

TRANSCRIPT OF THE LOUISIANA PUBLIC SERVICE COMMISSION BUSINESS AND EXECUTIVE OPEN SESSION HELD ON MARCH 27, 2024 IN BATON ROUGE, LOUISIANA. PRESENT WERE: CHAIRMAN MIKE FRANCIS, VICE CHAIRMAN DAVANTE LEWIS, COMMISSIONER ERIC SKRMETTA, COMMISSIONER FOSTER CAMPBELL, AND COMMISSIONER CRAIG GREENE.

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1 **TRANSCRIPT OF THE LOUISIANA PUBLIC SERVICE COMMISSION**
2 **BUSINESS AND EXECUTIVE OPEN SESSION HELD ON MARCH 27,**
3 **2024 IN BATON ROUGE, LOUISIANA. PRESENT WERE: CHAIRMAN**
4 **MIKE FRANCIS, VICE CHAIRMAN DAVANTE LEWIS,**
5 **COMMISSIONER ERIC SKRMETTA, COMMISSIONER FOSTER**
6 **CAMPBELL, AND COMMISSIONER CRAIG GREENE.**

7 **CHAIRMAN MIKE FRANCIS:** Call to order the March B&E meeting. Let's
8 all rise.

9 **[CHAIRMAN MIKE FRANCIS LEADS IN PRAYER]**

10 **[COMMISSIONER ERIC SKRMETTA LEADS IN THE PLEDGE]**

11 **CHAIRMAN FRANCIS:** Okay. Is that -- okay. That's on. Okay. We're going
12 to pause our announcements, and we have a resolution. And Kathryn or Mr.
13 Secretary.

14 **EXECUTIVE SECRETARY BRANDON FREY:** I've got it. Good morning,
15 Commissioners. As you all know, we lost a dear member of our PSC community
16 in Paul Zimmering, who was a mentor to many of us, myself included. Paul's wife,
17 Martha, is here with us.

18 **CHAIRMAN FRANCIS:** Martha, would you mind coming up front. Come up
19 and have a seat up front, Martha.

20 **COMMISSIONER ERIC SKRMETTA:** We made Paul sit there a few times.

21 **SECRETARY FREY:** But we've got a resolution honoring him, you all signed
22 it, we're going to have it framed, and I'd like to read the resolution for everyone.
23 This is Resolution Number 02-2024: Resolution to express condolences upon the

1 passing of Paul Lewis “Zeke” Zimmering and to further express gratitude for his
2 services to the Louisiana Public Service Commission. Whereas the members of the
3 Louisiana Public Service Commission and Staff were saddened to learn of the
4 passing of Paul Zimmering on March 4, 2024; and whereas Paul earned the juris
5 doctorate from Tulane Law School where he was a member of the Tulane Law
6 Review in 1976, and shortly thereafter embarked upon a nearly 47 year career with
7 the Stone Pigman Law Firm; and whereas Paul, as a member of the Stone Pigman
8 Law Firm, served as special counsel to the Louisiana Public Service Commission
9 for the majority of his professional career, representing the Commission both at the
10 state and federal level; and whereas Paul was an ever vigilant advocate for the
11 Commission in hundreds of dockets with his actions saving ratepayers of Louisiana
12 utilities billions of dollars; and whereas Paul was instrumental in his role as special
13 counsel and the drafting and passage of numerous LPSC rules and regulations that
14 to this day govern the practices of utilities in Louisiana; and whereas Paul was
15 always at the forefront of forward thinking and new ideas in utility regulation; and
16 whereas Paul had the unique ability to summarize the most complicated legal and
17 policy issues in terms anyone could understand on his famous cheat sheets; and
18 whereas Paul not only taught courses on energy law and regulation at Tulane Law
19 School, he likewise served as a professor to both LPSC Commissioners and Staff
20 over his many years of service, including allowing Staff members to audit his
21 classes; and whereas Paul essentially created a treatise on utility regulation that
22 served as an orientation manual for new LPSC Commissioners and Staff alike; and
23 whereas Paul gratefully and patiently served as mentor to countless persons

1 associated with utility regulation, embarking wisdom and knowledge through his
2 calm demeanor. Now, therefore, be it resolved that the Louisiana Public Service
3 Commission does hereby express its deepest sympathies and sincere condolences
4 to the family of Paul Lewis “Zeke” Zimmering and does hereby offer best wishes,
5 hopes, and prayers for comfort to those who mourn his passing. Be it further
6 resolved that the Louisiana Public Service Commission does hereby direct that the
7 Commission’s law library be named the Paul L. “Zeke” Zimmering Memorial Law
8 Library to forever honor his legacy of legal teaching at the Commission. Be it
9 further resolved that a suitable copy of this resolution be transmitted to Mr.
10 Zimmering’s family.

11 **CHAIRMAN FRANCIS:** Martha, we thank you. You know, I was under Zeke’s
12 tutelage for almost eight years, and it’s been a blessing. It’s a very complicated
13 business, and he was a very wise man. So from me to you, I really appreciate it.
14 You know, I candidly talked about Paul and I said up to this day, he’s my favorite
15 Jew. Okay. And we loved him and we miss him. So thank you for sharing him
16 with us.

17 **COMMISSIONER SKRMETTA:** I think Commissioner Campbell had
18 something he wanted to say.

19 **COMMISSIONER FOSTER CAMPBELL:** I told you earlier I had a son-in-law
20 that Paul taught at Tulane, a boy named Jack Casanova. And I asked him about
21 your husband. I said what did you think about Paul Zimmering? How nice, he
22 said, I never had a professor that is as nice as he was. He said I learned a lot, but
23 he was polite and he respected everybody. I said so what does that mean? A plus,

1 A plus. So that's from a student. And when I was a student, I don't know that I
2 gave many teachers a A plus, but he did. He said he was gentleman, he learned a
3 lot, and Paul was always nice. That's when I met with him. There's a lot to say
4 about humility. I don't have enough of it. It's the greatest thing a man or woman
5 can have is humility. You can be humble. That's a great thing. I wish I had a lot
6 more of it. Paul was humble. He was smart and humble. That's something you
7 don't always see. A lot of smart people wear it on their sleeves, and they tell you
8 how smart they are. He didn't have to do that, you knew it. So I'm sorry for him
9 and you, but one thing I loved about him, Paul was a loyal democrat and so am I,
10 so am I. And so I appreciate that.

11 **VICE CHAIRMAN DAVANTE LEWIS:** Chairman, I'll go.

12 **CHAIRMAN FRANCIS:** Okay.

13 **VICE CHAIRMAN LEWIS:** Mrs. Martha, I told you, as the newest
14 Commissioner, I probably spent a lot of time with him over this past year, and he
15 was always willing to take my calls as an eager freshman of the Commission. He
16 made me and my Staff binders and then was equally impressed when he learned
17 that we actually read those binders that he made. And my favorite memory of Zeke
18 was we were in Carencro at your meeting and he found out about my love of
19 hotdogs. And I received this package in the mail to my house, and I was like what
20 is this? And it said Zeke, so I assumed it was another binder. And it was a hotdog
21 shirt and I now have that hotdog shirt and he had a note in it. And so I'm going to
22 put that hotdog shirt in a frame and his note in my office and keep it, so every time
23 I do this work that I'm doing, I can think of him and his memory. And so my

1 condolences to you and your family, but as I was always taught just know that he
2 did his best, he passed his test, and now he is claiming his rest. We loved him.

3 **CHAIRMAN FRANCIS:** Commissioner Greene.

4 **COMMISSIONER CRAIG GREENE:** Mrs. Martha, I want to say thank you for
5 sharing your husband with us and with me. He was a mentor for sure, and what I
6 value the most about him is he seemed to be the smartest guy in the room and yet,
7 he would somehow make me think it was my idea when we arrived at it. So he was
8 truly a gentleman and a scholar and someone -- I'll think often what would Mr. Z
9 do? So thank you again for sharing him with us.

10 **COMMISSIONER SKRMETTA:** Martha, thank you for taking the time to come
11 up here today and learn about how everybody in this room felt about Paul, and it's
12 not just about the Commissioners. Probably as you walk through this room today,
13 you got to experience a whole new layer of folks that thought the world of Paul,
14 and, you know, for me, you know, it's been a great joy of my life for the last 15
15 years to work with all the attorneys and consultants in this room, but you know,
16 they're just going to have to bear the burden of understanding that they just weren't
17 that smart and to understand how smart Paul was. And, you know, it's really
18 interesting when you can, you know, be a -- well, a fellow alum of Tulane, you
19 know, and sit down and get right down to the real roots of issues with someone and
20 have him really educate you in a way that is meaningful and strong and helpful to
21 really understand the unbelievably complex issues that this place dwells in the
22 depths of. And Paul really had the knack and that's a hard thing to do. And, you
23 know, I see people in this room who are brilliant and they struggle to get past the

1 high level and get it to the point where, you know, we can really, you know, get a
2 feel for it. You know, I absolutely find myself thinking now about how to, you
3 know, get this down to the outline level that, you know, Paul would have done.
4 And so that's a lesson learned, and I think it's an important thing for all of us to
5 know is that Paul did not just tell us what to say, he taught us what to say. And so
6 what we find now is that the Commission is going to take his handbook, we are
7 going to expand on it, we are going to create a treatise, and it is going to carry his
8 name on it for the future. And we're going to find our way to do that through the
9 Commission, and we're going to find our way to do that through the State Energy
10 Bar Association. So I want you to know that he's going to have a long legacy for
11 that as well as the obvious case law. There's going to be educational components
12 for him in the future. And lastly, I just want to say thank you for sharing him with
13 us for all these years because we know he put in a lot of billable hours on the
14 Commission, and we appreciate that and we know you do, too. But thank you for
15 being here today, and, you know, we're here for you any time you need us, so thank
16 you.

17 **MRS. MARTHA ZIMMERING:** I would not have missed it for anything.

18 **COMMISSIONER SKRMETTA:** Hang on a second. He's going to turn that on.

19 **CHAIRMAN FRANCIS:** Turn that mic on. All right.

20 **MRS. ZIMMERING:** Thank you. I would not have missed this meeting for
21 anything. And all I can say is that Zeke really enjoyed working with all of you,
22 both professionally and personally. He did it for a long time and it really, really
23 was fulfilling to him, so I thank you all.

1 **CHAIRMAN FRANCIS:** Thank you for coming, Martha.

2 **COMMISSIONER GREENE:** Thank you, Martha.

3 **CHAIRMAN FRANCIS:** Appreciate it very much.

4 **MRS. ZIMMERING:** Thank you.

5 **CHAIRMAN FRANCIS:** Okay. We got announcements.

6 **VICE CHAIRMAN LEWIS:** I think we need to adopt the resolution.

7 **CHAIRMAN FRANCIS:** Okay.

8 **MS. KATHRYN BOWMAN:** I'm sorry?

9 **VICE CHAIRMAN LEWIS:** Do we -- we need to officially adopt the resolution.

10 I'll motion we adopt the resolution [INAUDIBLE].

11 **COMMISSIONER SKRMETTA:** Sure, absolutely.

12 **COMMISSIONER GREENE:** Second.

13 **CHAIRMAN FRANCIS:** Any objection to that? [NONE HEARD] And hearing

14 none, it's adopted. And announcements, start with Commissioner Campbell.

15 **COMMISSIONER CAMPBELL:** I wanted to say a little bit about Mr. Greene's

16 father, he passed away. Tom Greene passed away and his services are Friday, I

17 understand. But I served with Tom Greene eight years in the Senate. He beat a

18 good friend of mine that I had started with. Tom Greene never told anybody, but I

19 think it's right, I think he had a Doctor's degree in nuclear engineering; is that

20 correct?

21 **COMMISSIONER GREENE:** Master's, yes.

22 **COMMISSIONER CAMPBELL:** It was heavy. But anyway, he never told

23 people about that. He's a veterinarian. He was a humble guy. We've talked about

1 two humble people today. Maybe a little bit of it will wear off on me. I've heard
2 myself talk about it twice. But he was a great guy, got along with everybody.
3 Nobody had -- I don't think he had an enemy. I don't know. If he did, it wasn't in
4 the Senate. He was always very strong for what he believed in. A lot of times, I
5 would look up there and if he was really strong for something, even if everybody
6 was -- maybe a lot of people were voting another way, Tom Greene voted his
7 conscience. That's something that all politicians ought to try to follow. That's not
8 enough of that today. Too much today of people going one way and they don't
9 have the courage to stand up and follow their own conscience. And when you do
10 that, everything's always better. But I send my sympathies to you and your family,
11 your mother, your brothers and sisters. They're a big family, nice people. Tom
12 Greene was a gentleman and a nice, humble man. A very, very nice-looking guy.
13 I don't know if you ever knew Tom Greene. It was -- he was really handsome, a
14 handsome guy, and a big guy. He had every -- all the -- smart, big guy, handsome,
15 and humility, so it's real hard to put that on a person. He sat right next to another
16 guy in the Senate, sort of same kind of stature. This boy that's named on the
17 football field out there, Tommy Casanova. Tommy Casanova was from Crowley,
18 looked like a movie star, and he and Tom Greene sat right next to each other. So
19 they were both humble, nice people, and they were best friends. So anyway, Craig,
20 tell your mother and all your brothers and sisters that we're thinking about them.
21 Your daddy lived a great life. He helped a lot of people, and he didn't wear any of
22 his attributes on his sleeve. He didn't tell you how smart he was, any of that. So
23 that's great for everybody to think about today when politicians brag on themselves

1 and this, that, and the other. It's nice to see that some people can achieve things
2 without patting themselves on the back. So I'm really sorry to hear about his
3 passing. He was a gentleman and a man's man, a man's man. That's all I have to
4 say.

5 **COMMISSIONER GREENE:** Thank you very much. There's been a lot of death
6 recently. I had a younger partner of mine pass away unexpectedly, another
7 orthopedic surgeon about my age, and then my dad we had been expecting for a
8 while, but for something that's so ubiquitous if you're lucky enough to have a great
9 dad that he dies, it's still difficult. So I appreciate all of y'all's support. I thank
10 you for all the comments. You know, my dad taught me a lot, and part of what I
11 do in politics is because of what he did. We believe in citizen democracy, normal
12 people should serve in office. And when he finished the Senate, he went right back
13 to veterinary medicine. It was not who he was, it was what he did. I consider him
14 to be a servant and a statesman, and if you asked me what my political aspirations
15 are, they're to be the exact same. It's to be a servant of the people and a statesman.
16 And what I'm most appreciative of in, you know, 30 years later, in the heat of the
17 moment, people can attach issues and people and connect them. Even now, I've
18 accumulated enemies because we may disagree on an issue. But he was very good
19 at separating the issue from the person. And just like in our faith, you can love the
20 sinner and hate the sin, you could disagree on an issue and still break bread or be
21 nice and respectful. And I think he was really good at that, and I think Foster will
22 agree to that. That's something I aspire to as well, although I get tested by it at
23 times, especially during my re-election right now. But it was the death of a hero

1 and the baton has been passed and thank you for all your prayers and support.
2 Appreciate it.

3 **CHAIRMAN FRANCIS:** Okay. We have some other announcements? Well,
4 I've got one. Next month we'll be gathering together in the great lake of Toledo
5 Bend up at that old Cypress Bend, I believe that's --

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

7 **CHAIRMAN FRANCIS:** So we got to bring your golf clubs and your fishing
8 poles and bring your shorts and flipflops, it's going to be casual dress. We're going
9 to start at 10:00 instead of 9:00, so everybody have a chance to sleep a little bit late
10 and maybe get a quick round of golf before the meeting. So I'm really looking
11 forward to it. This is in my area. Actually, we're sneaking a little bit across the
12 line, we're over in Foster Campbell's area. Campbell and I have the privilege of
13 serving all the border of the Louisiana side of the lake. And it's a great place.
14 Remind you all there's some green electricity up there. We've got a generator on
15 the dam. It's about 60 megawatts or thereabouts, and so we're glad to have that
16 much green energy in Louisiana. So appreciate all of you -- seeing your smiling
17 faces up there. Any other announcements? [NONE HEARD] Seeing none, let's
18 go ahead, Ms. Kathryn, Exhibit 1 -- or 2 I meant.

19 **MS. BOWMAN:** Yes, sir. Exhibit Number 2 is Docket Number T-36975. It's
20 the Commission versus Fast Affordable College Student Movers on an alleged
21 violation of General Order dated July 12, 2013 for failure to provide a written
22 estimate prior to conducting moving services; General Order dated July 1, 2021 as
23 amended by exceeding rates as outlined in the company's tariff dated July 22, 2022,

1 while operating under Common Carrier Certificate Number 7823 allegedly having
2 occurred on or about June 28, 2023 through June 29, 2023; and advertising under a
3 name other than the carrier's legal and/or registered name pursuant to General
4 Order dated April 3, 2008 as amended. This is a discussion and possible vote
5 pursuant to Rule 57 on an affidavit and stipulation executed by the carrier so it will
6 need two votes. As a result of the complaint submitted to Transportation Staff, a
7 citation was issued to Fast Affordable College Student Movers on September 13,
8 2023. In response to the citation, the manager of the company executed an affidavit
9 and stipulation on behalf of the company admitting to violating all the violations in
10 the citation. And in that affidavit and stipulation, the carrier agreed to the
11 imposition of a \$10,000 fine and \$25 citation fee with \$6,000 being suspended
12 contingent on certain conditions in the affidavit and stipulation. Staff recommends
13 that the Commission: 1) Exercise its original and primary jurisdiction under Rule
14 57 to consider the affidavit and stipulation; and 2) Accept the affidavit and
15 stipulation executed on March 6, 2024 for fines and fees totaling \$4,025.

16 **CHAIRMAN FRANCIS:** Move to take this up under Rule 57, Exhibit Number
17 2.

18 **VICE CHAIRMAN LEWIS:** I'll second.

19 **CHAIRMAN FRANCIS:** Second from Commissioner Lewis. Make a motion
20 that we accept the Staff recommendation on Exhibit Number 2.

21 **VICE CHAIRMAN LEWIS:** I'll second.

22 **CHAIRMAN FRANCIS:** Second by Mr. Lewis. Is there discussion or objection?

23 [NONE HEARD] Number 2 is passed. Number 3.

1 **MS. BOWMAN:** Exhibit Number 3 is Docket Number T-37084. It's the
2 Commission versus Pack Dat & Geaux Movers. It's an alleged violation of
3 Louisiana Revised Statute 45:161 through 180.1, by engaging in activities related
4 to moving household goods prior to complying with the requirements of Revised
5 Statute 45:164 (E) and General Order dated March 16, 2021 and for failure to
6 comply with the requirements of General Order dated April 3, 2008 as amended.
7 It's a discussion and possible vote pursuant to Rule 57 on an affidavit and
8 stipulation executed by the carrier, so this will also need two votes. As a result of
9 the complaint submitted to Transportation Staff, a citation was issued to the
10 company on December 29, 2023, and in response to that citation, the operation
11 manager of the company executed an affidavit and stipulation on behalf of the
12 company admitting to violating all violations alleged in the citation. In the affidavit
13 and stipulation, the carrier agreed to the imposition of a \$1,000 fine and a \$25
14 citation fee with \$500 being suspended contingent on terms in the affidavit and
15 stipulation. Staff recommends that the Commission: 1) Exercise its original and
16 primary jurisdiction under Rule 57 to consider the affidavit; and 2) Accept the
17 affidavit and stipulation executed on February 23, 2024, for fines and fees totaling
18 \$525.

19 **CHAIRMAN FRANCIS:** Move that we take up Exhibit 3 under Rule 57.

20 **COMMISSIONER GREENE:** Second.

21 **CHAIRMAN FRANCIS:** Second by Commissioner Greene. I make a motion
22 that we accept the Staff recommendation on Exhibit Number 2 -- on Number 3.

23 **VICE CHAIRMAN LEWIS:** I'll second.

1 **CHAIRMAN FRANCIS:** Second by Commissioner Lewis. Any objections or
2 discussions? [NONE HEARD] Hearing none, Exhibit 3 is passed. Number 4.

