

**TRANSCRIPT OF THE LOUISIANA PUBLIC SERVICE COMMISSION BUSINESS
AND EXECUTIVE OPEN SESSION HELD ON OCTOBER 19, 2022 IN BATON ROUGE,
LOUISIANA. PRESENT WERE: CHAIRMAN LAMBERT BOISSIERE, III,
COMMISSIONER FOSTER CAMPBELL, COMMISSIONER ERIC SKRMETTA,
COMMISSIONER MIKE FRANCIS, AND COMMISSIONER CRAIG GREENE.**

Exhibit	Docket	Description	Page
1		Announcements	1 - 8
2	S-35888	WJMB Transport #1, LLC dba Two Men and A Truck New Orleans ex parte. In re: Application to increase tariff rates for Common Carrier Certificate No. 7718-A.	8 - 10
3	S-35993	BJB Group, LLC dba Two Men and A Truck ex parte. In re: Application to increase tariff rates for Common Carrier Certificate No. 7915.	10 - 11
4	S-36484	Cable One VoIP LLC d/b/a Sparklight, ex parte. In re: Request to partially relinquish its Eligible Telecommunications Carrier designation approved by the Commission in Order No. S-35938.	12 - 14
5	U-36133	Dixie Electric Membership Corporation, NextEra Energy Marketing, LLC and Amite Solar, LLC, ex parte. In re: Joint Application for Approval of Power Supply Agreements.	14 - 63
6	U-36135	Jefferson Davis Electric Cooperative, Inc. and NextEra Energy Marketing, LLC, ex parte. In re: Joint Application for Power Supply Agreement.	63 - 73

7	U-36276	South Coast Gas Company, Inc., ex parte. In re: Application for Extension of Rate Stabilization Plan.	73 - 75
8		1) Reports 2) Resolutions 3) Discussions 4) ERSC/OMS business 5) Directives	75 - 100

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2 **BUSINESS AND EXECUTIVE OPEN SESSION HELD ON OCTOBER 19,**
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4 **LAMBERT BOISSIERE, COMMISSIONER FOSTER CAMPBELL,**
5 **COMMISSIONER ERIC SKRMETTA, COMMISSIONER MIKE**
6 **FRANCIS, AND COMMISSIONER CRAIG GREENE.**

7 **CHAIRMAN LAMBERT BOISSIERE:** Good morning. All right. I'd like to
8 ask Commissioner Francis to lead us in the prayer and Commissioner Skrmetta to
9 lead us in the pledge.

10 **[COMMISSIONER MIKE FRANCIS LEADS IN PRAYER]**

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

12 **CHAIRMAN BOISSIERE:** Okay. I want to thank everybody for turning out
13 today. We should have a lively but hopefully relatively brief meeting, if we're
14 fortunate today. I -- there's some people who may want to be recognized today,
15 but I did -- I think I saw Eve. Is Eve here today? Is she here? I just wanted to say
16 -- there she is, our former Secretary. Hi, Eve. Thank you for coming by and
17 checking on us again. And at this time I think we have some Commissioners with
18 a few other announcements. Commissioner Greene.

19 **COMMISSIONER CRAIG GREENE:** I have some of my -- mic.

20 **CHAIRMAN BOISSIERE:** Sorry. Go ahead.

21 **COMMISSIONER GREENE:** I just want to recognize some of the co-ops
22 who've worked really hard and I think their board members are here. If Point
23 Coupee Electric and DEMCO could stand up, we just want to thank you for all of

1 your commitment and involvement to the processes that y'all been [INAUDIBLE].
2 It's been a heavy lift, so thank y'all. Now, where is Joe from SLECA? Where are
3 you at, Joe? Joe, thank you for all your service. We're going to acknowledge you
4 every time between now and when you're no longer there, so you've done a
5 tremendous job and it's been a privilege to work with you. And so I'm hoping you
6 don't run against me, maybe you'll just help us out, so.

