG:** Thank you.

16 **MR. MAGRUDER:** Thank you, Commissioners.

17 **MS. BOWMAN:** So in moving --

18 **SECRETARY FREY:** And before going there, look. we are getting conflicting
19 info as whether this is a test or real, so just be aware, we may have to evacuate at
20 some time. Colby, we have an update? Okay. So the sheriff is telling us this is a
21 test, but the system that's supposed to tell us it's a test is broken, so.

22 **[FIRE ALARM SOUNDS WITH MESSAGE TO DISREGARD]**

1 **SECRETARY FREY:** Right on queue. That’s usually the way it tells the test is
2 over. Thank you. I’d like to say I have that much control to get the answers on
3 cue, but I think that’s just irony.

4 **CHAIRMAN FRANCIS:** Okay. Sixteen?

5 **MS. BOWMAN:** Fifteen.

6 **CHAIRMAN FRANCIS:** Pardon?

7 **MS. BOWMAN:** Fifteen.

8 **CHAIRMAN FRANCIS:** Fifteen?

9 **MS. BOWMAN:** Yes, sir. So Exhibit Number 15 is Docket Number U-37345.
10 This is CenterPoint Energy Resources, CenterPoint Energy Entex. It’s a request
11 for renewal of a rate stabilization plan rider for an additional three-year term. It’s
12 a discussion and possible vote pursuant to Rule 57 on Staff’s report and
13 recommendation. So this will need two votes. On August 1, 2024, CenterPoint
14 Energy Entex filed an application with the Commission for renewal of its rate
15 stabilization plan rider for an additional three years. Notice of Entex’s application
16 was published in the Commission’s Official Bulletin and no interventions were
17 received. Entex’s RSP is initially authorized by Order Number U-26720 and has
18 been renewed over the years with the last renewal extending through the company’s
19 test year ending June 30, 2025. Entex’s current RSP allows the company to earn a
20 midpoint ROE of 9.95 and requires a resetting of rates in the event that the test
21 period earnings fall outside the prescribed bandwidth. After thoroughly reviewing
22 the company’s application and response to data requests, Staff filed its
23 recommendation on January 31, 2025, finding that Entex’s request to renew its RSP

1 for an additional three-year term is in the public interest, subject to certain
2 recommendations. On February 27, Entex filed its correspondence into the record
3 indicating it had no opposition. As there are no unresolved issues, Staff
4 recommends that the Commission: 1) Exercise its original and primary jurisdiction
5 under Rule 57; and 2) Approve the Staff report and recommendation filed into the
6 record on January 31, 2025.

7 **COMMISSIONER COUSSAN:** Mr. Chairman, I make a motion to exercise our
8 original and primary jurisdiction under Rule 57 to consider the Staff report and
9 recommendation.

10 **COMMISSIONER LEWIS:** I'll second.

11 **CHAIRMAN FRANCIS:** Move to 57 by Commissioner Coussan, seconded by
12 Commissioner Lewis. And I move that we accept it. Accept --

13 **COMMISSIONER COUSSAN:** I'll second.

14 **CHAIRMAN FRANCIS:** -- Exhibit Number 15, seconded by Commissioner
15 Coussan. Is there any discussion or objection? [NONE HEARD] Hearing none,
16 15 is in the books.

17 **MS. BOWMAN:** Exhibit Number 16 is Docket Number U-37346. This is
18 CenterPoint's other company, CenterPoint Energy Arkla. Also, its request to renew
19 its rate stabilization plan rider for an additional three years. And it's the same
20 discussion and possible vote pursuant to Rule 57 on Staff's report and
21 recommendation. On August 1, 2024, CenterPoint Arkla filed its application with
22 the Commission for approval of its rate stabilization plan for a three-year term.
23 Notice of the application was published in the Commission's Official Bulletin, but

1 no interventions were received. Arkla's RSP was initially authorized by Order
2 Number U-27676 and has been renewed over the years with the last renewal
3 extending the company's test year ending June 30, 2025. The current RSP allows
4 the company to earn a midpoint ROE of 9.95 and requires a resetting of rates in the
5 event that the test period fall outside the prescribed bandwidth. After reviewing the
6 company's application, Staff filed its recommendation on January 31, 2025, finding
7 that Arkla's request to renew its RSP for an additional three years is in the public
8 interest, certain to recommendation -- subject to certain recommendations. On
9 February 27, '25, Arkla filed correspondence indicating no opposition. As there
10 are no unresolved issues, Staff recommends that the Commission exercise its
11 original and primary jurisdiction under Rule 57; and then, approve the Staff report
12 and recommendation filed into the record on January 31, 2025.