3 **MS. BOWMAN:** Exhibit Number 4 is Docket Number S-37089. It's IM Telecom
4 doing business as Infiniti Mobile. It's a petition for their designation as an Eligible
5 Telecommunications Carrier within the state of Louisiana for the limited purpose
6 of offering wireless Lifeline services. It's a discussion and possible vote on Staff's
7 report and recommendation. On December 29, 2023, Infiniti Mobile sought the
8 Commission to designate them as an ETC, and their notice of the request was
9 published in the Commission's Official Bulletin, but no interventions were filed.
10 As set forth in the application, the company plans to offer all the supported services
11 required by the act through resale of another carrier's services. Infiniti has certified
12 that it will and has continued to comply with the 911 requirements at the state and
13 federal level. And the company has also provided Staff with a copy of the FCC's
14 approval of a compliance plan, and the company certifies that it's met the
15 requirements for a conditional forbearance from the facilities requirement as
16 evidenced by the FCC-approved compliance plan. Infiniti is a provider of
17 commercial mobile radio service and provides prepaid wireless telecommunication
18 services by consumers by using the underlying wireless networks of AT&T,
19 Verizon, and T-Mobile. Infiniti has been designated as a Lifeline only wireless
20 ETC in 11 states and is authorized by the FCC and the USAC to participate in the
21 Affordable Connectivity Program throughout the United States, including in
22 Louisiana. Pursuant to Section 214(e) of the act, state commissions are given the
23 authority to designate ETCs as common carriers and consistent with that authority

1 under federal law, the Commission issued its ETC General Order, which created a
2 list of public interest criteria to be applied on a case-specific basis to all requests
3 for ETC designation in areas served by rural telephone carriers. On March 6, 2024,
4 Staff filed its report and recommendation on the company's application wherein the
5 Staff found that the company had demonstrated, consistent with the requirements
6 of the act, applicable FCC regulations, and the ETC General Order, that it will make
7 available to its customers universal service offerings that provide all services
8 supported by the federal universal service fund. Staff also found that the
9 designation of the company as an ETC is in the public interest. Staff recommends
10 that the Commission accept the Staff report and recommendation filed into the
11 record on March 6, 2024.

12 **COMMISSIONER SKRMETTA:** Questions, Mr. Chairman.

13 **CHAIRMAN FRANCIS:** Is there a counsel or is someone representing this
14 company here?

15 **MS. BOWMAN:** I do not know if there's anyone representing the company here.

16 **COMMISSIONER SKRMETTA:** Do you know who is representing them?

17 **MR. PAUL RACHAL:** Commissioner, Paul Rachal on behalf of Commission
18 Staff. Mr. Lance Steinhart is a representative of the company. He's supposed to
19 be here today.

20 **COMMISSIONER SKRMETTA:** Okay. I'm going to ask that we move this till
21 April. I've not heard from them or by phone call or in person and I'd like them to
22 talk to me about it. Also, just as a housekeeping issue, for the future on the exhibit

1 sheets under, like, the consultant, could you also start listing who represents the
2 companies or represents the case?

3 **MS. BOWMAN:** Sure.

4 **COMMISSIONER SKRMETTA:** So we can just know in advance. But if it's
5 okay, I'd like to just move this till April and get somebody from the company or
6 representing the company or the company to contact the Commissioners. I don't
7 think they've talked to anybody.

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

9 **COMMISSIONER SKRMETTA:** All right.

10 **CHAIRMAN FRANCIS:** Okay. Commissioner Skrmetta recommends moving
11 Exhibit 4 to next month. Is there any objection or discussion about that? [NONE
12 HEARD] Hearing none, we'll so order to move it -- Number 4 to next month.
13 Exhibit 5.

14 **MS. BOWMAN:** Exhibit Number 5 is Docket Number U-36552. It's Claiborne
15 Electric Cooperative's application for approval of a formula rate plan and
16 modifications to base rates. It's a discussion and possible vote on an unopposed
17 motion to amend Commission Order Number U-36552. On October 12, 2022,
18 Claiborne filed its application seeking approval of formula rate plan and
19 modifications. And on February 19, 2024, the Commission issued its Order
20 Number U-36552, accepting joint partial stipulation and accepting the final
21 recommendation of the ALJ. Under Order Number U-36552, Claiborne was
22 authorized to implement the requested FRP with its first FRP annual report filing
23 due March 1, 2024. On March 1, 2024, Claiborne filed an unopposed motion for

1 extension of its rider deadlines and request for expedited consideration, requesting
2 that the deadlines for its first FRP annual report be extended by 30 days. And in
3 the motion, Claiborne indicated that it's requested the extension because the timing
4 of the issuance of Order Number U-36552 did not allow Claiborne the full amount
5 of time after conclusion of the test year and the filing date requirement of March 1st
6 to prepare an annual filing report. Staff recommends that the Commission grant
7 the motion and amend Order Number U-36552 by extending the deadlines relative
8 to Claiborne's first FRP annual filing.

9 **COMMISSIONER CAMPBELL:** This is basically a housekeeping
10 [INAUDIBLE].

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

12 **COMMISSIONER CAMPBELL:** And so I would make a motion that we accept
13 Staff recommendation.

14 **COMMISSIONER SKRMETTA:** Second.

15 **CHAIRMAN FRANCIS:** Staff suggested by Commissioner Campbell and
16 seconded by Commissioner Skrmetta. Is there any discussion or opposition?
17 [NONE HEARD] Hearing none, it's so ruled. Number 6.

18 **MS. BOWMAN:** Exhibit Number 6 is Docket Number U-36658. This is Atmos
19 Energy Corporation's application for renewal of a rate stabilization clause rider and
20 a motion granted to consolidate Dockets U-35937 and U-36658, keeping all in
21 within Docket Number U-36658. It's a discussion and possible vote pursuant to
22 Rule 57. And I believe all Commissioners would like to defer this a month as well
23 as upset the procedural schedule that is in the docket at this moment, but -- or pause

1 it. Yes. So there wouldn't -- the deadlines currently on the books right would no
2 longer be on the books.

3 **VICE CHAIRMAN LEWIS:** Let me ask the -- what is the justification for
4 suspending the procedural schedule?

5 **MS. BOWMAN:** I think --

6 **VICE CHAIRMAN LEWIS:** Or why are we --

7 **MS. BOWMAN:** So my appreciation is the hearing is at the end of April and
8 there's pre-filing deadlines before, you know, pre-hearing statements and briefs due
9 and it's just to allow the parties to --

10 **VICE CHAIRMAN LEWIS:** Prepare.

11 **MS. BOWMAN:** -- I guess, try to figure something out before then without having
12 to worry about the briefing deadlines as well.

13 **VICE CHAIRMAN LEWIS:** Got you. Got you. Thank you. And I appreciate
14 that and I will support this. I'm just going to say for the record, this process on
15 Exhibit 6 has extremely frustrated me. To attempt, in a way, to have us as a
16 company vote on a tariff that has been edited since -- was sent to me on Sunday
17 night and has constantly seen edits, I think is not in the justice of transparency and
18 for our ratepayers. So I am glad that we are moving towards the step of suspending
19 and deferring Exhibit 6, but I am deeply, deeply frustrated and disappointed that
20 we were even asked to do this by a company. I feel we have a procedural schedule
21 when there are contested matters, there is a process that we should use, and that is
22 an ALJ hearing. And I did not like at all what I have seen and what I have
23 witnessed. I have been up all night reading filings, testimony because we had no

1 ALJ hearing, we had no Staff recommendation. And I just wanted to say this on
2 the record, not only to Atmos, but to all companies, I do not appreciate that style of
3 business. That leaves a very bad taste in my mouth about what you care and how
4 you treat your ratepayers. Because this, to me, was an extreme disappointment to
5 see and to play the games that I saw, with I don't think was good faith negotiation,
6 which were scare tactics, which were delay tactics, and were bully tactics I think to
7 our Staff, I could not let not be on the record. The way Atmos treated our Staff is
8 unacceptable to me and I believe you deserve to give our Staff an apology for what
9 you have put them through over these last two weeks. And I'm not going to stand
10 for that and I hope you do not try this ever again. And this is a warning from me to
11 other utilities, do not ever try to do this because I think this is disrespectful to the
12 Commission, to the Commission Staff, but most importantly, disrespectful to the
13 people of Louisiana because there's no way I can make a good faith determination
14 about their rates when we are editing and changing documents up until the very
15 hour of a Commission meeting. And so I just could not let this exhibit get off the
16 agenda and not make those statements, Mr. Chairman. Thank you.

17 **CHAIRMAN FRANCIS:** Thank you, Commissioner Lewis. I express the same
18 feelings with a little less frustration, but, you know, I'm a little bit older and maybe
19 not any wiser than Lewis, but this is customary in a lot of -- especially over in the
20 legislature, but -- I'll take a cheap shot at them -- but this is the Public Service
21 Commission, there's five of us here. And don't bring these last hour deals to us
22 because it's not fair to our Staff and we've got to make decisions. I'm not a lawyer,
23 I'm not a CPA, I'm not a electrical engineer. I am a fluids engineer, but there's not

1 much fluid business here today. But it takes time so we're going to move this over
2 another 30 days. We've got to have a -- approve some sort of a little document for
3 timing schedule; is that right? Okay.

4 **MS. BOWMAN:** Well, I think we'll -- Staff and myself will work with Atmos to
5 try to clean up some of the, you know, the components that were last minute and
6 given to us and we'll try to have all of that resolved for the next agenda.

7 **CHAIRMAN FRANCIS:** Okay. Well, I want to reemphasize Mr. Lewis and
8 myself, don't bring these things up here in the last hour. We're going to -- we're
9 not going to do it. We're not going to ask the Staff to do it. So, Commissioner
10 Skrmetta, do you have something?

11 **COMMISSIONER SKRMETTA:** Are we going to be able to delay the ALJ
12 proceeding until we --

13 **MS. BOWMAN:** Oh, yes, sir. You stepped out of the room.

14 **COMMISSIONER SKRMETTA:** I'm sorry.

15 **SECRETARY FREY:** That's part of it, yes.

16 **MS. BOWMAN:** Yeah. We paused -- yes.

17 **COMMISSIONER SKRMETTA:** So that's part of this? Yeah, that's fine. As
18 long as we pause the ALJ --

19 **MS. BOWMAN:** Yes.

20 **COMMISSIONER SKRMETTA:** -- and then we can correct whatever these
21 issues are for April --

22 **MS. BOWMAN:** Yes.

23 **COMMISSIONER SKRMETTA:** -- that shouldn't be a problem then.

1 **CHAIRMAN FRANCIS:** So we're asking to delay ALJ. Is there any opposition
2 to that statement or that procedure? [NONE HEARD] Hearing none, it will be
3 delayed and we'll take this up again next month; is that right?

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

5 **CHAIRMAN FRANCIS:** Okay. Thank you. Okay. Moving on to the next
6 exhibit, what, Number 7?

7 **MS. BOWMAN:** Exhibit Number 7 is Docket Number U-36661. This is Jefferson
8 Davis Electric Cooperative's request for an exemption under the Commission's
9 General Order dated October 10, 2013, the Transmission Siting Order. It's a
10 discussion and possible vote on Staff's report and recommendation. On February
11 1, 2023, JDEC filed its request in accordance with the Commission's General
12 Order, and that request sought a determination that the construction of a 230 kV
13 transmission loop to rebuild transmission facilities lost and damaged as a result of
14 Hurricane Laura should be exempt from the certification requirements of the
15 Transmission Siting Order. Notice of this matter was published in the
16 Commission's Official Bulletin and timely requests for interventions were made by
17 Cameron LNG and Entergy Louisiana. Generally, the JDEC Project consists of
18 105 miles of overhead transmission line and then the project will tie-in to Entergy's
19 230 kV system at two separate points. The project also connects to JDEC's radial
20 transmission lines and eight distribution substations, which will step down the
21 transmission voltage to distribution voltage to serve JDEC's distribution system.
22 The Transmission Siting Order lays the groundwork for the Commission to exercise
23 its jurisdiction over the certification and siting of certain transmission facilities in

1 Louisiana to achieve the regulatory goal of promoting safe, reliable utility service
2 at the lowest reasonable rates. The Transmission Siting Order allows the
3 Commission to grant exemptions for good cause shown, and also, it enumerates
4 several specific exemptions. Staff reviewed JDEC's filing, the attachments thereto,
5 responses to informal data requests, as well as an affidavit from Michael Pugh dated
6 August 23, 2023, to determine if the project is exempt from the order. Additionally,
7 Michael Heinen, the CEO of JDEC, and Michael Dorris, JDEC's FEMA liaison,
8 testified at the Commission's January 2023 B&E, providing details regarding the
9 project. In the Commission's order -- in accordance with the Commission's order,
10 Staff filed its report and recommendation into the docket on March 8, 2024, wherein
11 Staff recommended that the JDEC project should be exempt from the Transmission
12 Siting Order for good cause shown due to extenuating circumstances surrounding
13 the need for the project. Specifically, that JDEC's customers are currently being
14 served through generator power; the construction of the JDEC Project will be fully
15 funded through a cost-share mechanism between FEMA and the Louisiana State
16 Office of Community Development. Staff also noted concerns regarding the
17 potential sale of the transmission assets to another entity or the change in control
18 of the assets in the future, as well as potential rate impacts if the state and federal
19 funding does not cover the entirety of the construction of the JDEC projects. As
20 such, Staff recommended a condition protecting the Commission's jurisdiction over
21 this issue, which would require JDEC to seek Commission approval before any
22 such sale/change could commence, as well as a reservation of rights to look at
23 ratepayer impacts in the next rate case. Both intervenors had no opposition to

1 Staff's recommendation. Staff recommends that the Commission accept Staff's
2 report and recommendation filed into the record on March 8, 2024.

3 **CHAIRMAN FRANCIS:** Is there someone here representing --

4 **MS. BOWMAN:** JDEC.

5 **CHAIRMAN FRANCIS:** -- JDEC?

6 **MS. BOWMAN:** Ms. Kantrow.

7 **CHAIRMAN FRANCIS:** Yeah. So we got JDEC and we got the Royal
8 Engineering, we got the head guy with JDEC here, attorney. We got a couple of
9 questions for you. Just announce who you are.

10 **MS. KARA KANTROW:** Good morning. I have Mike Heinen, CEO of Jeff
11 Davis. I also have Michael Pugh, owner of Royal Engineering.

12 **CHAIRMAN FRANCIS:** Royal Engineering and JDEC. Okay.

13 **MR. MIKE HEINEN:** Good morning.

14 **MS. KANTROW:** We are thankful. Thank you, guys, for considering this. We
15 are supportive of Staff's report and recommendation, and we're here to answer any
16 questions you all might have.

17 **CHAIRMAN FRANCIS:** Okay. I think Commissioner Skrmetta had some
18 questions for you.

19 **COMMISSIONER SKRMETTA:** I have a couple of questions. And it's really
20 about, sort of, the long game on this. So this is being paid for by FEMA and the
21 Louisiana Workforce Development?

22 **MS. KANTROW:** OCD.

23 **MR. MICHAEL PUGH:** No, not Workforce Development.

1 **COMMISSIONER SKRMETTA:** Okay. So who's paying for it other than
2 FEMA?

3 **MR. PUGH:** The state receives community development block grants.

4 **COMMISSIONER SKRMETTA:** So it's through a --

5 **MR. HEINEN:** CDB.

6 **COMMISSIONER SKRMETTA:** -- CDB.

7 **MR. PUGH:** Yeah, through the cost share program.

8 **COMMISSIONER SKRMETTA:** Okay.

9 **MR. PUGH:** A 10 percent cost share is paid by CDB.

10 **COMMISSIONER SKRMETTA:** What part of the state government pays that
11 money to you? Is it DOR or?

12 **MR. PUGH:** No. It goes through Office of Community Development.

13 **COMMISSIONER SKRMETTA:** Office of Community Development. Okay.
14 So my question is this -- not saying that any of this ever happens because sometimes
15 it does happen when co-ops get sold, okay. So I understand that co-ops function as
16 nonprofits, right?

17 **MR. HEINEN:** Not for profit.

18 **COMMISSIONER SKRMETTA:** Not for profits.

19 **MR. HEINEN:** Right.

20 **COMMISSIONER SKRMETTA:** Well, same thing in the Louisiana guise. But
21 I don't look at it that way. Okay. I look at it as being, they may not be investor-
22 owned utilities but they're member-owned utilities. But that's a personal way of
23 looking at it. It's not a legal way of looking at it. But if you were to sell your co-

1 op to someone else and you got the money, you would divide that money amongst
2 your members, correct, or amongst your meters, correct? Like what we did with
3 Valley Electric. Valley divided the money amongst its meters.

4 **MR. HEINEN:** If there was something along those lines, I would assume we'd be
5 -- as it was done in the past with other co-ops.

6 **COMMISSIONER SKRMETTA:** Right. So you would -- that money would not
7 be going anywhere other than to the members, divided about in whatever
8 proportions. So my question is this: If you're getting the money from the federal
9 government and the state government through a federal grant and you were to sell
10 the co-op in the future, would you be returning the portion for the construction of
11 this transmission line to FEMA and to the Office of Community Development
12 carved out as they paid for this or would you be treating it as a gift to JDEC and
13 you would be delivering that money to the members if there was a sale?

14 **MR. HEINEN:** I am not an expert in how all of that works, but I will tell you this:
15 We had a office that was destroyed during one of the hurricanes, Rita, Laura -- not
16 Laura, but either Rita or Ike. We had that office rebuilt in a different location
17 instead of on the coast of Cameron. And once that office was finished and we
18 finished all the paperwork, that office now belongs to the Jeff Davis Electric Co-op
19 members. And if we should sell or the co-op should sell, that office would be a
20 part of that and go to the membership.

21 **COMMISSIONER SKRMETTA:** How much did that office cost?

22 **MR. HEINEN:** Oh, I'd be lying if I told you. I really --

23 **COMMISSIONER SKRMETTA:** Just rough guess.

1 **MR. HEINEN:** Millions.

2 **COMMISSIONER SKRMETTA:** Okay. How much is this transmission line
3 going to cost?

4 **MR. HEINEN:** Two hundred and --

5 **MR. PUGH:** A total of roughly 370 million.

6 **COMMISSIONER SKRMETTA:** 370 million?

7 **MR. HEINEN:** Yeah.

8 **COMMISSIONER SKRMETTA:** How many members do y'all have in your co-
9 op?

10 **MR. HEINEN:** Roughly 11,000 meters.

11 **COMMISSIONER SKRMETTA:** Eleven thousand meters. Foster, you're a
12 math teacher. What's 370 million divided by 11,000? What I'm saying is that
13 that's taxpayer money.

14 **MR. HEINEN:** That's correct.

15 **COMMISSIONER SKRMETTA:** And so my question is: Is how the
16 Commission looks at should that money be returned to the federal government on
17 such a magnitude spend or are you -- if this is going to be something that under
18 Commission rule that can be allocated to the co-op members? And that's my only
19 concern about this.

20 **COMMISSIONER CAMPBELL:** Mic.

21 **COMMISSIONER SKRMETTA:** Yes, sir.

22 **CHAIRMAN FRANCIS:** Wait a minute. Okay.

1 **COMMISSIONER CAMPBELL:** Go ahead. Go ahead. I just want to ask a
2 question.

3 **COMMISSIONER SKRMETTA:** Yeah. That's my only concern about this is
4 when we go into these large FEMA -- and this is about the transmission line, right?

5 **MR. HEINEN:** That is correct.

6 **COMMISSIONER SKRMETTA:** So this is something that's a little bit different
7 than anything else, okay. This is about how we look at, fundamentally, a question
8 of enrichment. It's a question of who is deserving of the ownership of this line, you
9 know. I don't mind y'all using it, getting advantage of it and all this, but down the
10 road it's a question mark of is this something taking from taxpayers to benefit a few
11 versus getting the money back to put the money up for it. So it's my only concern,
12 so that's it.

13 **CHAIRMAN FRANCIS:** Okay. Commissioner Campbell. Commissioner
14 Campbell.

15 **COMMISSIONER CAMPBELL:** Yeah. What you call capital credits is what
16 you're looking for. Co-ops have capital credits. That's the money owned to the --
17 owed to the membership.

18 **MR. HEINEN:** Correct.

19 **COMMISSIONER CAMPBELL:** Well, what happened in Valley Electric when
20 SWEPCO bought it, they had to give the capital credits back to the people. So they
21 found out who were there since the 20s and they did their best to give it back. If
22 the government helped you build back your system by 300-and-something million,
23 the government doesn't own the co-op, they own the co-op. So it might look a little

1 bit unfair, but the government's bailed out a lot of people and they don't always
2 pay them back. And what would happen if you sold this co-op, whoever bought
3 the co-op, the capital credits wouldn't go with it. You'd have to pay them off, the
4 people who own the co-op. So the government came in, in a disaster and rebuilt
5 this, which they had to because the people couldn't afford it. So that's what would
6 happen, you sold it. I don't -- it's not for sale?

7 **MR. HEINEN:** No.

8 **COMMISSIONER CAMPBELL:** And if it is for sale, the membership would
9 have to vote on it to sell it, wouldn't they, Brandon?

10 **MR. HEINEN:** Yes.

11 **MS. KANTROW:** Yes.

12 **COMMISSIONER CAMPBELL:** That's what we -- you know. So it's a big
13 ordeal.

14 **MR. HEINEN:** Yes, sir.

15 **COMMISSIONER CAMPBELL:** The membership would have to vote to sell it
16 and you'd have to find somebody to buy it, but they'd sell everything they had that
17 made the co-op run, but the capital credits would not go.

18 **MR. HEINEN:** The money for the capital credits goes to the membership.

19 **COMMISSIONER CAMPBELL:** Belong to the membership. Right.