7 **CHAIRMAN BOISSIERE:** Commissioner Skrmetta.

8 **COMMISSIONER ERIC SKRMETTA:** Thank you. A couple of things. The
9 next B&E is going to be November 17th at the Copeland Towers in Metairie,
10 Louisiana. Brandon will have all the full details. Also at the same time, the
11 Commission has been offered some very discounted room rates at the Copeland
12 Towers, which is also a hotel there, and I understand they will also expand the room
13 availability if anybody wants to stay there through NARUC, which begins on
14 November 13th through the 16th in New Orleans. So if you want to talk to Brandon
15 or he can get you in touch with Angel about the availability of rooms at the hotel.
16 And by the way, Eve's only here because she's always waiting for Brandon to fail.
17 I know how it is. Thank you very much.

18 **CHAIRMAN BOISSIERE:** Any other announcements? Commission Campbell.

19 **COMMISSIONER FOSTER CAMPBELL:** You know, a couple of years ago I
20 got everybody to put the rates down on this little sheet here that y'all all get right
21 here. And you might remember I was talking about, said y'all better watch out,
22 you're going to be up at 12 cents a kilowatt hour if something doesn't happen in
23 Louisiana. Everybody was talking about how cheap the rates were. Y'all all know

1 that, don't you? Well, let me give you -- Cleco needs a trophy. Their rates are 17
2 cents an hour -- 17 cents per kilowatt. I never heard of that before. I thought maybe
3 we might be in New York, New Jersey or something, 17 cents. And then Entergy,
4 you don't need to run off either, yours is at 15 cents. And SWEPCO up my way is
5 at 13 cents. And the cheapest is the Rural Electric Co-op up in Claiborne Parish is
6 10 cents, they were about 7. So you hear the people in Louisiana squealing,
7 hollering about high utility bills, this is the proofs in the pudding right here, right
8 here. And I never dreamed that I would ever see rates 17 cents in Louisiana, but
9 they're there now and now you know why you're getting all these calls. I know
10 there's a lots of excuses and a lots of things about the price of natural gas, I got it,
11 I understand that, but 17 cents is tough. People are hollering about it and it's hard
12 for them -- that's 100 -- I think it's \$170 on 1,000, that's what I figure. So if you
13 use 1,000 kilowatts, it'd be \$170, but a lot of people don't have 1,000 kilowatts,
14 they have a house like mine and most of y'all up here. You got a house that uses
15 2,000, I believe that's \$340. That's getting with you. And if you have a business,
16 it's very substantial. Anyway, I just said that, so everybody knows the jam people
17 are in, but this just shows you. I don't know about the price of natural gas yesterday
18 -- somebody, did it go down a good bit? Has it gone down? Is there anybody that
19 can tell me what it was?

20 **COMMISSIONER SKRMETTA:** It's like 5.50.

21 **COMMISSIONER CAMPBELL:** 5.50, well, that ought to help some because
22 it's been up at 9.

23 **COMMISSIONER SKRMETTA:** What's the royalty on that?

1 **COMMISSIONER CAMPBELL:** You know, so maybe --

2 **COMMISSIONER FRANCIS:** You get royalty? Somebody got gas royalty

3 here?

4 **COMMISSIONER SKRMETTA:** I don't know, I don't know what

5 [INAUDIBLE].

6 **COMMISSIONER CAMPBELL:** I got a bunch of it, but I'm on the other side,

7 if it goes down, that's good with me. But anyway, if natural gas is at \$5, what is

8 it?

9 **SECRETARY BRANDON FREY:** So I just pulled this up over the -- it's -- this

10 morning, it's 6.45.

11 **COMMISSIONER CAMPBELL:** Yeah. Well, it's been 9 -- it's been 9 and 10.

12 **SECRETARY FREY:** The 52 week high was 9.68, the 52 week low was 3.56.