13 **COMMISSIONER LEWIS:** Move to bring it up under Rule 57.

14 **CHAIRMAN FRANCIS:** Chair [INAUDIBLE] Rule 57.

15 **COMMISSIONER LEWIS:** Second.

16 **CHAIRMAN FRANCIS:** Seconded by Commissioner Lewis. Chair moves that
17 we accept the Staff recommendation on 16.

18 **COMMISSIONER COUSSAN:** I'll second.

19 **CHAIRMAN FRANCIS:** Seconded by Commissioner Coussan. Is there any
20 objection or discussion? [NONE HEARD] Hearing none, it's passed.

21 **MS. BOWMAN:** Exhibit Number 17 is Docket Number U-37385. This is
22 CenterPoint Energy Arkla's rate stabilization plan earnings and equity report for
23 the 12 months ending June 30, 2024. It's a discussion and possible vote on joint

1 report and draft order. Arkla filed its monitoring report on September 30, 2024,
2 and reported a ROE of 5.56%, which is below the allowed return. Additionally,
3 Arkla requested approval of its change in estimated useful lives of corporate assets
4 depreciation study. After Staff reviewed the RSP filings, supporting
5 documentation, and responses to data requests, Staff filed its report on January 27,
6 '25 recommending several adjustments. Due to these adjustments, Arkla's reported
7 ROE increased from 5.56 to 5.77%, which is still below the established bandwidth
8 and justifies a rate increase to the midpoint. As a result of the deficient earnings,
9 Staff recommended that Arkla be allowed to increase its rates to generate an
10 increase in revenue of approximately \$6.4 million, inclusive of TCJA reductions,
11 and adjusted for taxes. On March 12, Arkla filed correspondence into the record
12 indicating no opposition to Staff's recommendation, subject to a technical
13 amendment to Staff recommendation number 5. And as there are no unresolved
14 issues, Arkla and Staff submitted a joint report and draft order, filed into the record
15 on March 13, requesting that the Commission issue an order accepting the joint
16 report. Staff recommends that the Commission accept that joint report and issue
17 the draft order that was filed into the record on March 13, 2025.

18 **CHAIRMAN FRANCIS:** Commissioner Lewis has some questions about that?

19 **COMMISSIONER LEWIS:** Yes. Can I have a representative from CenterPoint
20 as well as Delta Utilities, if they're in the room, to the table? And, Mr. Chair, if it's
21 all right, I'm going to ask questions on Exhibit 18 as well because they're very
22 similar. And since these are the two --

23 **CHAIRMAN FRANCIS:** You've got 5 minutes.

1 **COMMISSIONER LEWIS:** Okay. Thank you.

2 **MR. JIM DICHARRY:** Jim Dicharry on behalf of CenterPoint Energy.

3 **MR. RYAN KING:** Ryan King, behalf of Delta Utilities.

4 **COMMISSIONER LEWIS:** Thank you, Jim. Just a few questions. I'm going to
5 start with Arkla, then I'll go to Entex, but since they're similar questions, I'm just
6 going to take them up, so we don't have to do it in Exhibit 18 as well. Can you tell
7 me what were the categories of main spending of the changes?

8 **MR. DICHARRY:** Sure. The biggest driver is a lot of infrastructure improvement
9 and resiliency improvement there. Pipe replacement programs from aging pipe,
10 from materials of pipe that we found problematic in the past. So going through that
11 with our risk program and identifying pipe that's in need of replacement. That's
12 the primary driver. Other drivers include public improvement, which for example,
13 Jimmie Davis Bridge in north Louisiana is under construction. That required us to
14 move pipe out of public right of way, so there was buckets of funds there that were
15 used and other infrastructure improvements throughout Louisiana we've seen that
16 requires us to move.