20 **MR. HEINEN:** The whole cooperative, in essence, belongs to the membership.

21 **COMMISSIONER CAMPBELL:** We had millions of dollars. I don't know how
22 much it was. SWEPCO when they bought Valley, we had millions of dollars that
23 went back to the people. And then we searched and searched and searched and then

1 finally we couldn't find any more people, so they had a big pile of money left and
2 they gave it to Northwestern because Northwestern was right in the middle of their
3 area and it was a college that helped a lot of people, so nobody got to keep it. It
4 went to Northwestern and under -- they gave scholarships for people who were
5 members of Valley Rural Electric, their children. Like a lot of government
6 programs, the government comes in at time of disaster, they help us out and they
7 don't own the co-op, the people own the co-op.

8 **MR. HEINEN:** That's correct.

9 **SECRETARY FREY:** And for everyone's benefit, what Commissioner
10 Campbell's talking about, that was actually Zimmering's brain child, working with
11 Commissioner Campbell to come up with the method to do that, so just another one
12 of Paul's legacies.

13 **COMMISSIONER SKRMETTA:** Yeah. I'm aware. You know, my concerns
14 are -- it's pretty simple, like if an investor-owned utility has like -- because the --
15 replacing this transmission line for JDEC is because of the storm, right?

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

17 **COMMISSIONER SKRMETTA:** Right. So if we're replacing transmission
18 lines for an investor-owned utility, that comes out of storm costs that our ratepayers
19 are paying, right? The federal government is not paying that. So, you know, that's
20 a whole different story, right? You know, so we're doing a different thing for
21 investor-owned utilities than we're doing for member-owned utilities. Because
22 Foster -- Commissioner Campbell just stated it, that the members own your co-op,
23 right?

1 **MR. HEINEN:** Correct.

2 **COMMISSIONER SKRMETTA:** And it is not a not-for-profit corporation.

3 Okay. Because not-for-profit corporations aren't owned by anybody. In fact, under

4 Louisiana law, when they are sold, they have successor nonprofit -- not-for-profits

5 that are designated in their articles of incorporation that get all the money. So when

6 you form them, you nominate a successor nonprofit. Many of them name the

7 American Cancer Society, the American Red Cross, someone like that, or a

8 university to take all the money. Okay. So this concept that, you know, co-ops are

9 not for profit, it doesn't jive with me because the money does get divided up

10 amongst the members, which I'm fine with if we treat everybody the same. But my

11 concerns about this are, we definitely are creating two different classes of

12 ratepayers between the members of a co-op and the customers of an investor-owned

13 utility because they're getting treated differently by the federal government. And I

14 don't like the idea of we're treating them differently from the state government on

15 how we look at this element of money coming from the federal government being

16 potentially divided amongst the, you know, the cooperative and especially when

17 we're getting into transmission lines. And what if you've got the federal

18 government to build you a power plant for a billion dollars? You know, it starts

19 getting to a question mark of fundamental fairness and equality amongst how we

20 treat all the ratepayers in the state, so just wanted to bring this up, more of a topic

21 of discussion. I know you're going to build it. I'm supportive of you building it,

22 but I do think that this is a -- it's a question of equity that we need to look at on how

23 we're going to treat the people who are actually funding these things and how we're

1 going to look at the ultimate resolution of these things when they do -- because
2 eventually sometimes co-ops do get sold, sometimes they don't, sometimes they
3 are, but it's a question of, you know, how the, you know, taxpayers, how the
4 ratepayers all get treated in the end. So I wanted to bring that up more for, you
5 know, thought process than anything else, but I'll go ahead and make a motion to
6 accept the Staff recommendation on this.

7 **CHAIRMAN FRANCIS:** Okay. I've got a -- Commissioner Lewis got a question.
8 I'm sorry. Commissioner Greene has a question.

9 **COMMISSIONER GREENE:** I have a question. Mr. Pugh, so what's important
10 to me are three things: Resiliency, transparency, and accountability. So what is
11 the wind rating of the current -- the new build compared to the old?

12 **MR. PUGH:** Well, the new build is the design standard, which FEMA would pay
13 for, is what's called the storm of record. And if the storm of record exceeds current
14 code, you could design to a higher standard. In this case, Laura was the storm of
15 record so the system that's getting built right now is designed to a 160 mile an hour
16 wind rating, which is higher than current code.

17 **COMMISSIONER GREENE:** And it's my understanding if it fails under that
18 wind rating, that FEMA will then repair it on their dime; is that right?

19 **MR. PUGH:** That's correct. Correct.

20 **COMMISSIONER GREENE:** And then are y'all overseeing the, you know, the
21 transparency and accountability? Can you attest to that it's being done properly
22 and on budget?

1 **MR. PUGH:** Right. So part of the grant process is -- and just to put it in simplistic
2 terms is, you know, we have to document ad nauseam to FEMA of this is what the
3 system looked like before, this is what it looked like immediately after the storm,
4 and this is what it looks like now, how much it costs from a specific to every GPS
5 location of each pole and how it's affecting the turtles and the water and the snails.
6 So if you want transparency and documentation, I can bury you in it.

7 **COMMISSIONER GREENE:** Okay.

8 **MR. PUGH:** And it's part of the grant process, right. It's --

9 **COMMISSIONER GREENE:** Sure.

10 **MR. PUGH:** This is what we do for a living every day not just for co-op --

11 **COMMISSIONER GREENE:** Well, then that's kind of -- I kind of like to hear
12 that because I want to know that what's being built is what was needed to be built
13 and not more and for the price that was said it was to be built.

14 **MR. PUGH:** Yeah.

15 **COMMISSIONER GREENE:** And this is mainly an example of what we're
16 going to do for the rest of the state like how's this going and what lessons can be
17 learned, so.

18 **MR. PUGH:** We have to go through a pretty rigorous -- what's called a cost
19 reasonableness analysis with FEMA and it all goes back to what's reasonable,
20 what's not reasonable and it's quite a process but, yeah, from a transparency and
21 documentation -- this is what we do but, yeah, it's pretty significant. And then y'all
22 -- I mean, with Jeff Davis, the Commission --

23 **COMMISSIONER GREENE:** Yeah.

1 **MR. PUGH:** -- we could come and present all this. I mean, we have
2 [INAUDIBLE] --

3 **COMMISSIONER GREENE:** I know. I'm just asking because in a rebuild it
4 better than you -- than it was before mindset, it sounds like this is going to be better,
5 paid for by the federal government, and they're on the hook if it doesn't meet what
6 they say it's going to meet.

7 **MR. PUGH:** Well, and then part of it is you have an engineer that designs a set of
8 plans to build something, you got a price to build it, you got a government who's
9 paying for it. There's also a second layer of accountability which happens in the
10 field is, is what's on paper being put in the field properly?

11 **COMMISSIONER GREENE:** Right.

12 **MR. PUGH:** So we document that as well, too, in real time.

13 **COMMISSIONER GREENE:** Okay. Would you say it's going as expected,
14 better than expected? Is the timeline -- are we keeping up on the timeline?

15 **MR. PUGH:** Yeah. We're --

16 **COMMISSIONER GREENE:** Okay.

17 **MR. PUGH:** It's going as expected.

18 **COMMISSIONER GREENE:** Okay. Well, thank y'all. This matters a lot to me
19 because I choose a word every year to work on for myself, and my word for this
20 year is anti-fragile. And there's not a word in the English language that is opposite
21 of fragile. And I think that our grid has been fragile or has been subject to more
22 than it could withstand, and so I'm looking at how can -- do I want my impact on

1 the Commission to be 30 years from now is that well, we left it better than we found
2 it, meaning less fragile. So it certainly seems like --

3 **MR. HEINEN:** If I [INAUDIBLE] very excited about this program. I think it's
4 going to be a state of the art and an example of what government and communities
5 getting together can do. I'm very [INAUDIBLE] --

6 **COMMISSIONER GREENE:** If you get a wild hair to sell it, will you just give
7 us a head's up? Thanks.

8 **MR. HEINEN:** No wild hairs today, as you can see.

9 **CHAIRMAN FRANCIS:** Well, listen, as Chairman, we don't -- didn't get you up
10 here for some gotcha questions, but there's been some important questions brought
11 up. I'm thinking to treat you guys right, we need to write down these questions,
12 say come back next month and answer these questions. So I want to ask the -- all
13 the Commissioners to -- let's write these questions down, turn them over to our
14 Staff. I'll get them over to Jeff Davis so that you could -- because they're all
15 legitimate. I have the same -- some of the same questions that Commissioner
16 Skrmetta has about it. This 230-line is in my district. I'm really proud of it, but --
17 and there are -- and you know, we've got a lot of movement with the co-ops now,
18 you know, buying your own power. Things are changing, man, in the electricity
19 business. So whereas basically no co-op had transmission lines before, now you're
20 having them and this is really a changing world. And so I promise, when you come
21 up here next time, the only questions I'll expect you to answer with authority is the
22 ones we write down and to come up help us in the future.

23 **MR. HEINEN:** Sure.

1 **CHAIRMAN FRANCIS:** So just to clear -- make sure everybody understands all
2 the things we're talking about: There's a new 230 kV line being constructed in
3 Cameron, Louisiana at almost \$400 million, and it's going to be the state of the art.
4 Hurricanes are not going to be able to blow them down. You said if they do that
5 FEMA's going to come back and give us some money to put them back up; is that
6 true?

7 **MR. PUGH:** Yes, sir.

8 **MR. HEINEN:** Yes, sir.

9 **CHAIRMAN FRANCIS:** Okay. That's good. And I just -- also in my area is
10 Vermillion Parish and your brother co-op, SLEMCO. And they barely got enough
11 electricity in Pecan Island to keep the lights on, you know, and so I would just
12 challenge the other co-ops and ask everyone why don't we have a 230-line all along
13 the coast, not just in Cameron, so. And I know that's not a question for you to
14 answer, but I just want to throw that challenge out to the rest of the co-ops, so. Any
15 other questions or comments? Okay. We'll get you some questions. Be prepared
16 to --

17 **MS. KANTROW:** Sounds good.

18 **CHAIRMAN FRANCIS:** -- come back next month and give us a --

19 **COMMISSIONER SKRMETTA:** I made a motion. We need a second.

20 **CHAIRMAN FRANCIS:** Commissioner Skrmetta made the motion and I'll
21 second that motion. Any other discussions? [NONE HEARD] So Exhibit 7 is
22 passed. Thank you.

23 **MS. KANTROW:** Thank you.

1 **MR. HEINEN:** Thank you.

2 **MS. BOWMAN:** Exhibit Number 8 is Docket Number U-36809. This is
3 Concordia Electric Cooperative's formula rate plan annual report for the 2022 Test
4 Year. It's a discussion and possible vote on a unopposed motion. On October 13,
5 2023, the Commission issued Order Number U-36809 accepting Concordia's 2022
6 annual report. One of the conditions established by that order required Concordia
7 to file a full base rate review no later than June 1, 2024. The firm formerly used by
8 Concordia for rate reviews is no longer in operation; therefore, Concordia had to
9 retain another firm, but they cannot complete the rate review prior to June 1st. As
10 such, Concordia requested an additional four months in order to complete the full
11 base rate review via its unopposed motion filed March 6, 2024. As stated in the
12 motion, Staff is unopposed to the grant of additional time. The extension would
13 not result in any rate impact, as Concordia would simply continue charging its
14 current rates for an additional four months. Staff recommends that the Commission
15 grant Concordia's motion filed March 6, 2024, and amend Order Number U-36809
16 to allow Concordia additional four months to file its full base rate review.

17 **COMMISSIONER CAMPBELL:** I'll make a motion we accept Staff
18 recommendation.

19 **COMMISSIONER SKRMETTA:** Second.

20 **CHAIRMAN FRANCIS:** Commissioner Campbell makes the motion we accept
21 Staff recommendation and a second by Commissioner Skrmetta. Any other
22 discussion or objection? [NONE HEARD] Hearing none, Number 8 passed.
23 Number 9.

1 **MS. BOWMAN:** Exhibit Number 9 is a docket to be determined. It's Entergy
2 Services' potential request for proposals for existing energy and capacity resources.
3 It's a discussion and possible vote to retain an outside consultant. On February 6,
4 2024, Entergy Services submitted a notice letter to the Commission regarding an
5 anticipated upcoming RFP. Staff issued an RFP seeking an outside consultant and
6 received one conforming bid in response. That bid was from J. Kennedy &
7 Associates of \$90,000 in fees and 1,500 in expenses for a total budget not to exceed
8 of \$91,500. Staff makes no recommendation as the sole conforming bidder was
9 qualified.

10 **VICE CHAIRMAN LEWIS:** Motion to accept Staff recommendation.

11 **COMMISSIONER GREENE:** Second.

12 **CHAIRMAN FRANCIS:** I've got some discussion on that.

13 **COMMISSIONER CAMPBELL:** [INAUDIBLE] only get one bid now.

14 **CHAIRMAN FRANCIS:** Well, that's what I wanted to -- thank you,
15 Commissioner Campbell. I'd like to ask our Commissioners to reconsider that
16 motion and give them another month to try to find some other bidders. I think
17 Commissioner Campbell is the same way, but we've got two other Commissioners
18 jumped in here. So I would like to respectfully call up Entergy.

19 **COMMISSIONER SKRMETTA:** Subsequent motion?

20 **CHAIRMAN FRANCIS:** Well, we can have a --

21 **VICE CHAIRMAN LEWIS:** Well, I'm more than happy to -- if that's the rule of
22 the body, I'm more than happy to remove my motion, if you want to put it out for
23 another month.

1 **CHAIRMAN FRANCIS:** Okay. We kind of unwound this thing back to -- all
2 right. And we got Larry Hand with Entergy here. Give us your thoughts on this
3 situation, Larry.

4 **MR. LARRY HAND:** Good morning, Commissioners. I did want to -- certainly
5 understand when you have only one qualified bidder, you only have one choice. I
6 get that. I do want to, you know, let y'all know this RFP is to solicit existing
7 capacity resources. The state of Louisiana, MISO South, you've heard it before, I
8 think you'll hear it again, we are looking at a fairly exigent, dire capacity situation.
9 We have a finite amount of existing capacity. As generation ages or shut down
10 because of environmental reasons, the capacity available will go down. We have
11 load growing at the same time. We have a lot of solar in the interconnection queue
12 that will be developed, but a solar resource, 50 megawatts, is not equal to a
13 dispatchable resource up to 2 megawatts. And so this RFP here was intended to
14 solicit existing capacity resources, what's out there, what's available. And I will
15 tell you, you know, the processes we follow at this Commission, whether it's the
16 Market Based Mechanism Order or the certification requirements, adds two years
17 to the procurement process for existing resources or any resources, and that places
18 Louisiana and our customers, your constituents, at a disadvantage to procuring
19 available resources. So states like Texas, Arkansas, Mississippi, they are looking,
20 at the same time as us, at existing capacity resources trying to procure it and if we
21 delay this to maybe get another bid, whatever, we're putting our customers, your
22 constituents, at a significant disadvantage for the opportunity to acquire existing
23 capacity. The alternative to existing capacity is new build capacity, which with

1 inflation, with demand for combustion turbines, you know, the cost of new build is
2 going up and up and up. And so I just want to make that known, that a delay here
3 --

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

5 **MR. HAND:** -- will, I think, harm our opportunities to acquire existing capacity.
6 There's a lot, as you know. Cleco Cajun is in the process of divesting the wholesale
7 assets to a third party. That third party will want to monetize those assets, sell them,
8 and if we're off on the sideline waiting for a hire, waiting for an MBMO process,
9 we're putting our customers and your constituents at great risk. I just wanted to
10 make that known. I respect the need to want to get more bids for the hiring, but
11 time is of the essence.

12 **COMMISSIONER CAMPBELL:** So is 30 days going to drive you crazy?

13 **MR. HAND:** You know, it won't drive me crazy. I'm used to the process, but I
14 will say --

15 **COMMISSIONER CAMPBELL:** Well, it wouldn't drive me crazy.

16 **MR. HAND:** -- we're already 60 days --

17 **COMMISSIONER CAMPBELL:** Thirty days can't shut the world down.

18 **MR. HAND:** And I say it won't because we're already 60 days late.

19 **MS. BOWMAN:** And just to put on record and clarify, we received three bids.
20 Two of the bids did not conform to the requirements of the RFP, only one did. So
21 we did receive three bids, just two of them didn't follow the RFP. I don't know if
22 that changes anyone's mind.

1 **CHAIRMAN FRANCIS:** When that happens, do you call them up and say hey,
2 you --

3 **MS. BOWMAN:** I did. I notified them that it did not --

4 **CHAIRMAN FRANCIS:** So you didn't ask them to --

5 **MS. BOWMAN:** Yes. And imply it did not conform.

6 **CHAIRMAN FRANCIS:** -- correct their bid.

7 **MS. BOWMAN:** Yes.

8 **CHAIRMAN FRANCIS:** So there's just a limited number of service providers
9 out there to help us with these decisions.

10 **MS. BOWMAN:** There is.

11 **CHAIRMAN FRANCIS:** And I'm with Commissioner Campbell on 30 days ain't
12 going to kill us. But at the same time, I'm from the real business world, and it looks
13 like we've got another speaker who wants to come up and -- Phillip May with
14 Entergy.

15 **MR. HAND:** He'll probably say what I said with more persuasion.

16 **SECRETARY FREY:** Also, too, I want to add to what Kathryn said because I
17 was wondering why I had three in my thing. The other two bids were higher, the
18 ones that we're nonconforming, so it's not like they were lower bids.

19 **CHAIRMAN FRANCIS:** So we'd be taking the low bid. Okay.

20 **SECRETARY FREY:** Or I say higher. One was about almost exactly the same
21 as the J. Kennedy, one was higher.

22 **CHAIRMAN FRANCIS:** Is this the president of Entergy Louisiana?

23 **MR. PHILLIP MAY:** I'm Phillip May, president of Entergy Louisiana.

1 **CHAIRMAN FRANCIS:** Okay.

2 **MR. MAY:** Commissioners, I appreciate the concern. I do want to highlight the
3 challenge we have is we have other companies and states competing for capacity
4 that's currently in the marketplace, Arkansas, Mississippi, Texas. Those states have
5 processes that move faster than the state of Louisiana's processes.

6 **COMMISSIONER CAMPBELL:** Why is that?

7 **MR. MAY:** Because they don't take as long to make a decision on things like
8 capacity. The market based mechanism is not required, for instance, in Texas or in
9 Arkansas, and so the net of that is while it's not the 30 day extension, which seems
10 reasonable, that will harm our ability to acquire that capacity. It's the net of we
11 have a process that's slower, we have an extension for 30 days, and then it's the
12 risk of a missed opportunity that provides lower cost resources for our customers
13 as opposed to the alternative, which we know is can be higher cost.

14 **COMMISSIONER CAMPBELL:** You don't think you're going to be able to get
15 any cheaper than this, this bid here, 91,000?

16 **MR. MAY:** I am completely agnostic to the bids. My only concern is I know that
17 I have -- when I start the race, my opponents will be ahead of this because of the
18 process. So an extra 30 days, it's not the 30 days, it's that we already have a race
19 in which our opponents are ahead of us because of the process.

20 **COMMISSIONER CAMPBELL:** Your opponents are your fellow company?

21 **MR. MAY:** Could be.

1 **COMMISSIONER CAMPBELL:** Well, that's pretty rough; isn't it? I mean, you
2 don't have any leeway with a sister company? Are they that cutthroat? I mean, if
3 they know you're in a bind, I mean, Arkansas and Mississippi --

4 **MR. MAY:** They will follow the processes and requirements that their
5 Commissions set, as will we, and if their process -- if I'm a seller of capacity and I
6 get to pick where do I go; do I want to wait through a longer process or do I want
7 to go through a short process that provides me certainty and clarity about when I
8 may get paid for that set of assets? And again, I have no position on the bids. It's
9 just simply the reality of the fact that we have a limited opportunity, a limited
10 window, to go after these assets. We know other utilities are looking at these assets
11 and it's not the 30-day delay in of itself, it's the fact that we are already late entering
12 the race.

13 **COMMISSIONER CAMPBELL:** And that's our fault?

14 **MR. MAY:** It's not your fault. It's just the simple reality that the process here,
15 designed by this Commission, takes longer than in some of the other Commissions.

16 **CHAIRMAN FRANCIS:** Mr. Campbell, after hearing what they said, I believe
17 we got the low bid. Three bids just in a, you know, different kind of way, but I'm
18 at peace with that now that I've heard that. Commissioner Skrmetta --
19 Commissioner Greene.

20 **COMMISSIONER GREENE:** If we waited a month, would those other two bids
21 then come into conformity?

22 **MS. BOWMAN:** If they would like to, I mean, they have the option to.

1 **COMMISSIONER GREENE:** Okay. But we know that they're slightly higher
2 than the current bid and nonconforming?

3 **MS. BOWMAN:** Correct.