13 That would have been at the beginning of the year.

14 **COMMISSIONER CAMPBELL:** So everybody won't be able to just use that

15 excuse about the high price of natural gas. If it goes down, it ought to help people,

16 it ought to help people. But anyway, I just want y'all to -- we all realize what people

17 are hollering about and that's it, that's it. And we got to do something about it.

18 You got a good excuse?

19 **COMMISSIONER FRANCIS:** Come up here and defend yourself, Mark.

20 **MR. MARK KLEEHAMMER:** Thank you, Foster. Mark Kleehammer on behalf

21 of Entergy Louisiana. You are absolutely correct on the rates, you're absolutely

22 correct on where natural gas prices are today. Knowing we are in October, rates

23 are based upon August. And just for reference, August of '20 natural gas prices

1 were \$2.30; August of '21, they were 4.07; August of '22, they were 8.81. So
2 you're right, it was nearly \$9 for the month of August, which leads to the rates that
3 we have today.

4 **COMMISSIONER CAMPBELL:** I understand the gas prices pretty good, but
5 they're six now. So three months from now or --

6 **MR. KLEEHAMMER:** Two months.

7 **COMMISSIONER CAMPBELL:** -- two months, y'all ought to be down.

8 **MR. KLEEHAMMER:** Correct, and I think that's consistent with the EIAA short
9 term outlook that 2023 will be a better year than 2022. That's what they've been
10 saying. Each month they come out 10th, 15th day of the month and they've been
11 talking about more production and a decline in gas rates.

12 **COMMISSIONER CAMPBELL:** Okay.

13 **MR. KLEEHAMMER:** Thank you.

14 **COMMISSIONER CAMPBELL:** That's all I have to say.

15 **CHAIRMAN BOISSIERE:** And who are you, who are you?

16 **MR. KLEEHAMMER:** Mark Kleehammer on behalf of Entergy Louisiana.

17 **CHAIRMAN BOISSIERE:** Thank you very much.

18 **MR. KLEEHAMMER:** Trying to clarify some information.

19 **CHAIRMAN BOISSIERE:** Thank you very much. Okay. Okay. Commissioner
20 Francis, did you have anything you wanted to add?

21 **COMMISSIONER FRANCIS:** No.

22 **MS. KATHRYN BOWMAN:** And Staff does have a few announcements,
23 Chairman, whenever the time is appropriate.

1 **CHAIRMAN BOISSIERE:** Okay. Who does?

2 **SECRETARY FREY:** Lauren's got a few and then I've got a few.

3 **CHAIRMAN BOISSIERE:** Give me one second. Let me say something. I
4 wanted to say something and before we get into the meeting too much because it's
5 been a couple of weeks now and I noticed we have some people here, I think, from
6 Florida even. But it's been a couple of weeks since Hurricane Ian, and I hope I'm
7 pronouncing it correctly. Hurricane Ian ripped through Florida and did lots of
8 damage there. A lot of people lost their homes, livelihoods, even their lives. These
9 natural disasters can be horrific and cause great havoc. We can build things, but
10 mother nature is always strong enough to rip apart anything man can put together.
11 But there are some things about this storm that remind me and should remind all of
12 us about Louisiana. In the last few years -- first of all, let me say I'm really, really
13 incredibly grateful that so far we've been spared this year of any major storms or
14 natural disasters. It's probably the first time in 40 or 50 years we've had such a
15 clear, clean hurricane season. Fingers crossed, it's not over yet, but we've done
16 well. But if you can remember Ida from last year, Laura from the year before, Zeta
17 and the others that hit us in the last two years and did incredible damage to the state
18 of Louisiana. Not to go back too far in ancient history, but we all can remember
19 Katrina, Rita, Gustav, Ike, Isaac, and a few other smaller storms that continue to
20 ravish our state. Believe it or not, hurricanes -- Florida gets hurricanes but we get
21 the big, bad ones here, but to put the focus back where it belongs, I just wanted to
22 say that my heart goes out to the people in Florida. Our prayers should go out to
23 them as well. This is the first B&E meeting we've had since that storm, that's the