17 **COMMISSIONER LEWIS:** Oh, great. Thank you. And if I'm correct, the
18 residential impact is -- for both is around \$3 and some change --

19 **MR. DICHARRY:** That's correct. That's correct.

20 **COMMISSIONER LEWIS:** -- for each. Can you explain how this will work
21 within the acquisition of Delta Utilities and what's that timeline and how does this
22 work together?

1 **MR. DICHARRY:** Yeah, absolutely. So the closing with Delta occurs April 1,
2 and these will continue on with Delta. There's a term we've said a lot, it's Delta
3 will step in the shoes of CenterPoint, so it'll be a seamless transition into that
4 company.

5 **COMMISSIONER LEWIS:** Great. And to my understanding, is you --
6 CenterPoint will be still be working with Delta Utilities for some time; is that
7 correct?

8 **MR. DICHARRY:** That is correct. Under a transition service agreement,
9 CenterPoint will still be involved in certain areas. As far as the personnel in
10 Louisiana, those employees will travel to Delta. So the same individuals that work
11 on the ground with CenterPoint, will continue to work with Delta.

12 **COMMISSIONER LEWIS:** Great. So Delta and CenterPoint are going to be
13 talking through signal channels, right?

14 **MR. DICHARRY:** Absolutely.

15 **COMMISSIONER LEWIS:** Texting each other. All right. Great. Thank you,
16 Mr. Chairman.

17 **CHAIRMAN FRANCIS:** So, Jim, you're staying on the payroll?

18 **MR. DICHARRY:** That's correct.

19 **CHAIRMAN FRANCIS:** Okay. Let me ask you a hypothetical, you're changing
20 these lines out, are you changing it to the same size line with a different material?

21 **MR. DICHARRY:** Not always. Well, on the material types, we're using the latest
22 material types.

23 **CHAIRMAN FRANCIS:** Right.

1 **MR. DICHARRY:** It's a lot of plastic pipe, changing it over from the iron pipe.
2 As far as the size, we are using, in certain instances, larger diameter --

3 **CHAIRMAN FRANCIS:** Okay. That's what I wanted to know.

4 **MR. DICHARRY:** -- to increase pressure improvement.

5 **CHAIRMAN FRANCIS:** So you're able to use that money at your discretion on
6 if you need a larger line for growing, growth and --

7 **MR. DICHARRY:** Yeah. We'll do engineering studies to determine whether
8 there's a need for pressure improvement in certain areas. The topic of generators
9 came up. Do we see low pressure during extreme weather events? And we account
10 for that when we do our engineering studies.

11 **CHAIRMAN FRANCIS:** That's kind of written into your agreement for the line
12 expansion, so. Okay. Good. Well, we sure want you to look ahead to more gas,
13 more growth in Louisiana just like the electricity business. Gas is the industry you
14 should follow, you know. All right. Thank y'all.

15 **COMMISSIONER CAMPBELL:** I got a question.

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

17 **COMMISSIONER CAMPBELL:** What do you -- what's y'all prediction or what
18 do y'all think about the price of natural gas? I know you don't know it, its awfully
19 low, but how long is it going to be low? It's a lot of need for it now. There's new
20 wells being drilled everywhere in north Louisiana, wide open again. What about
21 the price on natural gas? I guess it's attractive enough to drill wells, but how long
22 could it stay down?

1 **MR. DICHARRY:** If I knew where the price of natural gas would be, I'd probably
2 be in a different business making a lot more money. You know, we're a purchaser
3 of gas, we don't trade gas. With that said --

4 **COMMISSIONER CAMPBELL:** How much is it today?

5 **MR. DICHARRY:** Henry Hub price -- I could not tell you, Commissioner. I
6 would -- someone in this room may be able to. I would say maybe perhaps in the
7 low threes. But with that said, I think we're optimistic about the future of natural
8 gas pricing staying low, and we're fortunate in Louisiana to be a very gas-rich state.
9 We're finding efficiencies in the exploration and production process to keep those
10 prices low. Not us, but others, and we are a beneficiary of that as we purchase low
11 price gas and pass those prices to the customer.