4 **COMMISSIONER GREENE:** Okay. I agree with you.

5 **MR. HAND:** And, Commissioner, I would note that those other two bids now
6 know [INAUDIBLE] --

7 **MS. BOWMAN:** Also, fair.

8 **CHAIRMAN FRANCIS:** Well, we'll get a lower price next time.

9 **COMMISSIONER SKRMETTA:** Well, they won't rebid, I think.

10 **CHAIRMAN FRANCIS:** No.

11 **COMMISSIONER CAMPBELL:** Only reason I'm saying is that we've got a
12 habit of getting one bid, one bid, one bid. And this is lots of money and that's a
13 terrible habit to be in, you know. When you're trying to buy something, you always
14 want to have two or three people, and we tried to do that, so.

15 **COMMISSIONER SKRMETTA:** My question is for Staff, which is: On these
16 bids, other than the amount they bid, can the Staff tell them that they can act with
17 remedial action to correct their bid and become compliant for the purposes of the
18 bid? Can they correct their bid without changing their bid amount? Because I
19 remember, and without revealing, we discussed what one of the bid's failures were.

20 **MS. BOWMAN:** Correct.

21 **COMMISSIONER SKRMETTA:** Can they correct these type of changes and
22 still be viable?

1 **MS. BOWMAN:** So the way the RFP is written, it says if you do not conform, it
2 will be rejected. However, if the Commission wants to allow these two to come
3 back in and correct their actions, you can. That's your --

4 **COMMISSIONER SKRMETTA:** Okay. Well, my suggestion for the
5 Commission to think about, maybe if not for this, but for the future, is that as long
6 as the terms of the RFP do not change the total amount of the bid, any technical
7 component of the bid that may disqualify the bid can be subject to a subsequent
8 remedial action that can be allowed for correction of the bid if it's effectively just
9 a failure to put some component clause or whatever that's necessary to meet the
10 technical specifications of the RFP.

11 **MS. BOWMAN:** Okay.

12 **COMMISSIONER SKRMETTA:** But they can't change the dollar amount to
13 come into compliance and I think that's something to be considered on the Staff
14 end, so we can clear up bids that may -- some person may leave out a unit like we
15 talked about or other issues. But as long as they don't change the dollar amount to
16 leave us into a position to make considerations, because this Commission has not
17 always picked the low bid.

18 **MS. BOWMAN:** Correct.

19 **COMMISSIONER SKRMETTA:** And so that, sort of, is an irrelevant -- I mean,
20 while it's nice to talk about the potential of this being the lowest, that doesn't mean
21 we would've always picked it, so. But I do think that the way you write the RFPs,
22 as long as we're not changing that, and we're taking some corrective action on

1 minutia, and that they can correct that, and get it done within X days, then that helps
2 us put people back in the game for consideration.

3 **MS. BOWMAN:** Will do.

4 **COMMISSIONER SKRMETTA:** Okay, so.

5 **VICE CHAIRMAN LEWIS:** Thank you. Mr. May and Mr. Hand, I want to thank
6 you for your comments. And I guess my question for you all -- and we've had these
7 conversations before about as we enter this, kind of, energy revolution that we
8 probably need to be looking at how the Commission modernizes itself in a more
9 competitive way. And I think what you talked about, Mr. May, is exactly
10 something that I've been deeply concerned about, which is as we are progressing,
11 everyone around us is also changing and that it requires, I think, some regulatory
12 reforms to our processes, to how we conduct business to ensure that we are not left
13 behind in this moment. So I wanted to go on the record and thank you for your
14 comment, because that has been something that has been a concern of mine, that I
15 am thinking about, as a Commission, how we do that collectively, not only from
16 the outside, but from internally. And I think this has been a concern of mine. I'm
17 going to work with Staff about how we also find a way to diversify our qualified
18 consultant list. I think that is becoming a challenge for us. I think not anything of
19 the Commission's fault, but as companies are requiring or asking for more, as we,
20 as Commissioners, are considering the different technologies, the different
21 innovations, the different ways to assess and regulate utilities; I think this is a
22 moment for us all to say how do we do better and how do we conform to the new
23 existing ecosystem that may jeopardize us and at the end of the day, could end up

1 in higher rates. Right. I mean, I think that is also the challenge that we're working
2 on. If we end up in a place where we cannot procure capacity or cheaper capacity
3 in such a timely manner, we may be left with less affordable options than we
4 could've had. And so I look forward to working with you and I appreciate your
5 comments today and if there's anything -- I see, Mr. Hand, that you want to tag on
6 that point.

7 **MR. HAND:** Yeah. Thank you for the remarks and I don't mean to suggest that
8 this, you know, 30-day extension, whatever, is going to change the world. We are
9 going to always follow the Commission's orders, the Commission's processes, but
10 I will, you know -- rest assured, you know, Commissioner Campbell, you
11 mentioned it's kind of cutthroat. We have potentially affiliates of ours that Phillip
12 and I do not work for. They have a body, just like you, to answer to and so they're
13 trying to do what's best for their customers. And rest assured, we're going to follow
14 your rules, but we're also going to do it in a way that we think gives us a chance to
15 compete timely for those resources. And if we do, if we're lucky enough to procure
16 any, we'll come back to you and get approval. But rest assured, we're going to
17 follow your rules, but we're also going to do everything within our power to
18 compete for the resources to bring, you know, that value to our customers.

19 **CHAIRMAN FRANCIS:** Commissioner Skrmetta.

20 **COMMISSIONER SKRMETTA:** I got a quick question for Entergy, and we're
21 talking about available components of what's available out there from, I guess, you
22 would consider this to be merchant power?

1 **MR. HAND:** This RFP is limited to existing resources that are in service today
2 that are available on the market.

3 **COMMISSIONER SKRMETTA:** Available resources, not [INAUDIBLE].

4 **MR. HAND:** Correct.

5 **COMMISSIONER SKRMETTA:** But I want to just ask you because we've had
6 discussions and I don't know if -- tell me if you're not at liberty to discuss this, but
7 we're looking at future resources that are going to be needed in Louisiana that are
8 going to go beyond this like small construct, 50 megawatts, and things like this.
9 And so we're going to have to -- I mean, tell me if I'm wrong, but we're going to
10 have to build new power plants, beyond solar, we're going to have to build new gas
11 plants. I mean, we're looking at the future of nuclear, but realistically that's
12 something that's a four or five-year project. But we're going to have to look at
13 building some new gas plants in this state. I mean, what are your thoughts on how
14 soon we're going to have to get involved in that?

15 **MR. HAND:** So our integrated resource plan, which was accepted by the
16 Commission, it's not approved in the sense of your approved resources, but that did
17 outline with unit deactivations, load growth, there will be a need for additional new
18 build capacity. Existing capacity is great because it gives you capacity at a lower
19 cost than a new build, but to sort of -- you know, incremental load and load pockets,
20 new build resources will be required. Our thought process behind trying to test the
21 market to see before we go commit to new builds for load pockets, let's see what's
22 in the market, let's see what we can get in the market that's available today, lock

1 that up, and then identify what are the additional new build resources we need to
2 add on top of that.

3 **COMMISSIONER SKRMETTA:** Right. Well, I think you would agree that the
4 problem of eventually, at some point in the marketplace, somebody's got to build
5 something to serve the marketplace. Because everybody wants to dive into the
6 market, but eventually somebody's got to build a powerplant. And we know that,
7 you know, in Louisiana the people who are going to build powerplants more than
8 likely are either SWEPCO, Cleco, or Entergy, for the purposes of this issue. And
9 so, you know, my question is, you know, I've seen the projections from the
10 Department of Economic Development, I've seen the projections from some of the
11 utilities, and it looks like we're going to need at least 1 -- or at least 1,000 megawatts
12 of new power -- of baseload power at a minimum. And, sort of, when do you think
13 that, sort of, date of -- when do you think we're going to need that, by what year?

14 **MR. MAY:** It would be difficult to say precisely. I will tell you that I've been in
15 this industry for 39 years or will be in another month or two. We have never seen
16 an economic development pipeline, what we're seeing right now. Back when -- the
17 50's and 60's, when the state was growing its chemical and refinery industry, this
18 is much bigger than that. But it's going to require that we act with speed and we
19 have to make sure that we know this load is coming before we go back and start
20 building a new plant. Yes, we will need spinning generation, which currently is
21 natural gas fired, but that gas-fired plants will have to have with an accommodation
22 for clean energy because a prerequisite for the industries that are coming is going
23 to be sustainability. So we have to have decarbonization associated with that new

1 powerplant as well because it's not a policy that's driving this, it is the customers'
2 customers that is driving that. And so the things we need to succeed to attract that
3 load, and I think we'll talk a bit more about this in a moment, is a reliable, a resilient,
4 and a sustainable grid.

5 **COMMISSIONER SKRMETTA:** Right.

6 **MR. MAY:** We do those three things, we will have one of the greatest economic
7 opportunities this state has ever seen.

8 **COMMISSIONER SKRMETTA:** Well, imagine that the capacity for the clean
9 energy component of it exists. What are you thinking that the state's going to need
10 in megawatts of new generation of baseload power's going to be and, sort of, by
11 when? And I'm not going to hold you to it.

12 **MR. MAY:** Yeah. So it depends on when this stuff shows up because, you know,
13 according to LSU Center for Energy Studies, I'm sure you've seen it, there was a
14 \$130 billion of announcements that have been made.

15 **COMMISSIONER SKRMETTA:** Right.

16 **MR. MAY:** This is something that we've seen the pace of this pick up. Most of
17 that is in what I call energy manufacturing, but it also includes transition blue
18 hydrogen, green hydrogen, ammonia, that type of thing, renewable diesel, but not
19 including the solar manufacturer plant. So the timing of that is very important and
20 we're working with these potential customers to know precisely when that shows
21 up, but we are arriving at the date very quickly where we will have to ask this
22 Commission for permission to do an RFP for a new generation. I'm not sure if
23 that's within the next two quarters or in the next year, but that date is coming soon.

1 **COMMISSIONER SKRMETTA:** Do you think it's reasonable to think that the
2 state's going to need 1,000 megawatts, or we're going to need 2,000 megawatts, or
3 we're going to need 3,000 megawatts? I mean, what sort of bandwidth of total
4 energy requirements do you think we'll need over, let's say, the next five years?

5 **MR. HAND:** And, Commissioner, I'd like to address it from -- before I answer
6 your direct question, if you take the load growth off the table, which is very real,
7 but the unit deactivations, you know, we have, for example, Ninemile 4, Ninemile
8 5, very large units, 700-plus megawatts each. So there's 1,500 megawatts just at
9 that station alone that is almost as old as I am. So, you know, it's not going to be
10 there forever. Those units will deactivate or the amount of investment required to
11 keep them in service becomes astronomical, so there's probably 3,000 megawatts
12 of older legacy gas units that we'll need to deactivate over the next five to six years,
13 you know.

14 **COMMISSIONER SKRMETTA:** That does not include new build?

15 **MR. HAND:** Correct. I mean, so that's just existing capacity that's in a load
16 pocket. If you think about that, you need to replace that in the load pocket, and
17 then you when add on -- you know, layer on load growth we're talking about, some
18 of these, you know, single projects can be 500 megawatts, 1,000 megawatts, very
19 large loads. So the 3,000 could quickly become, depending on when they want to
20 sign and commit, it could become 6,000.

21 **COMMISSIONER SKRMETTA:** Right. So on that -- and my last question
22 because I know we want to get out of here and we're almost done. If we're going
23 to go to a potential term of over, say, several years to 6,000 megawatts, do you

1 think it's a reasonable action over that six-year term to begin a process to, say,
2 replace half of that with new nuclear?

3 **MR. HAND:** Absolutely. That has to be part of the equation because, you know,
4 baseload power, carbon free power is the unicorn in the resource planning game.

5 **COMMISSIONER SKRMETTA:** It was my understanding that most of the
6 economy that wants build, whether it's steel or something, is looking for all
7 products to be performed on what they're referring to as clean energy and that needs
8 baseload clean of nuclear, so. But between nuclear and natural gas as a
9 combination, we can achieve net zero on that future, sort of, model is my
10 understanding.

11 **MR. HAND:** Yeah. I mean, the gas, obviously, you know, we're trying to solve
12 that part of the equation. How do you capture and safely store it, effectively store
13 it? You know, we're trying to solve that part. But SMRs new nuclear -- the
14 technologies developing, it's expensive, but it is a known technology that can --
15 there's no question about the carbon there. There is no carbon. There are other
16 issues, safety issues, costs. But if it were available today and economic, I think
17 we'd have an application before you to pursue that.

18 **CHAIRMAN FRANCIS:** Okay. Commissioner Lewis, for a motion.

19 **VICE CHAIRMAN LEWIS:** Thank you, Mr. Chairman. And in lieu of the
20 conversation, I would move that we accept --

21 **CHAIRMAN FRANCIS:** The low bid.

22 **COMMISSIONER SKRMETTA:** The bid.

23 **VICE CHAIRMAN LEWIS:** The bid, yeah. I'd accept the bid on Exhibit 9.

1 **CHAIRMAN FRANCIS:** I'll second that low bid. Is there any other discussion
2 about it? Any objection to that? [NONE HEARD] Hearing none, we would accept
3 that bid.

4 **MR. MAY:** Thank you.

5 **MR. HAND:** Thank you.

6 **CHAIRMAN FRANCIS:** Move forward. Thank you. We're on Number 10.

7 **MS. BOWMAN:** Exhibit Number 10 is our reports, resolutions. We have already
8 taken care of -- thank you -- we've already taken care of the resolution for Zeke.
9 We do have a discussion and possible vote to ratify votes taken by Chairman
10 Francis acting as the Commission's representative on the Regional State Committee
11 of the Southwest Power Pool. This was Exhibit 11 last month. Staff followed the
12 protocols set forth in Special Order 17-2019 to consult with the Executive Secretary
13 and the Vice Chairman and to make a recommendation to Chairman Francis prior
14 to the votes. The protocols also require that the votes taken be ratified at a following
15 B&E. There were seven voting items before the RSC last month and the first was
16 a vote approve several changes to improve transmission congestion hedging on the
17 SPP system. The second vote approved a proposal to allow SPP to nominate certain
18 long-term congestion rights. The third vote approved a backstop policy to provide
19 regional funding for certain transmission projects. The fourth vote approved tariff
20 language to be included in a FERC filing to provide further information on how
21 SPP uses loss of load expectation studies. The fifth vote approved prioritizing
22 outage policies critical for the winter planning reserve margin. The sixth vote
23 approved several measures to ensure resource availability. And the seventh vote

1 approved the 2022 regional cost allocation review lessons learned report. Based on
2 Staff's recommendation, Chairman Francis voted in favor of all of these voting
3 items. Staff recommends that the Commission ratify Chairman Francis' votes taken
4 on February 5, 2024 as the Public Service Commission's representative to the SPP
5 RSC.

6 **COMMISSIONER SKRMETTA:** Move to accept -- move to ratify the votes of
7 Chairman Francis on all issues stated.

8 **CHAIRMAN FRANCIS:** I'll abstain from the votes.

9 **VICE CHAIRMAN LEWIS:** I'll second.

10 **MS. BOWMAN:** All right.

11 **CHAIRMAN FRANCIS:** Is there any objection to approving the votes? [NONE
12 HEARD] And I'll abstain.

13 **MS. BOWMAN:** We also -- I'm sorry.

14 **CHAIRMAN FRANCIS:** And I'll abstain.

15 **COMMISSIONER SKRMETTA:** All clear.

16 **CHAIRMAN FRANCIS:** Okay.

17 **MS. BOWMAN:** We also have a discussion and possible vote to ratify
18 interventions of the Commission in RTO-related and other FERC proceedings.
19 And due to the short deadlines allowed for these interventions, if advanced
20 Commission approval is not possible, the Executive Secretary on the
21 recommendation of UPC, or Stone Pigman, or on his own determination, may
22 authorize the initial interventions, comments, or protests, subject to ratification.
23 Staff recommends that the Commission ratify the following interventions:

1 Intervention in Docket ER24-1158, intervention in Docket ER24-1332,
2 intervention in Docket ER24-1381, and intervention in an appeal at the D.C. Circuit
3 with Docket Numbers 24-1032 and 24-1033.

4 **COMMISSIONER SKRMETTA:** Move to approve the interventions as stated
5 by counsel.

6 **VICE CHAIRMAN LEWIS:** Second.

7 **CHAIRMAN FRANCIS:** We have a motion and second by Mr. Lewis. Any
8 objections or discussion? [NONE HEARD] Hearing none, approved.

9 **MS. BOWMAN:** Exhibit Number 11 is Docket Number R-35462. This is the
10 Commission's rulemaking to research and evaluate customer-centered options for
11 all electric customer classes as well as other regulatory environments. It's an
12 update from Staff on Phase I and II reports at the request of Commissioner Greene
13 and Ms. Evans was going to give that report.

14 **MS. LAUREN EVANS:** Good morning, Commissioners. Lauren Evans on behalf
15 of Staff. Staff filed its report in this docket on March 15th, seeking feedback and
16 comments on the proposed rules and requesting that that feedback be filed into the
17 docket by April 15, 2024. So that's kind of the update on where we are in that
18 rulemaking.

19 **CHAIRMAN FRANCIS:** Okay. By the way, Ms. Bowman, I want my name on
20 that also as requesting that report.

21 **MS. BOWMAN:** Okay.

1 **COMMISSIONER GREENE:** Yeah. Thank you, Staff, for everything. It's been
2 open for almost four or five years now, so I just wanted to kind of get a monthly
3 update on where things are and where we're going. Thanks.

4 **MS. BOWMAN:** Okay.

5 **CHAIRMAN FRANCIS:** Do we have anybody to give an update in there or --

6 **VICE CHAIRMAN LEWIS:** She already did.

7 **COMMISSIONER GREENE:** She just did.

8 **COMMISSIONER SKRMETTA:** She just did.

9 **CHAIRMAN FRANCIS:** Oh, I'm sorry. Okay. Sorry about that. All right. My
10 brain went another way, but okay.

11 **MS. BOWMAN:** So moving to Exhibit Number 12.

12 **CHAIRMAN FRANCIS:** All right.

13 **MS. BOWMAN:** It's Docket Number U-36625. This is Entergy's application for
14 approval of the Entergy Future Ready Resilience Plan Phase I and this is an update
15 from Entergy Louisiana at the request of Chairman Francis. And I'm assuming Mr.
16 Hand will be the one who is going to give that update.

17 **CHAIRMAN FRANCIS:** Where is Larry?

18 **COMMISSIONER SKRMETTA:** Put down your coke and get back up here.

19 **CHAIRMAN FRANCIS:** Yeah, come on.

20 **MR. HAND:** I guess I should've stayed up here. Good morning again,
21 Commissioners. Larry Hand on behalf of Entergy Louisiana. I'm joined again by
22 Phillip May.

23 **MR. MAY:** Good morning.