1 reason it sounds a little bit late, you know, not as timely as it should have been.
2 And I have something that's going to show up later in the meeting about that, I'll
3 bring it up later, not now, but I just wanted to raise the -- I raise attention. And I
4 have been in touch with the Florida Commission and met with them and discussed
5 things with them and I think we should continue to dialogue and we will touch on
6 that again, but I just wanted to let the people of Florida know, let the people here
7 know that we're thinking about the other Americans in this and our brothers and
8 sisters in Florida that have suffered this time like we have, just wanted to raise
9 everyone's attention. Thank you. Okay now, Brandon.

10 **SECRETARY FREY:** I'll let Lauren go first.

11 **CHAIRMAN BOISSIERE:** Lauren.

12 **MS. LAUREN EVANS:** Good morning, Commissioners. Lauren Evans on behalf
13 of Staff. I have two announcements about upcoming events. The first, the Public
14 Utility's Section CLE is scheduled for Friday, December 2nd at City Club in Baton
15 Rouge and details and registration information will be forthcoming, but wanted
16 everybody to hold that date. Second, another reminder that the Louisiana chapter
17 of the Energy Bar Association is hosting a networking event sponsored by Phelps
18 and Long Law Firm in conjunction with NARUC in New Orleans. The event will
19 be held on Sunday, November 13th from 5:00 to 7:00 at Phelps' New Orleans office
20 in Canal Place. All are invited regardless of whether you are an EBA member or
21 not.

22 **COMMISSIONER SKRMETTA:** Mr. Chairman.

23 **CHAIRMAN BOISSIERE:** Commissioner Skrmetta.

1 **COMMISSIONER SKRMETTA:** Just to interrupt for a second, we just had
2 somebody walk in the room. Former Commissioner Jay Blossman is in the back,
3 just wanted to give him a welcome.

4 **CHAIRMAN BOISSIERE:** Hey, Jay.

5 **SECRETARY FREY:** Okay. And I've got two quick ones. First, on a sad note,
6 a longtime Commission staffer who retired back in 2012, Pam Meads, passed away
7 since our last meeting. Those of you who were here back then knew Pam as the
8 telecom lady, she worked on a lot of the applications, et cetera, worked for Arnold
9 for many years, so remember her and her family in your thoughts and prayers. And
10 on a happier note, last month I announced that LaTonya had left for a promotion
11 with another agency, so I didn't want to wait too long, so most of y'all know Jaime
12 Melancon, who's sitting by -- hiding back there, was one of our court reporters, she
13 is my new admin assistant, so if y'all see anything from Jaime, that's where it's
14 coming from, so let's welcome her aboard.

15 **CHAIRMAN BOISSIERE:** Okay. Let's take up the agenda.

16 **MS. BOWMAN:** Okay. Good morning, Commissioners. We have eight agenda
17 items today. We just ran through Exhibit Number 1, which is announcements. And
18 moving on to Exhibit Number 2, which is Docket Number S-35888. This is WJMB
19 Transport 1 doing business as Two Men and A Truck New Orleans. Application to
20 increase tariff rates for Common Carrier Certificate Number 7718-A. It's a
21 discussion and possible vote pursuant to Rule 57 on an uncontested stipulated
22 settlement, so this will need two votes. On May 14, 2021, WJMB Transport doing
23 business as Two Men and A Truck New Orleans filed an application with the