12 **SECRETARY FREY:** Henry Hub's 3.89 right now.

13 **COMMISSIONER CAMPBELL:** That's cheap. I bet --

14 **SECRETARY FREY:** It is.

15 **COMMISSIONER CAMPBELL:** That's good for people, but it's cheap.

16 **MR. DICHARRY:** Absolutely.

17 **SECRETARY FREY:** And you know, Foster, I've been doing some historical
18 dating on old transcripts. I'm not going to say why I'm doing that, but it might
19 have something to do with you and Commissioner Skrmetta being termed out. But
20 we had a discussion, and you remember this, when back in '03, where somebody
21 came to the table and gas was about six bucks. And he said it might be nine bucks
22 this fall, and he said it might also be three bucks. And I think you had a little
23 problem with that [INAUDIBLE]. I don't think we're going to see those swings

1 now, but I just want everybody to remember what kind of volatility we saw back in
2 the early 2000s.

3 **CHAIRMAN FRANCIS:** Well, Mr. Jim, so your company is -- likes that old
4 saying: Drill baby, drill; do they? Yeah.

5 **MR. DICHARRY:** Our customers certainly benefit from low gas prices, so we're
6 always looking for those lower numbers.

7 **CHAIRMAN FRANCIS:** All right. Okay. Anything else? We have a motion
8 yet?

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

10 **CHAIRMAN FRANCIS:** Okay. I'll make a motion, we accept this. Can I get a
11 second from somebody?

12 **COMMISSIONER LEWIS:** Second.

13 **COMMISSIONER COUSSAN:** I'll second -- yeah, go ahead.

14 **CHAIRMAN FRANCIS:** We got two seconds over here. We'll take Coussan.
15 Okay. So motion and a second. Any objection, or? [NONE HEARD] Well, thank
16 you two guys for coming up, and it's passed.

17 **MS. BOWMAN:** So Exhibit Number 18 is Docket Number U-37386. This is
18 CenterPoint's other company, it's CenterPoint Energy Entex for their rate
19 stabilization plan earnings and equity report for the 12 months ending June 30,
20 2024. It's a discussion and possible vote on a joint report and draft order. On
21 September 30, 2024, Entex filed its monitoring report, which reported a ROE of
22 5.96%, which is below the allowed return of 9.95. Additionally, Entex is requesting
23 approval of its change in estimated useful lives of corporate assets depreciation

1 study. After Staff's review of Entex's 2024 filings, supporting documentation, and
2 responses to data request, Staff filed its report on January 27, 2025, recommending
3 several adjustments. Due to those adjustments, Entex's reported ROE increased
4 from 5.56% to 6.14%, which is still below the established bandwidth and justifies
5 a rate increase. Staff recommended that Entex be allowed to increase its rates to
6 generate an increase in revenue of approximately \$5.58 million inclusive of TCJA
7 reductions. On March 12, 2025, Entex filed correspondence into the record
8 indicating that it had no objections to Staff's recommendation, subject to a technical
9 amendment to Staff recommendation 5. Therefore, as there were no unresolved
10 issues, a joint report and draft order was filed into the record on March 13, 2025.
11 Staff recommends that the Commission accept that joint report and issue the draft
12 order filed into the record on March 13, 2025.

13 **COMMISSIONER LEWIS:** Move to accept Staff's recommendation.

14 **CHAIRMAN FRANCIS:** Motion to accept Staff recommendation by
15 Commissioner Lewis. And I would second that, the Chair. Any discussion or
16 objection? [NONE HEARD] I see Paul Guarisco, Phelps Dunbar. You got any
17 comments on this, Paul? Anything to add? He's just waving his hand.

18 **MS. BOWMAN:** Paul, if you're going to talk, you got to come up here.

19 **SECRETARY FREY:** No, I think he waved.

20 **CHAIRMAN FRANCIS:** Okay. That's an okay wave. I've been to Morgan City,
21 I've seen his wave before. Okay. All right. That's -- 18 is in the books.