1 **MR. HAND:** Appreciate the opportunity to give a quick update. Mr. May alluded
2 to some of this earlier, so I'll keep it pretty brief. You know, as we all know, we've
3 all lived through 2020 and 2021, the devastating hurricane seasons that we had here
4 in Louisiana, first affecting with Laura, Delta in the Lake Charles area; and then
5 Zeta, kind of, Southeast Louisiana; and then the next year, you know, with
6 Hurricane Ida. Very significant impacts to the Louisiana citizenry and our
7 customers, and very significant cost impacts, which we are very cognizant of, you
8 know. To restore the system as quickly as possible, we brought in crews from all
9 across the country. We spared, you know, no effort to bring people in to get the
10 lights on as quickly as possible. With the amount of damage we had, we had
11 replaced, between those two seasons, about 46,000 poles across the state and that's
12 a very large number of poles to replace in a, you know, two or three week period,
13 but we brought in the resources to get it done. To do that, of course, you've got to
14 feed them, you've got to house them, all sorts of things, and it adds to the cost.
15 When you replace a pole during a storm event, after a storm event, it costs two to
16 three times what it would cost if I sent a crew out today to go replace a pole. And
17 so people always ask, you know, why don't we do that more proactively, more
18 thoughtfully. And, you know, following -- I guess, when the restoration for
19 Hurricane Ida was still underway, we began to undertake that planning effort. We
20 retained a consulting firm with experience in Florida to kind of leverage the
21 learnings, the knowledge, and the experiences from Florida, what they have done
22 over the last 20 years to harden their system. We retained a firm to kind of advise
23 us to look at the current state of our system, our distribution assets primarily, but

1 also transmission. Look at the current state of our system and assess its
2 vulnerability to future storms. And they have a storm model that looked at a 50-
3 year future period, and, kind of, predicting the range of storms that could occur and
4 identified what are the weakest links in that system and what can we do to invest in
5 it proactively, thoughtfully, to harden it, to minimize the outages and the restoration
6 times in future events. Just as an example, you know, Florida Power & Light and
7 other Florida utilities had very significant impacts in 2022 from Hurricane Ian.
8 Their system, you know, after 20 years, very hardened, but they still had outages.
9 But the restoration time was remarkable because instead of replacing poles, they
10 were picking up a conductor that blew off or an insulator that broke and putting it
11 back on the pole that was still standing. So it may take us a day to replace a pole,
12 when you have to just put a wire back on -- a conductor back on it, it's very quick.
13 So we leveraged those lessons. We came up with a plan. And, you know, during
14 that time, I think in 2019, before those storms, and in 2021, this Commission
15 opened a few rulemaking dockets to consider policy matters relating to grid
16 maintenance, pole viability, resilience, you know, all those sorts of things that --
17 those dockets have continued to progress. There's been a lot of comments,
18 feedback from the Commission Staff, from stakeholders. We've looked at what
19 we've heard. None of those dockets are done yet, but we've kind of leveraged the
20 knowledge in those dockets and the feedback we've gotten. We did file in 2022 --
21 so December of 2022, we did file a hardening proposal, resilience proposal
22 requesting a five-year plan that's been pending. But during the course of that, the
23 feedback we've gotten from key stakeholders and Commissioners and others was

1 that we want to be thoughtful about this. We want to -- we need to, as a state, we
2 need to become more resilient and, kind of, more hardening investment. And so
3 through that process, we've kind of pivoted to let's look at the no regrets type of
4 hardening approach, not a ten-year plan, not the full five-year plan we requested.
5 But what's the no regrets approach we can take as a state to start addressing the
6 lowest hanging fruit to get the benefit? Just as an example, you know, we've put
7 forward to the parties a proposal, a reduced, more focused and refined proposal for
8 hardening. When we originally filed the application in December 2022, you know,
9 we had -- it might've been -- I think the request was a set of improvements that
10 amounted to about -- estimated to cost about \$5 billion, rounding a little bit. With
11 the feedback we've gotten, we said well, let's look at the stuff we can start on no
12 regrets. We made a proposal to the parties about what that subset of projects could
13 be like, and I don't want to comment too much on what we've put to the parties
14 because it's a settlement negotiation, but we sent that over a week and a half ago or
15 so. But just for context, the original proposal we filed back in December 2022 had
16 a benefit to cost ratio, so every dollar of hardening that we spent, we expected in
17 that portfolio to get about a benefit to cost ratio of 4.5. So every dollar you spend
18 on the asset, you're expected to get \$4.5 of benefit, whether it's reduced restoration
19 cost or reduced outage times following major storms. The refined proposal we have
20 targeted that the parties are looking at has a benefit to cost ratio of about nine. So
21 for every dollar of hardening investment we spend in this revised proposal would
22 expect to yield benefits to customers, in terms of reduced restoration costs or

1 reduced outages following storms and restoration times, you know, \$9 of benefit
2 for a single dollar of cost in.

3 **COMMISSIONER CAMPBELL:** You say outages, talk about being able to
4 continue selling electricity rather than being out of electricity.

5 **MR. HAND:** I would characterize it as reduced restoration times following the
6 outage. When big storms hit, insulators will break, you know, that's the weakest
7 point in the system. So we will have outages, but the ability to restore that outage
8 in, you know, a day versus two weeks.

9 **COMMISSIONER CAMPBELL:** But how do you get nine? What makes up the
10 nine to one?

11 **MR. HAND:** So the nine to one cost benefit ratio is comprised of two things. One
12 is the reduced -- we won't have to replace as many poles. Like I said, this proposal
13 we have, the refined proposal, would tackle about 69,000 poles, you know,
14 thoughtfully over 5 years, versus in the storm, we did 46,000 poles. So that reduced
15 pole replacement expense in future storms is a huge driver of that benefit to cost
16 ratio. The other part is -- and this is not scientific, but we all know, I mean, when
17 we have storms and outages, your constituents call you, right. When's my power
18 getting back on? When's it get back on? Do I have to evacuate? So for our
19 customers to be able to have reduced restoration times to know, you know, my
20 power's going to be back on in a day or two. I don't need to leave, go get a hotel,
21 I'm not going to lose the contents in my fridge. Those sorts of things are huge
22 benefits to our customers. It's hard to quantify. The Department of Energy does
23 have a calculator that you can plug in the value of an outage, so you can get a

1 number. But I think for our customers, the big thing is knowing they can get power
2 restored following major storms pretty quickly and we all -- we're going to have it.
3 But I'd rather restore a customer in a day or two, like Florida did versus -- and,
4 Commissioner Francis, two weeks in Lake Charles after Laura.

5 **COMMISSIONER CAMPBELL:** What is your rate? I don't know where
6 Brandon is, but there's this measurement that they measure you on, you know.
7 What is that rate?

8 **MS. BOWMAN:** The SAIDI/SAIFI.

9 **MR. HAND:** The SAIFI/SAIDI score?

10 **COMMISSIONER CAMPBELL:** Yeah. What is it?

11 **MR. HAND:** SAIFI/SAIDI, it's a system average interruption frequency index
12 and then a duration index.

13 **COMMISSIONER CAMPBELL:** So what are y'all -- what is your deal?

14 **MR. HAND:** I don't have the numbers in front of me, but I think we are -- for
15 2023, we exceeded the Commission's requirements. I think we are a number three
16 or four in the state of all of the investor-owned and all the co-ops. We're probably
17 top three or four in terms of performance on reliability. You know, we had
18 significant challenges, particularly in Baton Rouge in 2023. And with feedback,
19 you know, we kind of did some focused efforts on tree trimming, of reliability, and
20 we've kind of arrested those issues in Baton Rouge. And I think in 2023, we saw
21 about a 30 percent improvement in our reliability metrics compared to where we
22 were in 2023. So really happy with that, but we still have issues in Baton Rouge in
23 particular that we're still focusing on tackling and we look forward to. We want to

1 do more. We need to do more for our customers than a 30 percent improvement.
2 We need to improve year after year after year. So that's our focus, but while we're
3 happy that we comply and meet or exceed the Commission's reliability
4 requirements; our customers, they don't measure our performance based on
5 whether we meet that metric or not. They want their lights on, they want service to
6 be restored as quickly as possible, and that's what we're trying to do here. So, you
7 know, that's my -- and I know Mr. May has some comments on what these
8 reliability hardening investments mean for the state, but I just want to let y'all know
9 where we are. We have submitted to the parties a proposal for consideration that
10 we think is in the interest of our customers. It's not what we applied for, it's not
11 what we requested, but it is a no regrets type of, you know, approach that will
12 benefit our customers.

13 **COMMISSIONER CAMPBELL:** These poles that you're buying, Mr. Greene
14 was talking about that. Making sure that -- I hadn't heard of them. Making sure
15 they are resilient. Are the poles you're buying now -- tell me about the poles
16 compared to the old poles.

17 **MR. HAND:** So after, I guess, in the wake of Hurricane Ida -- I'm getting the I's
18 mixed up, but Ida -- we did revise our wind loading standards, our design criteria
19 for the southernmost part of the state. So we've elevated -- we exceed the National
20 Electric Safety Code standards for wind loading and our new standards. So any
21 pole that we install today or as part of a hardening program, will meet or exceed
22 those new, higher wind loading standards. I think generally along the most coastal
23 areas on the distribution system, it's probably designed to about a 150 mile an hour

1 wind loading requirements. And so everything that's installed today, whether it's
2 wood, steel, composite, will meet or exceed that requirement. And I will say, many
3 of the poles installed in 2020 and 2021, you know, were more robust than we'd had
4 previously, but this new standard even elevates it further.

5 **CHAIRMAN FRANCIS:** You know, one of the things I'm starting to learn, you
6 know, you got the co-ops and you got the investor-owned, but you've got industrial
7 and then you've got homeowner. And I know you must have two different
8 departments that analyze and work with those two; wouldn't that be right?

9 **MR. HAND:** We do.

10 **CHAIRMAN FRANCIS:** If we wanted to, say, look at your books on what's
11 going on in industrial, what's going on in homeowner. And part of your big growth
12 that we've got coming up, it'd be a drill in by this industrial, right? Yeah.

13 **MR. MAY:** It is, Commissioner. And this is Phillip May with Entergy Louisiana.
14 What we're seeing and what's different about this economic growth that we're
15 seeing now is it's going to be spread across the entire state, so even in north
16 Louisiana we're seeing strong interest and very large projects that have substantial
17 economic development impact. What we're hearing from these customers when
18 we talk to them about their needs are, whether they're existing customers that are
19 expanding or they're new customers coming to the state, as we touched on earlier,
20 it's reliability, it's resiliency, and it's sustainability. I want to point out on the
21 resiliency piece, the important thing is when you talk to these customers, they know
22 that our transmission system will be up and running sooner than the neighborhoods.
23 But they're concerned about the neighborhoods as well because you can't get your

1 plant up and running again if you don't have the employees who can come in and
2 work because they can't have power in their house, they can't be in the area because
3 they had to evacuate because the lack of power, that kind of thing. So it needs to
4 be a comprehensive solution to bring in this growth opportunity in front of us.

5 **CHAIRMAN FRANCIS:** Well, I'm going to start looking at more of -- you had
6 46,000 poles. That's basically homeowner and I'm going to seek some more
7 information on how many transmission lines and poles that are feeding these large
8 plants where our people work. So it's two separate categories and we need to be
9 looking at it two different ways and not just all one.

10 **MR. HAND:** Yeah. And, Commissioner, it is, you know -- the assets we've
11 identified, they do also include transmission assets as well because, you know, we
12 had on the 500 kV system following Hurricane Laura, we did have some 500 kV
13 structures go down, which take quite a bit of time to replace because they're
14 engineered structures, so we are trying to address that as well. And I want to
15 mention -- I would be remiss if I didn't mention, some have thought about this
16 accelerated hardening program as we're going to be pulling out all the poles we put
17 in after Laura, Delta, Zeta, and Ida. That's not the plan. The average age of the
18 assets we've targeted in this refined proposal, average age of a pole is 30 years.
19 Some are older, some are a little bit newer, but on average the assets that have been
20 identified as benefiting from a higher wind loading standard are about 30 years.
21 And so at the end of this 5 year program, they're going to be 35 years. So, you
22 know, they're going to need to be replaced eventually. We'd rather do it in blue
23 sky conditions. We have a very large workforce ready to work on this, anxious to

1 work on this, and, you know, they can tackle these 69,000 poles in blue sky
2 conditions and not in the heat of, you know -- the wake of the storm, where, you
3 know, to lodge them, to feed them, to get them here is incredibly, you know,
4 expensive and difficult, so.

5 **CHAIRMAN FRANCIS:** All right. Commissioner Greene.

6 **COMMISSIONER GREENE:** I just want to thank y'all because I had my Pole
7 Viability Docket, still have it, and I asked -- at first I wanted to complete it before
8 we started this. And then we agreed no, just keep mine five or ten yards ahead of
9 what y'all are trying to do, and I want to thank you for honoring that. I'm
10 particularly excited about the idea and the concept of what we have moving
11 forward, as I mentioned earlier, for a more resilient Louisiana. But also, I'm
12 grateful, and maybe y'all didn't have a choice, but that y'all have skin in the game
13 it looks like on this round. And I think accountability is very important, and it also
14 tells me that y'all are very confident in what y'all are going to be able to do. So I
15 think this is a step in a new direction and it's one that's good for ratepayers and
16 Louisiana in general, so let's keep moving forward.

17 **MR. HAND:** We appreciate that feedback and we have offered to the parties what
18 I would describe and I've -- look, I've been at this Commission not as long as Phillip
19 May's been in the industry. I think I was in grammar school when he started, but,
20 you know, I've been here for a while. And we've put on the table, I think, a level
21 of accountability, transparency, that is unprecedented, not only at this Commission,
22 but I would say, you know, across the country. And look, it wasn't an easy thing
23 for us to do, to get approvals to move forward in that path. But to your point,

1 Commissioner Greene, if we are not confident that these assets will perform as
2 expected, maybe we shouldn't be doing it. But we are that confident, it is that
3 important, and we are willing to, you know, offer up some performance measures
4 that will let customers know, your constituents know, that we're serious about this
5 and we're going to stand behind it.

6 **COMMISSIONER GREENE:** Thank you.

7 **CHAIRMAN FRANCIS:** Commissioner Lewis.

8 **VICE CHAIRMAN LEWIS:** Thank you, Mr. Chairman. And to kind of
9 continue, Mr. Hand, I know you may have been in grammar school when Mr. May
10 started. I don't know where I was. I don't think I existed when Mr. May started.
11 But I want to thank you for your presentation and your information. I mean, I just
12 have a few questions and I know we have a lot of discussion and I thank you for all
13 the work and I'm not going to get into any of the, kind of, settlement negotiations
14 we've been talking. I just want to see what kind of transparency will we be offering,
15 especially about the selection criteria once we get to chosen projects, so the
16 constituents and public know how we got to those said projects.

17 **MR. HAND:** Yeah. Great question because there is an estimate of what all these
18 things cost and people tend to focus on that estimate and think of it, oh, we're just
19 going to write you a check for whatever that number is, but this was kind of a
20 bottoms-up approach to -- it's an asset by asset look. So they looked at different
21 feeders, different assets in the distribution system to identify, you know, what is the
22 exposure of that feeder to future storms, what's its wind rating, what's the
23 likelihood of failure. So we have -- it's a little over 2,000 specific projects, feeder

1 projects, substations. So we do have and the parties have a list of those 2,000
2 projects. They know what it is, where it is, what the cost -- they don't know the
3 cost estimate for each project because while I love our contract partners, our
4 vendors, I don't want them to know what we've estimated it to be. So, you know,
5 but they know the specific projects, they know the benefits that we estimate for
6 each project, they know what's going to be done. So that level of transparency is
7 out there, and, importantly, I think it's very important for the Commission to retain
8 its jurisdiction. This is a -- it's not a if you say yes -- and there's no vote today,
9 obviously, there's no settlement, but if you were to say yes, this is not we're off to
10 the races and we're going to spend all of it. It's a measured approach and we have
11 provisions where the Staff, engineering consultants, will be watching us all along
12 the way, semi-annual reports. And if the Commission, for whatever reason, says
13 slow your roll, pause, we want to rethink the projects, the level of investment, or
14 we want you to do more, that's your purview. And so there's stops and off-ramps
15 along the way that we've built into this to protect your jurisdiction and to make sure
16 the programs, the projects we're doing are really beneficial. We're working on cost
17 estimates and as we know, with inflation, sometimes we don't control what costs
18 do, you know. The price of, you know, metal and conductors, things can go up,
19 price of wood. So we don't control fully what that is, but we're going to work
20 closely with our contract partners to manage those costs for customers. But if the
21 Commission says along the way that we want you to slow down because we don't
22 think this is the right thing, you know, you have that jurisdiction, retain that
23 jurisdiction. It's not like a powerplant, when you say it's approved, go build it, and

1 we tell the contractors start building it. Once we tell that contractor on a powerplant
2 to start building it, there's very significant cost exposure that we're committed to.
3 Here, it's 2,000 different projects, so along the way if y'all say I'm not comfortable
4 with this, we can pivot and move away from it.

5 **VICE CHAIRMAN LEWIS:** Thank you. And I want to say I really do appreciate
6 the accountability measures that you have been offering and you're offering here.
7 I just want to make sure that they're effective and they work actually in practice
8 with how we want. So I just want to ensure that you will continue to work with our
9 Staff on the process you're proposing, the information you'll be sharing, and that
10 we can all, kind of, agree to the best ways for us to use -- working together to ensure
11 that these projects progress. And so I just want to make sure that that continues and
12 that we continue those deep conversations. And I think the last thing that I want to
13 say or mention, I know -- and Commissioner Greene mentioned about the several
14 ongoing rulemakings that could affect and work on the projects that are being
15 proposed in this package. And so I just want to make sure that on the offset that
16 these projects would be in no way exempt from any of those future rules and that
17 this is not any type of specific carve out, but in fact would comply with existing
18 rules and any future rules. And so I just want to make sure that you will work with
19 us to ensure that happens as well.

20 **MR. HAND:** I can affirm today, I don't know what the rules will be, but I can
21 affirm to you, we will comply with it. Your rule will say one of two things: Do
22 more or do less. In either of those events we have the off-ramp, the ability, we will
23 comply with whatever that rule is. I can't imagine the rule is going to say do less,

1 in terms of hardening and resilience, but if it is less or different, that's what we're
2 committed to do.

3 **COMMISSIONER GREENE:** It might say do more for less.

4 **MR. HAND:** If I could figure that math out, I would definitely do it.

5 **VICE CHAIRMAN LEWIS:** Well, I appreciate your work. I thank you for still
6 working with me and my Staff as we've gone through this and we'll continue those
7 conversations along the way. Thank you.

8 **CHAIRMAN FRANCIS:** When are we going to start working on this resilience?
9 I can feel another hurricane coming. God help us.

10 **MR. HAND:** So, I mean, clearly is -- I think this Commission has said before, and
11 I do want to -- I want to quote Paul Zimmering, one of the things he always told me
12 was storms are a question of when, not if. The first storm case I worked on with
13 him, that was what he told me and it's proven to be true. So time is of the essence,
14 it always is. The 2024 storm season's going to be on us pretty quickly. We can't
15 harden the system before that, but we need to start somewhere and I think the time
16 to start is as soon as possible. But that said, we have a lot of stakeholders, so you,
17 Commissioners, are key stakeholders. We have a lot of intervenors in the case and
18 when we met with them, I told them this is not an Entergy thing, it's not a
19 Commission thing, it's an all of us thing. So whether you're the Alliance for
20 Affordable Energy, any intervenor in this thing, we are making very important
21 policy decisions for the state. We can't make it alone, you can't make it alone.
22 We're all in it together and if we do it the right way, we're going to be in it together.
23 If we decide not to do it or we can't get approval to do it, we're also in that together.

1 And I know when storms happen, the frustration comes at us and it comes at you.
2 But we want to be aligned with all the stakeholders, all the intervenors, all the
3 Commissioners because this is a matter of, you know, critical importance for the
4 state of Louisiana and the future. You know, the economic development
5 opportunities we have before us, one of the first questions those folks ask is I'm
6 willing to come invest billions in your state, but what are y'all doing as a state to
7 become more resilient and hardened. And it goes beyond the electric system. It
8 goes to insurance, you know. We all know how high homeowners' insurance,
9 property insurance, is in Louisiana. And this, I think, is one of the things that can
10 help with the insurance crisis in Louisiana. Look, we're not fortifying homes. They
11 have fortified roofs, that sort of stuff, but when an insurance company knows we
12 can get lights back on in a day versus two weeks following a major storm, that
13 means they're not going to have entire loss of contents, they're not going to have
14 mold and mildew infestation in the homes. So everybody's looking at this.
15 Businesses who want to come here, insurance companies, parish leaders, you know,
16 they're stressed during storms as well. They're trying to provide for emergency
17 services and the sooner we can get lights back to normal following storms is hugely
18 important for the future of the state. So we look forward to working with the
19 stakeholders, the intervenors, and I'm always optimistic, I have to be. I hope we
20 are, you know, dressed casually in Many. Bring to you guys a, you know, some
21 sort of consensus proposal from all the parties that y'all can consider in April. So I
22 hope to -- I will definitely see you in April. I hope to see you with something for
23 y'all to vote on, on resilience.

1 **CHAIRMAN FRANCIS:** Bring us something so we can get started on this
2 resiliency. Our constituents are ready. If we get hit with another hurricane and we
3 haven't made a move, they're going to be wondering what in the world are we
4 doing. We've got a good plan. We've got our eyes on you. Let's get started. We'll
5 rein you in. We're watching you. Okay. And we're working with all these
6 intervenors, so thank y'all for the report.

7 **MR. HAND:** Yeah. Thank you.

8 **COMMISSIONER CAMPBELL:** I would like to say, too, that I know you got
9 this big rate increase coming up and all this money is being spent and I've talked to
10 these fellas. I represent north Louisiana. I feel like we pay a lot of the bills yet we
11 don't have a lot of damage. So I'm going to really be putting my eye on you, not
12 warning you, but you're going to have to spend some money in north Louisiana.
13 You can't spend it all down here and ask us to eat it. That's what we do. We pay
14 for storms we never have. I've been through that before, but if you're going to have
15 a lot of money to spend, I'm going to be watching you real close that you spend a
16 lot of it -- our proportion, in north Louisiana. Because I don't feel like we get our
17 fair share now. Not that you do a bad job. In the territories, it's different. It's just
18 different. We don't have the storms y'all have, but we pay our bills and we want
19 our --

20 **MR. MAY:** Commissioner, I appreciate that sentiment. I can assure you, we have
21 a number of projects in north Louisiana, and as I mentioned in our previous
22 discussion, there are economic opportunities associated in that area, which
23 resilience and reliability is going to be a key component of that.