22 **MS. BOWMAN:** Sorry. Exhibit Number 19 is Docket Number U-37407. It's
23 SWEPCO's application for approval of a natural gas capacity purchase agreement.

1 It's a discussion and possible vote on an uncontested stipulated settlement. On
2 October 25, 2024, SWEPCO filed an application seeking Commission approval of
3 a five-year capacity purchase agreement with Tenaska Gateway Partners. The
4 agreement was intended to provide a portion of SWEPCO's needs from 2025 to
5 2029, as identified in its most recent IRP. SWEPCO seeks a finding that its
6 selection of the CPA meets the requirements of applicable Commission orders, and
7 the application was published in the Commission's Official Bulletin with no
8 interventions received. After discovery and filing of testimony, the parties began
9 settlement negotiations on February 12, 2025, and the parties filed an uncontested
10 stipulated settlement and a Rule 6 joint motion. A stipulation hearing was held in
11 front of the ALJ. And the major terms of the stipulation settlement are as follows:
12 Staff and SWEPCO agree that SWEPCO's application is in the public interest and
13 consistent with Commission general orders; that the agreement will provide
14 SWEPCO customers with natural gas capacity from a term of June 1, 2025 through
15 May 31, 2030; SWEPCO and Staff agree that the company's application complies
16 with the MBM Order and is reasonable and prudent cost option to meet SWEPCO's
17 resources adequacy needs. As there are no unresolved issues, Staff recommends
18 that the Commission approve the uncontested stipulated settlement filed into the
19 record on February 12, 2025.

20 **CHAIRMAN FRANCIS:** Okay. Anybody got a motion for this one? [NONE
21 HEARD] I'll make a motion we accept Staff recommendation.

22 **COMMISSIONER CAMPBELL:** I'll second.

23 **COMMISSIONER COUSSAN:** Second.

1 **CHAIRMAN FRANCIS:** Seconded by Commissioner Campbell. Any discussion
2 or objection? [NONE HEARD] Hearing none, it's passed. Number 20.

3 **MS. BOWMAN:** 20 is pulled, so we're moving to 21.

4 **COMMISSIONER CAMPBELL:** Which one are we on now?

5 **MS. BOWMAN:** Twenty-one.

6 **CHAIRMAN FRANCIS:** Twenty-one.

7 **COMMISSIONER CAMPBELL:** Thank you.

8 **MS. BOWMAN:** You're welcome. Exhibit 21 is Docket Number U-37479. This
9 is CLECO's application for authorization of phase one of its comprehensive
10 hardening plan and related rate recovery. It's a discussion and possible vote to
11 retain an outside consultant. Staff issued an RFP seeking that consultant to assist
12 in the company's request for approval and we received one qualifying bid. That
13 bid was from United Professionals Company of 130,000 in fees and 4,000 in
14 expenses, for a total budget not to exceed of \$134,000. Staff makes no
15 recommendation as the sole bidder is qualified.

16 **CHAIRMAN FRANCIS:** Make a motion that we accept UPC.

17 **COMMISSIONER LEWIS:** I'll second.

18 **CHAIRMAN FRANCIS:** Seconded by Commissioner Lewis. Is there any
19 discussion? [NONE HEARD] I want to add a comment here that --

20 **MS. BOWMAN:** Yes, sir.

21 **CHAIRMAN FRANCIS:** -- we've got UPC hired to watch some money, and
22 we've kind of all decided that we don't need somebody to watch them put in the

1 poles, so we're going to save that money on that jurisdiction. So thank everybody
2 for their coordination in the same way. So hearing no objection, it's passed.