1 **COMMISSIONER CAMPBELL:** If you look at the parishes that are suffering,
2 north Louisiana has more than anybody. There's some here, but we have --
3 especially up and down the Mississippi River. Some of those parishes have lost 25
4 percent population. Twenty-five percent, unbelievable. I was talking to, yesterday,
5 a gentleman in Concordia Parish and he goes on and on. And I was talking with
6 the man ahead of the co-op in Jonesville. He said when he went to Jonesville, there
7 was 13 lawyers. Today there is three lawyers. That's the problems that north
8 Louisiana is suffering and we have to have -- if we can get some good industry.
9 Plus, y'all are the -- y'all have to be able to do your job and provide the electricity.

10 **COMMISSIONER GREENE:** What's the secret to having fewer lawyers?

11 **COMMISSIONER CAMPBELL:** Do what?

12 **CHAIRMAN FRANCIS:** Okay. Here we go.

13 **MR. HAND:** I object.

14 **COMMISSIONER CAMPBELL:** No people. I mean, can you imagine that
15 though? When he went there he had 13 lawyers practicing law in Jonesville, now
16 there's 3 and one doesn't go to court. It's a shame.

17 **CHAIRMAN FRANCIS:** Okay. Well, thank you. Thank you, guys, for coming.

18 **MR. HAND:** Thank you, Commissioners.

19 **CHAIRMAN FRANCIS:** All right. Moving on. What are we on, 13?

20 **MS. BOWMAN:** Yes, sir. Exhibit Number 13 is Docket Number U-36964. This
21 is Entergy's application for modification and combination of energy efficiency rate
22 riders. It's a discussion and possible vote on the uncontested stipulated settlement
23 pursuant to Rule 57, at the request of Chairman Francis. On August 29, 2023,

1 Entergy filed its application in accordance with the Commission’s rules regarding
2 electric utility tariff filings and related review, Attachment A to General Order
3 dated July 1, 2019. Notice of the matter was published in the Commission’s
4 Official Bulletin, with the Louisiana Energy Users Group timely intervening. Staff
5 and Entergy were able to enter into a settlement, which was filed into the record on
6 March 19, 2024. The uncontested stipulated settlement is, if approved by the
7 Commission, would resolve all issues related to the application in this docket. Staff
8 and Entergy support, and LEUG does not oppose, all of the provisions of the
9 stipulated settlement. Staff and Entergy believe that the settlement presented and
10 is agreed to herein is reasonable in light of the record, consistent with the law, and
11 in the public interest. The major terms are summarized as follows: Entergy is
12 authorized to implement the proposed Quick Start Energy Efficiency Cost Rate
13 Rider, merging the two Legacy Rate Riders into one. And Entergy will combine
14 the reporting requirements for the Quick Start Orders applicable to Legacy EE
15 Rider and submit a single report beginning with the next reporting requirement due
16 under the Quick Start Orders. Staff recommends that the Commission: 1) Assert
17 its original and primary jurisdiction pursuant to Rule 57 of the rules of practice
18 procedure; and 2) Accept the uncontested stipulated settlement filed into the record
19 on March 19, 2023.

20 **VICE CHAIRMAN LEWIS:** I move to accept the uncontested stipulated
21 settlement.

22 **MS. BOWMAN:** Well, we need a Rule 57 first, please.

23 **SECRETARY FREY:** Need a Rule 57 first.

1 **VICE CHAIRMAN LEWIS:** Oh, I'm sorry. Well, I motion to Rule 57.

2 **CHAIRMAN FRANCIS:** And I second that.

3 **MS. BOWMAN:** Okay.

4 **CHAIRMAN FRANCIS:** And so we have a motion by Commissioner Lewis,
5 second by --

6 **MS. BOWMAN:** Microphones are not on.

7 **CHAIRMAN FRANCIS:** Motion by Commissioner Lewis, seconded by
8 Chairman to move to Rule 57. So then we have another motion?

9 **VICE CHAIRMAN LEWIS:** I move to accept Staff's recommendation.

10 **CHAIRMAN FRANCIS:** Second by the Chair. Any discussion or opposition?
11 [NONE HEARD] Hearing none, the motion passed.

12 **MS. BOWMAN:** Exhibit Number 14 is undocketed. It's a discussion with
13 Southwest Water Company regarding water issues in and around the village of
14 French Settlement, at the request of Commissioner Skrmetta. And if
15 representatives from Southwest Water would like to come up.

16 **CHAIRMAN FRANCIS:** Is anybody from Southwest here, is there an attorney
17 from Southwest here? And is everything good now on the -- okay, here we go. All
18 right. Y'all come on up. Commissioner Skrmetta has a question for you.

19 **COMMISSIONER SKRMETTA:** Yeah. Just wanted to clarify that the Parish
20 President's chief of staff had requested this opportunity to come and have a
21 discussion with you. They're not here now, is my understanding, and that's been
22 resolved?

1 **MS. KANTROW:** My understanding is that Jim is not here, unless he showed up
2 in the [INAUDIBLE].

3 **COMMISSIONER SKRMETTA:** Any representatives from Livingston Parish
4 here? [NO RESPONSE] Okay. So did the --

5 **MS. KANTROW:** We have had conversations with him and we believe we've
6 resolved some of his issues.

7 **COMMISSIONER SKRMETTA:** And this was on the consumer complaint
8 telephone lines with your company?

9 **MS. KANTROW:** I think it was the customer service and the wait time.

10 **COMMISSIONER SKRMETTA:** Customer service stuff? The wait times?

11 **MS. KANTROW:** And I have Melissa here who can speak to some of that and
12 kind of the changes that we've made most immediately.

13 **COMMISSIONER SKRMETTA:** Right.

14 **MS. MELISSA RICH:** Hi. So what we've done is we've allocated --

15 **MS. BOWMAN:** I'm sorry. Just introduce yourself for the record, please.

16 **COMMISSIONER SKRMETTA:** Just say your name.

17 **MS. RICH:** Melissa Rich. I'm vice president of operations for Southwest Water.

18 **COMMISSIONER SKRMETTA:** Okay.

19 **MS. RICH:** What we've done in the immediate present is to allocate a couple of
20 additional customer services reps to have them assist taking calls for the current
21 staff that we have in place. And once the merge is complete, we will be hiring
22 additional customer service reps for French Settlement. Or for the Louisiana calls.

1 **COMMISSIONER SKRMETTA:** Well, a couple of things. First off, when you
2 came last month, I thought that the message was pretty clear that y'all were going
3 to get it all sorted out, and right after that we still had the same problems with
4 customer service line and that the parish president of Livingston Parish was on --
5 made the calls, his chief of staff made the calls, and they were still not getting the
6 contact back from the customer service line. So, you know, pardon us for
7 questioning your sincerity on making sure that y'all are going to fix the problem,
8 so Number One. Number Two is -- and so I hope y'all are serious about fixing this.
9 And then the second thing is, since that time, it's my understanding that French
10 Settlement Water, which is run by Southwest Water, Southwest is now going to
11 merge with Utilities, Inc.?

12 **MS. RICH:** Correct.

13 **COMMISSIONER SKRMETTA:** And at the national level.

14 **MS. RICH:** Correct.

15 **COMMISSIONER SKRMETTA:** And that the state operator of French
16 Settlement will now be Utilities, Inc. in the future?

17 **MS. RICH:** That is correct. They will be the new leadership for Louisiana.

18 **COMMISSIONER SKRMETTA:** Okay. So is it safe to assume that you're
19 probably going to take over French Settlement Water as Utilities, Inc.?

20 **MS. RICH:** Yes.

21 **COMMISSIONER SKRMETTA:** Okay.

22 **MS. RICH:** The leadership that is in place for Utilities, Inc. will be the one that
23 takes over for French Settlement.

1 **COMMISSIONER SKRMETTA:** Okay. And so Ms. Kantrow, you're going to
2 be working with counsel about bringing the terms of the merger and all to Staff, so
3 the Commission can review all that, right?

4 **MS. KANTROW:** Well we'll be filing and complying with the '94 General Order.

5 **COMMISSIONER SKRMETTA:** Okay. Staff's okay with everything at this
6 point?

7 **MS. BOWMAN:** I don't know anything other than what was just said, so, I mean,
8 I would like to at least look at it and have a better understanding of all of the
9 parameters.

10 **COMMISSIONER SKRMETTA:** Because I was surprised that Staff didn't
11 know about it and I was able to discover it because you hadn't told us about it, so
12 we need to have a little bit more open dialogue about things like this to make sure
13 we're all on the same page.

14 **MS. KANTROW:** Of course. The parent companies of both French Settlement -
15 - and that stock was transferred to Louisiana Water Utilities in 2022, and UIL --
16 that closing of kind of an upstream -- those parent companies is scheduled to occur
17 and be final April 1st, and so --

18 **COMMISSIONER SKRMETTA:** Right. Well, I found about it about it in a
19 restaurant in Livingston, Louisiana, so.

20 **MS. KANTROW:** When I met with you and talked about the name change and
21 why that was waiting to happen post later was because we were waiting for this to
22 occur.

1 **COMMISSIONER SKRMETTA:** This merger issue was new, so that's the part,
2 so that's what I -- just want to make sure the Staff doesn't know anything about it.
3 They clearly had no knowledge.

4 **MS. KANTROW:** We had filed with the Staff that the parent companies in the
5 upstream business combination between Southwest and Corix was occurring. We
6 filed that letter of non-opposition, which was approved in May of 2023, after all the
7 states, which are, you know, 15-plus, got their individual approvals. We were then
8 going to then come and file, if, indeed, the merger between Southwest -- I mean,
9 between French Settlement -- what is now French Settlement and UIL would occur,
10 we fully appreciate that that would need approval by the Commission. But that
11 hasn't happened yet because it --

12 **COMMISSIONER SKRMETTA:** Yeah. I think that there's some missing parts
13 to this puzzle that have not been kind of keeping the Staff counsel engaged in this
14 issue, and I appreciate you being more forthright with what's happening so we can
15 be on target to make sure that this doesn't get delayed in process for the value of
16 your company.

17 **MS. BOWMAN:** And did I understand that its happening April 1st?

18 **MS. KANTROW:** All of the states are supposed to be approved on the 15 states,
19 April 1st. On the piece that this Commission also got the letter of non-opp May of
20 2023. All of those other states are supposed to have similar approvals. The merger
21 between UIL and French Settlement won't occur until after we come and file the
22 letter of non-opposition.

23 **MS. BOWMAN:** Okay. That's -- okay.

1 **SECRETARY FREY:** I think that clears it up for us.

2 **MS. BOWMAN:** Yeah, that -- well, part of it.

3 **COMMISSIONER SKRMETTA:** Yeah. I want to make sure, from this point
4 forward, you're more engaged with Staff counsel on this to make sure that there's
5 no gaps on this, okay?

6 **MS. KANTROW:** Okay.

7 **COMMISSIONER SKRMETTA:** And in the meantime, I would appreciate you
8 bumping up your consumer response for the folks there and trying to engage this.
9 and when Utilities, Inc. takes over, I'd like to meet with them on this issue.

10 **MS. KANTROW:** Of course.

11 **COMMISSIONER SKRMETTA:** All right. Thank you very much.

12 **MS. KANTROW:** Thank you.

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

14 **MS. BOWMAN:** So the last agenda item is Exhibit Number 15. It is a resolution
15 for authorization of the Commission to provide letters of support for some of the
16 electric cooperatives. And the resolution reads as follows: The Louisiana Public
17 Service Commission, pursuant to its Constitutional authority, regulates the rates,
18 terms and conditions of service of both investor-owned and not-for-profit electric
19 utilities providing service to industrial, residential, and commercial customers in
20 Louisiana. Whereas the electric cooperative members of the association of
21 Louisiana Electric Cooperatives, or ALEC, include Beauregard Electric
22 Cooperative, Claiborne Electric Cooperative, Dixie Electric Membership
23 Corporation, Jefferson Davis Electric Cooperative, South Louisiana Electric

1 Cooperative Association, Washington-St. Tammany Electric, all distribution
2 cooperatives regulated by the Louisiana Public Service Commission. Whereas in
3 a first of its kind comprised of all six of these Louisiana electric cooperative
4 members formed a Louisiana coalition to apply for the Department of Energy grid
5 resilience and innovation partnership program, or GRIP. Whereas the project
6 strives to solve the grid resilience challenges that threaten the state of Louisiana's
7 economic vitality and promote remote rural disadvantaged communities from
8 increased climate related threats and external risk that compromise energy, safety,
9 reliability, and resilience. Whereas all six of the cooperatives in the coalition have
10 been affected by at least one, if not more, named disasters in the past three years,
11 including hurricanes and severe winter storms. Whereas the set of projects is
12 focused on the following goals and investments: 1) Climate risk mitigation by
13 hardening aging power infrastructure through wood to steel pole replacement,
14 substation upgrades, advanced reconductoring, and undergrounding of distribution
15 lines to reduce the duration and frequency of power outages; enhance energy
16 security by creating redundant-loop transmission systems and piloting emerging
17 grid technologies; clean energy access by deploying clean distributed energy
18 resources, community resilience hubs, and micro-grids; workforce sustainability by
19 workforce and apprenticeship programs to foster power sector growth within
20 disadvantaged communities; community outreach and participation in women and
21 minority business enterprises and local contractor participation goal is to elevate
22 economic growth in communities; relieve energy burden through advanced meter
23 infrastructure and switching technologies to reduce cooperative costs in power

1 disaster expenditures. Whereas these impacts were felt across the state as this
2 coalition provides energy services to 33 of the 64 Louisiana parishes. Whereas the
3 Commission has been working and will continue to work to ensure that the electric
4 utilities under its jurisdiction provides safe reliable service to Louisiana citizens at
5 the lowest reasonable cost. And whereas the Commission continues these efforts
6 by supporting the utilities' efforts to secure funding that would reduce the economic
7 burden of resiliency projects, especially for disadvantaged communities. Now
8 therefore be it resolved that the Louisiana Public Service Commission urges and
9 requests that the United States Department of Energy to consider the issues
10 addressed herein and approve the application of the above-named electric
11 cooperatives for funding and order that the same can address essential infrastructure
12 investments, which will ultimately benefit the ratepayers and citizens of Louisiana.
13 **CHAIRMAN FRANCIS:** Okay. Chair recognizes Commissioner Lewis.

14 **VICE CHAIRMAN LEWIS:** Thank you, Mr. Chairman. And I just wanted to
15 say, I'm honored to offer this resolution with you. As I mentioned multiple times,
16 the investment from the IJJA and the IRA gives Louisiana a great opportunity to
17 improve our electric system in this state. We have had significant conversations
18 today about resiliency, reliability, and affordability. And I believe this project, that
19 the co-ops have introduced, will help and truly bring needed resources to Louisiana.
20 I thank them for proactively applying, just as we have done a resolution like this
21 for Entergy Louisiana for doing the same, which I also thank. And so just for the
22 record, this project is requesting around \$151 million and the co-ops' match would
23 only be 33 percent, so Louisiana would see a significant investment that does not

1 cost our ratepayers and the co-ops significant amount of money. And so I want to
2 thank the co-op and their leadership on this and the work that Louisiana is doing to
3 be the leader to receive as many funds as we can from the Department of Energy
4 and the federal government in this investment. And so at the right time, I would
5 move adoption of this resolution, Mr. Chairman.

6 **CHAIRMAN FRANCIS:** I've got a question for that, with those numbers. Is that
7 33 percent?

8 **VICE CHAIRMAN LEWIS:** Yes, sir. The co-ops -- so the anticipated total
9 project budget would be just about \$226 million, and they have requested from the
10 federal government around \$151.3 million, and so their match would just be 33
11 percent.

12 **CHAIRMAN FRANCIS:** It sounds like a good deal, but it is going to be -- they
13 probably would have to raise their rates a little to generate that money. Would that
14 --

15 **VICE CHAIRMAN LEWIS:** I'm not -- I would welcome any of the co-ops to --
16 I'm not sure of that answer, Mr. Chairman.

17 **CHAIRMAN FRANCIS:** Where would the co-ops get the money?

18 **SECRETARY FREY:** While they're coming up, I know when this was discussed
19 last year, when this application was put in, and I think it's essentially similar, some
20 of them may have been able to handle it through their existing line of credits. And
21 I think that was one question since they borrow from the federal government,
22 through Co-Bank or RUS, would that be a violation or be prohibited, but I think
23 that hurdle was cleared. And I don't know if they're listening, but that they could

1 use, essentially, their existing line of credits, or if they had to get a loan from
2 CoBank, that wouldn't be considered using federal dollars to -- so that's the route
3 I believe they were going. I see Addy shaking her head, yes.

4 **COMMISSIONER SKRMETTA:** If you borrow money, do you have to pay it
5 back?

6 **SECRETARY FREY:** Yes.

7 **COMMISSIONER SKRMETTA:** So that would have to be recovered from
8 ratepayers -- from the co-op members?

9 **SECRETARY FREY:** Yes. It would either -- if it's addition --

10 **COMMISSIONER SKRMETTA:** How does a co-op recover money? Do they
11 raise rates on their members?

12 **SECRETARY FREY:** They would if it would be a new. That's what I'm saying,
13 and some might have the --

14 **COMMISSIONER SKRMETTA:** So is there an obligation under this -- I mean,
15 I have no problem with the resolution, but it's a choice they get to make later if they
16 get the option --

17 **SECRETARY FREY:** Yeah, they'd have to file an application with us to get any
18 approval for a line of credit, etcetera, that's correct.

19 **COMMISSIONER SKRMETTA:** Got it.

20 **CHAIRMAN FRANCIS:** So you'd probably have a board of directors' approval
21 to accept that, so the board representing the people, if they wanted to raise their
22 rates in order to get this benefit. Sounds like a reasonable deal to me. It's under

1 the -- the Public Service Commission really wouldn't vote, it would be the board
2 of directors of the co-ops; wouldn't that be right?

3 **SECRETARY FREY:** Well, if they'd come in for a line of credit or any additional
4 borrowing, then that would require our approval.

5 **CHAIRMAN FRANCIS:** I mean, we'd have to approve what their board of
6 directors asked.

7 **COMMISSIONER SKRMETTA:** Board would be first.

8 **CHAIRMAN FRANCIS:** Okay. All right. So it's still -- it's back in the hands
9 of the locals. Okay. That's what I wanted -- well, I would support the resolution.
10 And I think, Commissioner Skrmetta, you had something else?

11 **COMMISSIONER SKRMETTA:** Yeah, I just had a quick question for the Staff.

12 **CHAIRMAN FRANCIS:** So the resolution is approved.

13 **COMMISSIONER SKRMETTA:** Yeah. It's a question for Staff. I guess,
14 Colby, you may have been monitoring this. I'd like an update on, I'm not sure of
15 the bill number, the Senate bill, is it 180 or 108?

16 **UNIDENTIFIED SPEAKER:** 108.

17 **CHAIRMAN FRANCIS:** Yeah, 108, right?

18 **COMMISSIONER SKRMETTA:** Just on the sort of the basis of it and kind of
19 where we are on this because of how it affects the Commission, and so kind of give
20 me a kindergarten primer on it.

21 **SECRETARY FREY:** Okay. So as I appreciate it, and I've reviewed this and sat
22 in the committee hearing, there was a bill introduced to modify situation in which
23 a utility, specifically for the purposes of building transmission lines, can use

1 expropriation authority, so it'd be a modification to the expropriation statutes that
2 exist in law. And basically, the way it was written was if a line was being built that
3 did not provide the majority, I think is the way it was stated, of power within the
4 state, then you couldn't use expropriation authority under the existing statute.
5 There was a modification made to it in committee that essentially would exempt
6 out projects that weren't a RTO approved process. So it passed out of committee
7 with that language included therein. I think it passed the full Senate day before
8 yesterday, so it's now on the House side and we'll -- I think it was just referred to
9 committee as well on the House side.

10 **COMMISSIONER SKRMETTA:** Right. So how does that impact the
11 Commission and how does it impact the general sort of interrelation on
12 transmission as we are?

13 **SECRETARY FREY:** That's a difficult question, you know.

14 **COMMISSIONER SKRMETTA:** That's why I asked you. I could ask Kathryn,
15 but I asked you.

16 **SECRETARY FREY:** So looking at it in this form, obviously, there's concerns,
17 you know. The Commission, we don't handle expropriation or property disputes.

18 **COMMISSIONER SKRMETTA:** Right.

19 **SECRETARY FREY:** However, what could or could not happen there could
20 trickle down to the Commission. With the amendment, it's better. It has less
21 impact on the Commission, but I could still see it having unintended consequences
22 down the road if, for example, another state would implement a similar type of rule,

1 it could chill or have an impact on transmission being built in other states, which
2 may benefit Louisiana, not that state.

3 **COMMISSIONER SKRMETTA:** How does this jibe with the FERC obtaining
4 backstop authority any way against state authority?

5 **SECRETARY FREY:** Not getting into the weeds on that, it's my appreciation
6 that there are some serious concerns that this would be violative of the FERC's
7 primacy on these issues and may be a violation of federal law.

8 **COMMISSIONER CAMPBELL:** What is this bill exactly? Sum it up for me.

9 **SECRETARY FREY:** As it's written now, if a transmission line is being built
10 across the state and there is no -- well, not to say no. If the majority of the power
11 that is being transmitted on that line is not being consumed in the state, and I know
12 there was a discussion about what that means, majority of the power, then the
13 builder of that line cannot use expropriation authority to take property. They could
14 negotiate still, but they wouldn't have the ability to expropriate someone's land if
15 they didn't want to negotiate with them.

16 **COMMISSIONER CAMPBELL:** That's the same thing we're talking about,
17 that's the same high line of the same transmission line that's going all across north
18 Louisiana, that we don't get one kilowatt of electricity out of, not one. And that's
19 what I want us to make all the transmission lines come here. Today, I don't think
20 they have to. You're saying some people say, some of your Staff said, oh, we don't
21 have jurisdiction, blah, blah, blah, blah, blah. But we have a rule coming up that
22 says they have to come here to get permission; isn't that correct?

1 **SECRETARY FREY:** That’s correct. There’s a proposed rule out there that you
2 will -- that will be presented for y’all to vote on to expand our Transmission Siting
3 Order, which deals more with the -- not the physical siting, but the public interest
4 siting, I guess, is the best way to say it.

5 **COMMISSIONER CAMPBELL:** Right. Well, I’m for that. I think that anybody
6 that comes across the state of Louisiana needs to come by us and talk to us, if you
7 got a big transmission line. That makes good sense.

8 **CHAIRMAN FRANCIS:** Mr. Secretary, is this in the same category of pipeline
9 that crosses Louisiana the same way, under the federal regulations; yes or no?

10 **SECRETARY FREY:** I would say yes. There was discussion about that, whether
11 this was pipeline as well, and that particular proposed statute is only dealing with
12 transmission. I mean, expropriation authority would go to pipelines as well, certain
13 types of pipelines, and those certain types have expropriation authority, others
14 don’t.

15 **CHAIRMAN FRANCIS:** Okay.

16 **SECRETARY FREY:** I’m definitely not an expert on that. I don’t know if I’m
17 an expert on any of this, I’m just going to tell you what I think. I’m showing my
18 humility.

19 **CHAIRMAN FRANCIS:** I can see some federal lawyers showing up to this thing.

20 **VICE CHAIRMAN LEWIS:** And, Mr. Chairman, I just want to put on the record
21 that while, in respect of the current proposed project, I did have some concerns with
22 Senate Bill 108, for what it means about in a regional transmission and interregional
23 transmission planning. As we know, transmission will be one of our biggest

1 tackles, so I have gone publicly on record with the members of the Senate and the
2 House that I am opposed to Senate Bill 108, so I just wanted to let my colleagues
3 know that I have submitted official opposition to my legislative delegation on this
4 proposed legislation.

5 **COMMISSIONER CAMPBELL:** You're not for it?

6 **VICE CHAIRMAN LEWIS:** Not the bill.

7 **COMMISSIONER SKRMETTA:** I've got another question. Is anybody from
8 Patton here?

9 **MS. BOWMAN:** Pattern?

10 **COMMISSIONER SKRMETTA:** I think Emory Belton, I don't know if he's
11 here today.

12 **SECRETARY FREY:** Actually, we do have people here from Pattern.

13 **CHAIRMAN FRANCIS:** Is someone here for the -- representing the transmission
14 line? Yes, they are. Okay.

15 **COMMISSIONER SKRMETTA:** You know, because they can tell me more of
16 what's going on, so.

17 **CHAIRMAN FRANCIS:** Yeah. Appreciate y'all --

18 **SECRETARY FREY:** Turn on the mic and introduce yourself.

19 **MS. BOWMAN:** And sign the yellow card after.

20 **SECRETARY FREY:** Hit the button.

21 **CHAIRMAN FRANCIS:** Give us your name.

22 **MR. ADAM RENZ:** There we go. Commissioners, Adam Renz, director of
23 development, Pattern Energy.

1 **CHAIRMAN FRANCIS:** Adam, thank you for coming.

2 **MR. RENZ:** Thank you, sir.

3 **MR. KYLE MARIONNEAUX:** Kyle Marionneaux and John Grinton, counsel
4 for Pattern in the matter that's before the Public Service Commission.

5 **CHAIRMAN FRANCIS:** And?

6 **MR. JOHN GRINTON:** John Grinton. I'm with Marionneaux Kantrow as well.

7 **CHAIRMAN FRANCIS:** Okay.

8 **COMMISSIONER CAMPBELL:** Let me ask you a question. Kyle, I know y'all
9 are not for the bill, right?

10 **MR. MARIONNEAUX:** That's correct.

11 **COMMISSIONER CAMPBELL:** Okay. This has nothing to do with the bill.
12 But you're not going to object that the Public Service Commission -- you've told
13 me this, let's get this on the record. I have a proposal coming up, tell him what it
14 says.

15 **SECRETARY FREY:** Well, I think the parties have already had an opportunity
16 to comment on it. Ms. Evans, I know you showed me the language, I don't know
17 it off the top of my head. But we had a directive back in January, I believe, to put
18 this proposed language in the existing rulemaking. It's my appreciation that went
19 out for comments and comments were received from, I believe, three or four parties,
20 so Staff should be going forward with its recommendation here shortly.

21 **COMMISSIONER CAMPBELL:** Basically, what does it say? You beat around
22 the bush. Tell them what the damn thing says, Brandon.

1 **SECRETARY FREY:** So basically, under our order, there was an exception on
2 our, like, I'm going to call it public interest criteria for transmission siting. There
3 was an exception, if there was no off taker or no power being provided in the state
4 off of a line, it's going to remove that exception, essentially. I think our say,
5 irrespective of whether it's providing power in the state, our rules would still apply.

6 **COMMISSIONER CAMPBELL:** Basically, what it says, if you're coming
7 across the state of Louisiana with a transmission line, you've got to come by the
8 Public Service Commission. That's all. We've got to know about it.

9 **MR. MARIONNEAUX:** And, Commissioner, just to be clear, on the record,
10 Southern Spirit Transmission, which is a subsidiary of Pattern, voluntarily filed an
11 application earlier in the year to come before the Commission, asking for it to be
12 certified without you guys changing the Certification Order. So, yeah, so we don't
13 oppose that. We do oppose, and we said that in the matter, any kind of delay of our
14 matter, which has already gone to hearing, you know, based on that. Because we've
15 already come and asked for your certification or, you know, a determination that
16 it's exempt.

17 **COMMISSIONER CAMPBELL:** But there'll be a vote of whether or not you
18 can come across the state. That's going to be -- you're going to have to do that.
19 Because what you're doing here, it's only going to affect north Louisiana, but it
20 could affect everybody. You're coming across the state from Logansport to the
21 Mississippi River, building a transmission line that you won't tell who is getting
22 electricity. You don't ever tell us that, I've been through it, the whole deal, I've
23 heard all the speeches. The money's coming from a trust fund or something in

1 California teachers, they're coming across the state, we're not going to get one
2 kilowatt of electricity out of it. You basically don't tell us what's going on, and
3 now I just want a rule that you'll have to be able to vote and get permission to come
4 across. Other lines come across the state of Louisiana, you have to get permission.
5 You do on pipelines. Where's Bobby Gilliam?

6 **COMMISSIONER SKRMETTA:** Bobby's in the back. He's hiding in the back.
7 He's back there, I see him.

8 **COMMISSIONER CAMPBELL:** So go ahead.

9 **MR. RENZ:** No. Commissioners, you guys now get to experience, and I know
10 many of you have heard it before, how I bore my wife and everyone else around
11 me around transmission planning. I do just want to set a few things, just on the
12 record, straight. As Kyle mentioned, first and foremost, I think that this project,
13 Southern Spirit Transmission, absolutely falls underneath the Commission's
14 purview. And that is in our filing, right. I mean, that's one of the pieces of --

15 **COMMISSIONER CAMPBELL:** Well, then you won't have any objection to
16 what I'm trying to pass.

17 **MR. RENZ:** I believe there is some phrasing in the amendment and one of the --
18 or, sorry, in the new siting order would change some things on the rules. We've
19 been working on this project together with many -- with members of this
20 Commission for nearly a decade, and more with prior Commissioners, so changing
21 the rules we've spent, to date, \$100 million on this project, the vast majority of that
22 is in the state of Louisiana. We've been playing by the rules that are in the current
23 siting order --

1 **COMMISSIONER CAMPBELL:** Wait a minute, man. Come on. Where have
2 you spent 100 million on it?

3 **MR. RENZ:** \$40 million is in non-refundable HVDC converter stations.

4 **COMMISSIONER CAMPBELL:** What is that?

5 **MR. RENZ:** HVDC converter stations, so one of the billion-dollar pieces of
6 infrastructure [INAUDIBLE] --

7 **COMMISSIONER CAMPBELL:** Where is that at?

8 **MR. RENZ:** -- in DeSoto Parish.

9 **COMMISSIONER CAMPBELL:** You've already spent that?

10 **MR. RENZ:** Yes.

11 **COMMISSIONER CAMPBELL:** You've got it built?

12 **MR. RENZ:** Yes. It's not built, it's a five-year build cycle.

13 **COMMISSIONER CAMPBELL:** Oh, yeah. I know, I got it. I got it. And you
14 got two permanent jobs. I don't -- but we'll put it off until when it comes up. I got
15 the picture, you spent 40 million in the air, you've spent 40 million, you've
16 contacted all these police juries. I haven't had one call from a policy jury saying
17 they support it.

18 **MR. RENZ:** And, Commissioner, I guess one of the pieces I just want to -- and
19 I'm not looking for handouts or sympathy or empathy on this. Being transparent is
20 critical to me, and as you know, we started it a year ago -- almost a year and a half
21 ago, we had, I think, nine, maybe twelve -- between nine and twelve intervenors in
22 our project, all of which in your district. We are now down to one. And I take that

1 as a personal win and I am blindly optimistic and naïve as a developer, that's my
2 job, I think we're going to close that.

3 **COMMISSIONER CAMPBELL:** The intervenors -- now, what you're telling
4 me --

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

6 **COMMISSIONER CAMPBELL:** -- that everybody in my area up there is for it,
7 correct?

8 **MR. RENZ:** I'm saying we've taken formal intervenors down from a dozen to
9 one.

10 **COMMISSIONER CAMPBELL:** Yeah. Formal intervenors. But let me tell you
11 what this plate thing is doing. It's going across -- that's the big property owners.
12 This thing goes all across north Louisiana. People have got 30 acres, 20 acres, 10
13 acres and stuff like that, they don't even know about the damn project. This project
14 is way below radar. Now, you can say, well, of course we put in the paper, we've
15 done all this. Wait until you really start having all these meetings and they find
16 about -- I've only had one police jury, DeSoto Parish, call last week, one, one called,
17 and said we're for it because you're going to build something in Logansport. That's
18 basically it.

19 **MR. RENZ:** Sir, I -- listen, I can't correct -- I can't argue with anything you're
20 saying. I know that we have more than 50 full-time Louisiana employees in our
21 Monroe office.

1 **COMMISSIONER CAMPBELL:** Are they working? Yeah, but that's where
2 you're spending the money, what you're talking about, we've spent all -- yeah, 15
3 people working.

4 **MR. RENZ:** We've acquired nearly 50 percent of the right-of-way for the state of
5 -- in the state of Louisiana.

6 **MR. MARIONNEAUX:** And they're paying landowners for it, Commissioner.
7 And I might add, you know, I'll push back on one of the things you said, that they're
8 not aware of it. Over time, over the years, they have sent regular notices to the
9 landowners who may be affected of the project, so to suggest it's unknown to the
10 landowners, I mean, unless they're, you know, not opening their mail, it just -- it
11 can't be true.

12 **MR. RENZ:** And one other piece is -- and I know this -- Joe Shyne and I have
13 talked about this.

14 **COMMISSIONER CAMPBELL:** Joe Shyne's out of the situation.

15 **MR. RENZ:** Okay. My question is, there's letters that we sent from Doyle Land
16 Services testifying to \$20 million of pieces, like of spend in the state of Louisiana.
17 We have two Louisiana-based land acquisition companies that have each built tens
18 of thousands of natural gas pipelines. Part of it is this is a project that is no impact
19 to future ratepayers, so we can take our time. I take a lot of pride in how our route
20 is not just trying to --

21 **COMMISSIONER CAMPBELL:** Where is the electricity -- let me just ask you
22 a couple of questions.

23 **MR. RENZ:** Yes, sir. Yes, sir.

1 **COMMISSIONER CAMPBELL:** Since you're coming across Louisiana, we're
2 not getting one kilowatt of electricity; is that correct?

3 **MR. RENZ:** It is going to be interconnected into MISO South, Load Zone --

4 **COMMISSIONER CAMPBELL:** Is that correct?

5 **MR. RENZ:** That is incorrect.

6 **MR. MARIONNEAUX:** It's not correct, Commissioner.

7 **COMMISSIONER CAMPBELL:** That is correct.

8 **MR. RENZ:** No, sir, it's not.

9 **COMMISSIONER CAMPBELL:** Where is it going to? It might go to, that's
10 what you're saying?

11 **MR. RENZ:** Well, so, one of the pieces of going to a FERC regulated common
12 carrier project is we have to go through what's called an open solicitation process,
13 that is supervised by third-party outside pieces. So if a Cleco or an Entergy or
14 anyone wanted to procure power, a third party has to supervise that to ensure that
15 Southern Spirit or Pattern Energy can't put our fingers on the scale to prohibit
16 someone who wants power from getting power. That's a process that happens and
17 is triggered at the FERC level at a later date. Step one, and that brings us back to
18 the Commission, is just thoughtfully going through the permitting process. We're
19 required to go through the PSC process in Mississippi and Texas, we already have
20 Texas approved.

21 **COMMISSIONER CAMPBELL:** What about Mississippi, did you get that
22 approval? Now, wait a minute, now, hold up, now.

23 **MR. RENZ:** Yes, sir. Yes, sir.

1 **COMMISSIONER CAMPBELL:** Don't say something you don't want to back
2 up. You got Mississippi's approval?

3 **MR. RENZ:** No, sir. We are waiting. And we are waiting for a final scheduling
4 order. As you all know, we lost, in the last election cycle, the entire Commission,
5 so we are starting from scratch. We have a meeting next week with Governor
6 Reeves, and we are continue to brief and work. We're actually waiting on, I believe
7 it's coming soon, there is a UPC report that is being delivered to --

8 **COMMISSIONER CAMPBELL:** Joe.

9 **MR. RENZ:** -- the team at the Mississippi Public Service Commission, and that
10 is due in the next two weeks.

11 **COMMISSIONER CAMPBELL:** Go get Bobby Gilliam.

12 **VICE CHAIRMAN LEWIS:** I have one question.

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

14 **COMMISSIONER CAMPBELL:** Hold on.

15 **VICE CHAIRMAN LEWIS:** Oh, I'm sorry.

16 **COMMISSIONER CAMPBELL:** I hear what you're saying but I want
17 somebody to --

18 **MR. RENZ:** Okay. That's -- listen --

19 **COMMISSIONER CAMPBELL:** Yeah, yeah, yeah. I got you. I got you.

20 **VICE CHAIRMAN LEWIS:** Commissioner, would you mind. I want to talk
21 about something really quick while we wait for Bobby. I just, for my colleagues,
22 while I appreciate this debate and I think this is a good [INAUDIBLE], I want to
23 remind us that Senate Bill 108, that I think we started the discussion on, does pertain

1 to any project, not specifically this project. And I want to be clear, while this project
2 is still under review and I have still not made any determination, my opposition to
3 Senate Bill 108 is that it will harm our process of even looking at interregional
4 transmission, because this is -- what I'm fearful of is having the legislature make
5 legislative decisions around transmission planning on one particular issue, when
6 this could impact a significant amount of issues. And as we've talked earlier, with
7 Entergy and the other companies, transmission and baseload growth is going to be
8 a significant problem for us and we can't only think about generation, we have to
9 think about transmission. And so that is, while I appreciate this debate and I'm
10 going to yield back to my colleague, I wanted to be very clear that when I oppose
11 Senate Bill 108, it has nothing to do with this project because I have not evaluated
12 it because it hasn't come towards us yet, but it has to do that it does harm the entire
13 process of interregional transmission projects and planning for the future of
14 Louisiana. Thank you, Mr. Chairman.

15 **COMMISSIONER CAMPBELL:** Mr. Chairman, I would like Bobby Gilliam to
16 get in on this. Bobby, this man was saying, this gentleman here, was saying that
17 there's only nine intervenors in the case; all of them but one have agreed to going
18 along with what they're trying to sell, the high line project in north Louisiana. And
19 I don't think that's true. I'm not calling -- I think there was a mistake. I certainly
20 wouldn't dispute your integrity. I think there's a big mistake. Mr. Gilliam
21 represents some of those people, and I don't think you've hollered calf rope, yet,
22 have you?

23 **MR. BOBBY GILLIAM:** No, sir.

1 **COMMISSIONER CAMPBELL:** Well, tell us a little bit about this project.

2 **CHAIRMAN FRANCIS:** Mr. Gilliam, Bobby, just a quick question. Are you
3 representing some of the landowners or what --

4 **MR. GILLIAM:** There's a landowner or two, that they have another -- they have
5 lawyers, but they have asked for assistance from Mr. McCartney and I on certain
6 issues, and we are providing that.

7 **CHAIRMAN FRANCIS:** For who? McCartney?

8 **MR. GILLIAM:** Yes, Jonathan McCartney, in my firm.

9 **COMMISSIONER CAMPBELL:** What I was saying is that they're coming
10 across Louisiana, we have no real clear where they -- they say, well, we're going
11 to -- if we get one kilowatt of electricity. We haven't been able to get that out of
12 them, have we?

13 **MR. GILLIAM:** No, sir. No, sir. In fact, what the project is designed, it's like
14 no other transmission project I've ever seen, ever. It's going across the entire state,
15 from the Mississippi River to Texas, and not one kilowatt of electricity is being
16 delivered to anybody in this state.

17 **COMMISSIONER CAMPBELL:** And Mr. Marionneaux just said well, they
18 will, but nobody knows where it's going. They don't know anything about this
19 project. I mean, they can talk, but is it hard to get straight answers from these folks?
20 Not personally, but from the company.

21 **MR. GILLIAM:** Yeah, for the purpose of the project and all, it has been difficult
22 to get what we need. When you're a public utility and you file for condemnation
23 or seek, you know, routing authority, you've got to jump through a lot of hoops.

1 And one of the key hoops is you've got to show the public need and necessity for
2 this project. You can't just go take property and build things and affect landowners,
3 but you have to have a reason. You have to have a public purpose that all benefit
4 from. This one, on the surface, for Louisiana, it may benefit others, but it is not
5 providing any benefit to Louisiana at this time. Maybe they'll try something else
6 later, and we've got fixed answers on that when we ask that question. But there is
7 no public purpose for Louisiana, as we would define it in the Constitution, provided
8 in this project at all. And the routing and how you do it and all that, you know, they
9 can make their determinations, but when you ask them were you going to provide
10 service to somebody here? Well, no, we don't have plans now. We can't do that
11 now. What are we going to do in the future? We don't know. You know, that's
12 the kind of answers we get.

13 **COMMISSIONER CAMPBELL:** That's been my whole dilemma here, is that I
14 had somebody we all know working with them and you're telling me in a meeting
15 that he has met with all the police juries across north Louisiana; you remember that,
16 Bobby? I said, you met with them all? Oh, yeah, every one of them is for it. I said,
17 well, that's funny. I might be one of the most active Public Service Commissioners
18 up there and I hear from them all the time. I never heard from them. I heard from
19 DeSoto the other day. That's the first time. Red River had a meeting, I don't think
20 they were for it in Red River Parish, that's the drift I got. But what I'm saying is,
21 if you got a good project, fine. But there's no way in the world, as the Public
22 Service Commission, we ought to have a say so of what you're going across. We
23 ought to know all about it. We do on everybody else. All of a sudden, y'all come

1 into town and representing a company from California is putting up the money. I
2 don't know. It's a lot of unanswered questions. And as far as everybody saying
3 they all know about it, I don't believe that. I don't believe it.

4 **VICE CHAIRMAN LEWIS:** Excuse me, Commissioner. If I may ask Staff,
5 really quickly --

6 **MS. BOWMAN:** Yes.

7 **VICE CHAIRMAN LEWIS:** -- just procedurally where we're at on this?
8 Because I did sit through this hearing and I know I have read the transcript from
9 the hearing and I believe we are at post-hearing briefs. So can you, just as a part of
10 this conversation, clarify exactly where we're at on the process of the application?

11 **MS. BOWMAN:** So that is exactly where we are at. Post-hearing briefs were
12 filed, I believe, last week. I'm going to --

13 **VICE CHAIRMAN LEWIS:** I saw Jon's email, so that's why it's on my mind.