3 **MS. BOWMAN:** Exhibit Number 22 is Docket Number U-37502. This is
4 SWEPCO's application for extension of its formula rate plan, service quality
5 improvement program, and request for interim increase in vegetation management.
6 It's a discussion and possible vote to retain United Professionals Company. At the
7 August 2024 B&E, UPC was retained to assist Staff in the investigative audit of
8 SWEPCO's service quality and vegetation management practices, including
9 historical spending. SWEPCO filed the instant docket on February 10, 2025, which
10 included a request to continue its service quality improvement plan and increase its
11 vegetation management budget. As UPC is currently assisting Staff with the review
12 of SWEPCO's vegetation management plan, including the company's request to
13 increase that annual spending amount, it was Staff's opinion that no formal RFP
14 was required. Based on Staff solicitation, UPC provided a proposal of 92,000 in
15 fees and 5,000 in expenses, for the review of SWEPCO's request for a continued
16 FRP and SQUIP renewal and also provided a proposed budget of 108,000 for the
17 three annual reviews of SWEPCO's FRP, or \$36,000 per annual review should it
18 be approved by the Commission. Staff recommends that the Commission retain
19 UPC for a budget of 197,000 in fees and 8,000 in expenses, for a total budget not
20 to exceed of \$205,000.

21 **CHAIRMAN FRANCIS:** Do we know when this will be completed? Is there a
22 timeline on it?

23 **MS. BOWMAN:** For the review of the formula rate plan?

1 **CHAIRMAN FRANCIS:** Yeah. So we can make a decision on this.

2 **COMMISSIONER CAMPBELL:** I'll make a motion.

3 **CHAIRMAN FRANCIS:** Is there any timeline on this yet?

4 **SECRETARY FREY:** Arvind, you want to hop in on that one?

5 **MR. ARVIND VISWANATHAN:** Commissioner, Arvind Viswanathan, on
6 behalf of Commission Staff. Commissioner, we haven't set a procedural schedule
7 in this docket yet. We do plan to set one very soon. As soon as this hire is complete.
8 I can't get you an exact date today, but hopefully in the next week or two, I can
9 follow up with you and your office and kind of give you what we anticipate a
10 Commission vote or what the date would be.

11 **CHAIRMAN FRANCIS:** Yeah. We got spring storms hitting now and we're
12 going to have hurricane season after that. Which I know hurricanes don't ever get
13 up into Commissioner Campbell's area, but nevertheless, we might get another
14 surprise. Okay. Is there a motion to accept this?

15 **MS. BOWMAN:** There was by Commissioner Campbell.

16 **CHAIRMAN FRANCIS:** Okay. A motion by Commissioner Campbell. I'll
17 second that. Is there any discussion, objection? [NONE HEARD] Hearing none,
18 it's passed.

19 **MS. BOWMAN:** Exhibit 23 and 24 are deferred, so we will be moving to Exhibit
20 25, which is our reports, resolutions, and ratifications. We do have one discussion
21 and possible vote to ratify interventions of the Commission in RTO-related or other
22 FERC-related proceedings this month. And due to the short deadlines allowed for
23 these interventions, if advanced Commission approval is not possible, the

1 Executive Secretary, on the recommendation of UPC or Stone Pigman, or on his
2 own determination, may authorize the initial interventions, comments or protests,
3 subject to ratification. Interventions were filed on the Commission's behalf in the
4 following proceedings: FERC Docket ER25-1147 and D.C. Circuit Docket
5 Numbers 25-1045 and 25-1066. Staff recommends that the Commission ratify
6 these actions.

7 **COMMISSIONER LEWIS:** Move to ratify.

8 **CHAIRMAN FRANCIS:** Move to ratify by --

9 **COMMISSIONER CAMPBELL:** I'll second.

10 **CHAIRMAN FRANCIS:** -- Commissioner Lewis, seconded by Commissioner
11 Campbell. Any objection? [NONE HEARD] Hearing none, it's ratified.

12 **MS. BOWMAN:** And that is the last agenda item so we'll entertain a motion to
13 adjourn.

14 **COMMISSIONER COUSSAN:** Move to adjourn.

15 **CHAIRMAN FRANCIS:** A move to adjourn by Commissioner Coussan,
16 seconded by Chairman. We're through.

17

18 **(WHEREUPON THE MEETING WAS ADJOURNED)**

19

1 I certify that the foregoing pages 1 through 84 are true and correct to the best
2 of my knowledge of the Open Session of the Business and Executive Meeting
3 held on March 26, 2025 in Baton Rouge, Louisiana.

4 *****

5 **Rough Draft prepared by:**

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7 **Key-Anna Freeman** **Date**
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9 Clarisa Findley **April 3, 2025**
10 **Clarisa Findley,** **Date**
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