14 **MS. BOWMAN:** But I'm almost positive they were filed last week and the ALJ
15 will take everything under recommendation -- or under consideration, and file a
16 recommendation. That can take -- from what I heard, I was not at the hearing, this
17 one was a lengthy hearing, so her recommendation probably will take a little bit to
18 come out. Did the parties waive the proposed recommendation?

19 **MR. MARIONNEAUX:** It was reply briefs, so all the briefing's in, last week,
20 you're right. And we -- the proposed wasn't waived, but the time period was
21 shortened.

22 **MS. BOWMAN:** Okay.

1 **MR. MARIONNEAUX:** So proposed recommendation, final recommendation,
2 and then it comes to you guys. So right now, we're waiting on the proposed
3 recommendation from the ALJ.

4 **COMMISSIONER CAMPBELL:** What is the verbiage of that?

5 **MR. MARIONNEAUX:** The verbiage --

6 **COMMISSIONER CAMPBELL:** Tell me what the verbiage is. I want to know
7 exactly what it says.

8 **MS. BOWMAN:** It's not out, yet. The ALJ hasn't --

9 **SECRETARY FREY:** I think we're confusing two issues here. We've got two
10 dockets going on -- well, actually three.

11 **COMMISSIONER SKRMETTA:** Just wait, there'll be more.

12 **SECRETARY FREY:** We've got the Senate bill, we've got a rulemaking docket
13 on modifying our existing rule. I'm going to defer to Staff on when that's coming
14 out. We also have this hearing where Pattern filed requesting either certification or
15 a waiver; that's in front of the ALJ, that's what Kathryn's talking about. That may
16 take a couple of months or more. The rulemaking, I'm deferring to Staff on that,
17 where that one is. You're asking about the rulemaking, I think.

18 **COMMISSIONER CAMPBELL:** I'm asking -- yes, that's what -- I want a rule
19 that says that if there is a transmission line coming across the state of Louisiana, it
20 has to be okayed by the Public Service Commission. I don't think that's too much
21 to ask, you know. Let the chips fall where they may. If it comes across --

1 **MR. MARIONNEAUX:** Commissioner, it doesn't impact us. We've already
2 filed. We've already filed the application, so that rulemaking doesn't impact us. It
3 just doesn't.

4 **CHAIRMAN FRANCIS:** Commissioner Skrmetta.

5 **COMMISSIONER SKRMETTA:** Hang on one second. Does this --

6 **COMMISSIONER CAMPBELL:** That's the rule you said you didn't object to.

7 **MR. MARIONNEAUX:** I don't. We already filed for your approval.

8 **COMMISSIONER CAMPBELL:** You don't object to it?

9 **MR. MARIONNEAUX:** I don't. I didn't.

10 **MR. RENZ:** It's for future projects. We think it's great, but it -- we're -- we've
11 been working under the current siting order for the last decade, so getting shifted
12 midstream at the end of the process, I think, was what we had formally objected to.

13 **MS. BOWMAN:** So --

14 **VICE CHAIRMAN LEWIS:** I think Staff --

15 **MS. BOWMAN:** So let me help try to clarify it for you, Commissioner Campbell.
16 We have a Transmission Siting Order that they came in and voluntarily, because
17 right now it does not require them to come in, but they came in --

18 **COMMISSIONER CAMPBELL:** So they did -- wait a minute, hold up. They
19 came in and you told them, somebody in the Staff told them this doesn't apply to
20 you.

21 **MS. BOWMAN:** So that is a pending --

22 **COMMISSIONER CAMPBELL:** That's what you told them.

1 **MS. BOWMAN:** But that is a pending docket in front of an ALJ right now, so I
2 don't want to get into all of the substance and the particulars of that because the
3 ALJ -- it's in the ALJ's hands and she hasn't ruled yet. So that is a pending docket
4 in front of us that Pattern has not opposed. There is a proposed statute over in the
5 legislature --

6 **COMMISSIONER CAMPBELL:** I got -- I'm not talking about that.

7 **MS. BOWMAN:** But that's what they're opposing, but they're not opposing the
8 Commission's rules or the Commission's orders.

9 **COMMISSIONER CAMPBELL:** Is that right, Kyle? Whoa, whoa, whoa. Look
10 at him, now. His eyes are rolled up, I can see [INAUDIBLE]. Oh, yeah. Now let's
11 have a little truth.

12 **MR. MARIONNEAUX:** That's accurate. We don't oppose it. We filed
13 comments in it, so I mean, I want to complete it on the record and look for one
14 sentence.

15 **COMMISSIONER CAMPBELL:** You do not oppose the rule that says before
16 you come across the state of Louisiana, you have to have permission from the
17 Public Service Commission?

18 **MR. MARIONNEAUX:** I don't because we filed the application before you even
19 changed it. I mean, I [INAUDIBLE] --

20 **COMMISSIONER CAMPBELL:** I got you. Now we're talking. Here's the real
21 deal. He said I got in before the rule changed. That's what you're saying.

22 **MR. MARIONNEAUX:** No, that's not what I'm saying. You didn't need to
23 change the rule before we come in.

1 **COMMISSIONER SKRMETTA:** Let me tap in here, Commissioner Campbell.

2 **CHAIRMAN FRANCIS:** Yeah, go ahead.

3 **COMMISSIONER SKRMETTA:** Because, look, I agree with Commissioner

4 Campbell at a large part about this, okay. And I have -- I'm kind of -- I'm genuinely

5 agnostic about this transmission line because I don't care if you build it or not. I

6 think you should build it according to avoid any issues you have with the

7 intervenors. And you know what, if you got to make it look like a zig-zag pattern

8 on a World War II destroyer, you build it around the guy who doesn't want it on

9 his property. If it costs you an extra \$5 million to do it, build it whichever way you

10 got to build it and satisfy the gentlemen to his needs and build it however you got

11 to do it. But my problem is the following: You want to build a transmission line

12 across the state of Louisiana that's not going to deliver power to the state of

13 Louisiana, Number One. But what you have said to me is, in the future, you may

14 want to draw power off of that line. We're going to then be faced with a

15 transmission line that exists in Louisiana, that we did not deal with the costs

16 associated with it, etcetera, that you're going to want to draw power off, and then

17 talk to us about collecting a fee associated with the use of that power line. What I

18 want from you, in the world of horse trading 101, is I want you to donate the value

19 of use of that transmission line to the people of the state of Louisiana, that in the

20 future, if you ever drop off of that line, that we don't get charged for the use of that

21 transmission line. Because you can build it, you can do whatever you want, you

22 get your recovery however you do it from the other states, but if you drop off that

23 line and you sell power to the people of the state of Louisiana, well I don't see any

1 reason for us to pay for anything other than the power. Because if we were going
2 to do it for the value of bringing it in in the beginning, then we would be looking at
3 the cost associated with the construction. And if we're doing it with giving y'all a
4 waiver and saying knock yourself out, we are not going to be dealing with that and
5 we're going to let you have a free run. So I would rather say, hey, I think you're
6 doing a great job serving the people of Texas and Mississippi and potentially the
7 TVA and wherever you're going to go with this power, or trying to jump into the
8 Amazon deal in Mississippi, whatever you want to do. But you're doing it and then
9 after the fact, considering the potential of selling power into Louisiana down the
10 road, I want value for the people in the state of Louisiana. And if you want to make
11 a deal, I'm all about that. But I think that, Number One, you have to satisfy the
12 issue of the landowners and the intervenors, and thank you for admitting that you're
13 subject to the rules, and I think that the legislature needs to understand, and
14 understand from this moment, that the whole plan along this thing was we were
15 going to get to vote on it, and you didn't have the votes counted before you came
16 in to approve this thing. Because you can't say you had all the votes because you
17 know you don't have all the votes, so we have to look at how we have to understand
18 the value proposition of this for the intervenors, the value proposition for the people
19 who had their rights acquired, what it does for the state, and what it could do for
20 this state. So that's how I'm looking at this thing because otherwise, I'm agnostic
21 on this thing. But I don't want to see people in the state of Louisiana hurt, I don't
22 want to see landowners maleffected, and I don't want to see us get back ended,
23 which I think is a way to look at this, from down the road of a transmission line that

1 gets built with a FERC related ROE of over 12.5 percent, with potentially the
2 recovery of ROE on debt of double leveraging of equity, which the state of
3 Louisiana bans, but the FERC does not ban, and you can do that on your debt. And
4 I don't want to see all that done and then you come in and say, well, we got to
5 collect those fees on drop-off distribution to the citizens of Louisiana. I want to
6 avoid all that. So that's kind of where I am on this. And I'm done.

7 **MR. RENZ:** First and foremost, Commissioners, I know this. I actually genuinely
8 love this because, as someone who -- this is like going from playing fantasy football
9 to getting drafted to the pros. I respect Bobby and all of the attorneys who have
10 been doing this, watching for years. I want to just set a couple of things -- just
11 clarify a couple of things. This is a very unique project, to Mr. Gilliam's point. It's
12 an HVDC line. It is a technology that's all over the bulk of the world, but it's in
13 very little development here in North America, key parts of Canada, and the US.
14 It's a more expensive technology, it's a more efficient technology. What it really is
15 is a link or a conduit. Think of it like a toll road. What the way this would work
16 and why it's being permitted, it's got its FERC approval, it's got its ERCOT
17 approval, and it is building a toll road between multiple markets, and the cost
18 associated with it is borne completely by Pattern Energy, which is owned in
19 majority by the Canadian Private Pension and Investment Board. That is with every
20 public pensioner in the country of Canada, with the exception of folks in Quebec,
21 where their retirement is. The same entity is what owns the majority of Calpine
22 and other really big infrastructure companies. This is a long, slow investment for
23 the people of Canada in CPPIB. It's partially the reason why they allow us to spend

1 decades and tremendous amounts of money to thoughtfully develop the line, which
2 is partially the reason if I -- I don't take it personal when someone doesn't like a
3 project. I take it personal if someone thinks we're doing shady things or
4 nontransparent. To me, that's the one thing I take personal in this. The confusion
5 part of this is this project would be a bit of a balance in authority between a series
6 of different entities. And the way that we would most likely see, one you have to
7 go through that formal process with FERC, that they supervise everything because
8 we'd be -- this would be a common carrier line. The way that utility A, let's just
9 use a Louisiana Utility A, and Mississippi Utility B. They would go through the
10 same process because if you deliver electrons -- and our proposed terminus is at the
11 very end of MISO South. I think it's Load Zone 8, I want to say, something like
12 that.

13 **MR. MARIONNEAUX:** Mississippi.

14 **MR. RENZ:** Mississippi. So it's in MISO South. But if you can deliver --
15 someone in Texas, if you can deliver into one part of ERCOT, you can deliver the
16 vast majority of Texas. Same thing with this portion of MISO South. If you can
17 deliver into this most-Eastern part of MISO South --

18 **COMMISSIONER SKRMETTA:** You can go into South. You can go into
19 Southern or TBA.

20 **MR. RENZ:** No, you can't. Not that. That would be a different phase.

21 **COMMISSIONER SKRMETTA:** Okay.

22 **MR. RENZ:** But you could, by delivering electrons or electricity into Choctaw
23 County, you could then flow, without reeling fees or reeling charges, by

1 coordinating with the utilities. So let's pretend Utility A in Louisiana and Utility
2 B in Mississippi have the same ownership or whatnot. You could actually
3 coordinate power through all those different utilities in the Southeast that are
4 affiliates. And it would look like a power purchase agreement, a PPA. And part of
5 what that PPA would include is what we would call the -- let's call it the export
6 tariff, to pay to get over the line and out of Texas. And that opens up the ability for
7 all of the electricity in Texas, which is mostly natural gas, wind, solar, coal, nuke,
8 everything. But the bulk of it is new build natural gas, which is extremely
9 affordable and clean. That is then opening up a conduit so the utilities here and
10 other parts of the country can say, great, we want to buy this much to help augment
11 in-state solar, in-state gas, all these different things. In times of need, and it's most
12 of Texas and most of Louisiana and Mississippi, have very different windows of
13 peak operation in times of need. So in times of need, we've modeled this out using
14 publicly available DOE data and utilities grade data. There would be the
15 opportunity for utilities in the Southeast to willingly, if they choose to, sell their
16 power at a premium cost into ERCOT. As a Houstonian who was without power
17 for seven days and water for ten, the ability to have had a backdoor into a
18 functioning grid unlike ours in ERCOT would have been a lifesaver. I don't know
19 the specific stat, but hundreds of Texans died because of Winter Storm Uri because
20 the grid was down. This would also allow, and again, it's not required, but utilities
21 can say, great, we have excess power here in the Southeast, like Louisiana, we will
22 sell that power into ERCOT at a premium. That then comes back and can go into
23 the -- however the utility wants to spend it. But we see this as a key link. But the

1 hard part and the frustrating part, and I do understand, Commissioners, why it's,
2 like, you're not delivering this into Louisiana. It's frustrating because the grid
3 doesn't have the same boundaries that states do. But I -- by delivering into MISO
4 South, we are able to not have those fees. The frustrating part about all this, and
5 the MISO people are saints in their own ways, all independent system operators
6 are, they have had one of the largest series of generator interconnect processes in
7 the last few years. We submitted three 500-megawatt interconnection requests in
8 September of 2022. MISO is still studying those. We put down, I think, \$16 million
9 of studied costs for them to then build to and study. They are behind schedule, but
10 I think the goal is they're going to get those out this year. That's step Number One
11 in all of this because MISO, at the end of the day, is the sole arbiter of reliability
12 for the grid. And then they obviously work hand in glove with commissions.
13 They're going to come back and say, yeah, you know what, Southern Spirit, the
14 max you could potentially deliver into MISO South as a region for reliability
15 purposes is 1,000 megawatts, not 1,500, and that's an answer we have to take or
16 leave. They may come back and say you can deliver none into it, our system can't
17 handle it. That's another thing that we will then have to take or leave. In that
18 process, they will also assign us and we are on the record, fully committing to,
19 everywhere, I'll do a blood oath right here if it helps, whatever costs MISO tells us
20 are required to integrate that DC tie connection in Choctaw, we will pay. And if
21 it's too rich for our blood, so to speak, that's the end of the project. And I absolutely
22 agree with Commissioner Skrmetta, Commissioner Campbell, keeping landowners
23 happy is Item Number One. This is a 325-mile intrastate transmission line and I

1 was probably being general about when. It's a very small handful, and I take pride
2 in the fact that we're whittling that down. And I will channel Shannon Gwen, who
3 lives in Baskin, from Winnsboro up in northeast Louisiana, and she will say that
4 keeping landowners involved in this process is critical. And, like, I have spent
5 enough time in the last decade in northeastern Louisiana to understand that it is a
6 community that takes time to build trust and it is also one of the most loving but
7 disadvantaged places I've had the opportunity to work. We had a landowner in
8 East Carol Parish a few months back, got their first check for our option-free fee.
9 I'll keep names down, but approximately \$60,000. This landowner broke into tears
10 of joy, said I make around \$30,000 a year, this allowed me to get two years of salary
11 right now. This is a game changer. And I know that that's not always the stories
12 and the people that we're dealing with don't usually have the time or the ability to
13 reach out to all their Commissioners. And at the end of the day, Mr. Belton is the
14 one who had been -- he and I and others, over every single parish over the life of
15 the project.

16 **COMMISSIONER CAMPBELL:** I told you --

17 **MR. RENZ:** Back in 2018, sir, we did get a support resolution from
18 [INAUDIBLE] Parish.

19 **COMMISSIONER CAMPBELL:** He also --

20 **CHAIRMAN FRANCIS:** Time out. Wait, let him get through talking.

21 **MR. RENZ:** And we are refreshing those. And you are absolutely right, there
22 have been a handful of parishes that are holding off on providing support, and that

1 is completely reasonable. The project has changed a bit, and at the end of the day,
2 my job is to help get that, as a developer, get that support.

3 **COMMISSIONER CAMPBELL:** I do not understand. I appreciate all you're
4 saying, but I got a little mixed communication of you, Mr. Marionneaux. First, you
5 said you didn't have a problem. Now you've got a problem because you've come
6 before Brandon and them and got their blessing that we don't have any jurisdiction.
7 Y'all gave them --

8 **MS. BOWMAN:** That's pending before the ALJ. I don't --

9 **COMMISSIONER CAMPBELL:** No, no, no, no, no. No. I talked to you,
10 Brandon. I talked to him. They came here and he said you're not under the Public
11 Service Commission. That was the first thing right out of the bat. Kyle, you told
12 me that. We're not under the Public Service Commission, and that's what the Staff
13 told, here.

14 **MR. MARIONNEAUX:** When are you referring to?

15 **COMMISSIONER CAMPBELL:** No big deal, you're not under the Public
16 Service Commission. You absolutely told me that.

17 **MR. MARIONNEAUX:** What time period? You're talking about here at the table
18 or previously?

19 **COMMISSIONER CAMPBELL:** Not at the table, Kyle, no. I'm telling you,
20 when I started talking to you about the project, you said, well, we talked to Staff,
21 they got no problems because you're not -- we don't have any jurisdiction. That's
22 exactly what you told me.

1 **MR. MARIONNEAUX:** That's accurate, but, I mean, I didn't say it any kind of,
2 you know, negative way or --

3 **COMMISSIONER CAMPBELL:** Well, it's -- just nod your head like that.
4 [INAUDIBLE]. That's all you've got to do.

5 **MR. MARIONNEAUX:** No, it's accurate that the Commission Staff told me we
6 weren't, you know. Ultimately, we, on our own, the company decided to file and
7 ask for certification.

8 **COMMISSIONER CAMPBELL:** I got it, but what troubles me and still troubles
9 me, I didn't like the Staff saying we don't have any jurisdiction. That's second
10 gear. That's when you went from first to second gear.

11 **COMMISSIONER SKRMETTA:** Say if you have jurisdiction or lie.

12 **COMMISSIONER CAMPBELL:** Now to get down in third gear in the old car
13 that you can go on down the road. I asked you did you object, but you do object
14 because you said, what? I went to the Staff and they didn't object and now you're
15 coming in and it's going to put a monkey wrench in it. That's what I'm getting out
16 of the argument, and that is not correct. I never said I was for it. You told me that
17 we don't have any jurisdiction, but we do have jurisdiction.

18 **MR. MARIONNEAUX:** Commissioner, I want to be very clear. Again, we filed
19 for certification, not saying, hey, we're exempt. We filed for certification under
20 Louisiana law, when any kind of matter, whether it's here, in the courts, you can
21 make alternative filings, alternative claims. And so we said, hey, we want to get
22 certified or declare us exempt [INAUDIBLE].

1 **COMMISSIONER CAMPBELL:** Well, I got a question for you. I got a question
2 for you. If that's the case, you don't have any objection to it, do you? We can end
3 this argument just like that. All you've got to do --

4 **MR. MARIONNEAUX:** I've said multiple times, I don't have objection to the
5 rulemaking. I don't think it applies to us.

6 **COMMISSIONER CAMPBELL:** Oh, oh, oh.

7 **MR. MARIONNEAUX:** I don't think it applies to us but I don't think it matters
8 because we already asked you for certification. So what would it matter if you
9 changed the rule to say, hey, you're --

10 **COMMISSIONER CAMPBELL:** So what are you going to do if we change the
11 rules and you don't get the votes? What you going to do then, Kyle? Go to court.

12 **MR. MARIONNEAUX:** The company will make a decision. I'm an attorney that
13 does Louisiana regulatory work. It's a lot more than me. So the company will
14 make a decision. I'm not here to --

15 **COMMISSIONER CAMPBELL:** Well, I can tell you what the company's going
16 to do.

17 **MR. MARIONNEAUX:** Okay.

18 **COMMISSIONER CAMPBELL:** I can tell you exactly what you're going to do.
19 If we bring it up and you get three people here, three, that says that I think that we
20 ought to have to certify this if it comes across the state. You've already got
21 certification, that's what he's saying, isn't he? You've got certification. We turn
22 you down, you know exactly what you're going to do, go to court. Say, hey, they
23 don't matter. We've already got it.

1 **SECRETARY FREY:** I just want to say one thing, for the record. This is all
2 hypothetical, because if we're saying which way we're voting, that could be an
3 issue down the road, without the ALJ recommendation.

4 **COMMISSIONER CAMPBELL:** Well, I'm just saying if -- anyway. Hey, you
5 ready to go? Let's go.

6 **COMMISSIONER SKRMETTA:** Move to adjourn.

7 **COMMISSIONER CAMPBELL:** I'm with you.

8 **MS. BOWMAN:** Okay.

9 **COMMISSIONER SKRMETTA:** Somebody second it.

10 **COMMISSIONER CAMPBELL:** I second it. Let's go.

11 **VICE CHAIRMAN LEWIS:** Opposed? [NONE HEARD]

12

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

14

1 I certify that the forgoing pages 1 through 112 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 27, 2024 in Baton Rouge, Louisiana.

4 *****

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