1 Commission requesting authorization to increase its tariff rates pursuant to
2 Commission General Order dated October 2, 2012. Notice of the application was
3 published in the Commission's Official Bulletin and an amended application was
4 filed by the carrier on June 2, 2021, with notice of that amended application also
5 being published in Commission's Official Bulletin, with no interventions filed in
6 either. Following discovery on WJMB's application, Commission Staff filed its
7 report and recommendation on June 14, 2022 recommending an approximate 18
8 percent increase. Subsequently, counsel for WJMB filed into the record a request
9 that Staff allow an immediate 10 percent increase pursuant to Commission Order
10 dated October 2, 2012, with the intention to enter into negotiations regarding any
11 additional increases. Staff filed a letter allowing the company's automatic 10
12 percent increase, and parties entered into settlement negotiations regarding an
13 additional rate increase, and ultimately reaching an agreement, and executing an
14 uncontested stipulated settlement. The settlement would allow WJMB an
15 additional 8 percent increase to its rates and charges as prescribed in its current
16 tariff on file with the Commission, and after filing into the record of this proceeding
17 a new or revised tariff reflecting the Commission's action, within 30 days of
18 issuance of an order. Any newly approved rates charged to customers prior to
19 satisfying the above-stated conditions will be considered a direct violation of the
20 rate proceeding and subject to refund with interest. Therefore, Staff recommends
21 that: 1) The Commission exercise its original and primary jurisdiction under Rule
22 57 to consider the uncontested stipulated settlement; and 2) Accept the uncontested
23 stipulated settlement executed by the parties in this docket.

1 **COMMISSIONER SKRMETTA:** Move to bring the matter up under Rule 57.

2 **CHAIRMAN BOISSIERE:** Moved by Commissioner Skrmetta, second by the
3 Chair to bring the matter up under Rule 57. Do we have a motion?

4 **COMMISSIONER SKRMETTA:** Yeah. Move to accept Staff recommendation.

5 **CHAIRMAN BOISSIERE:** Moved by Commissioner Skrmetta, second by the
6 Chair to accept Staff recommendation.

7 **COMMISSIONER GREENE:** Second.

8 **CHAIRMAN BOISSIERE:** And second by Commissioner Greene. Any
9 opposition? [NONE HEARD] Hearing none, so ordered. Next item.

10 **MS. BOWMAN:** Exhibit Number 3 is Docket Number S-35993. This is BJB
11 Group doing business as Two Men and A Truck's application to increase its tariff
12 rates for Common Carrier Certificate Number 7915. It's also a discussion and
13 possible vote pursuant to Rule 57 on an uncontested stipulated settlement, so this
14 would need two votes. On May 14, 2021, BJB Group doing business as Two Men
15 and A Truck filed an application with the Commission requesting authorization to
16 increase its rates pursuant to Commission General Order dated October 2, 2012.
17 Notice of the application was published in the Commission's Official Bulletin and
18 no interventions were filed. Following discovery on BJB's application,
19 Commission Staff filed its report and recommendation on June 14, 2022
20 recommending a 10 percent increase in the company's rates. Subsequently, counsel
21 for BJB filed into the record a request that Staff allow an immediate 10 percent rate
22 increase pursuant to the Commission's General Order dated October 2, 2012, with
23 the intention to enter into negotiations regarding any additional increase. Staff filed

1 a letter allowing the company's request and the parties entered into settlement
2 negotiations, and ultimately reaching an uncontested stipulated settlement. The
3 settlement would allow BJB an additional 10 percent increase to its rates and
4 charges as prescribed in its current tariff on file with the Commission, as if the
5 company had filed for a request pursuant to General Order dated October 2, 2012.
6 Further, BJB shall file into the record of this proceeding a new or revised tariff
7 reflecting the Commission's action within 30 days issuance of the order and any
8 newly approved rates charged to customers prior to satisfying the above conditions
9 shall be considered a direct violation of the rate proceeding and subject to refund
10 with interest. Therefore, the Staff recommends that the Commission: 1) Exercise
11 its original and primary jurisdiction under Rule 57 to consider the uncontested
12 stipulated settlement; and 2) Accept the uncontested stipulated settlement filed into
13 the record on October 6, 2022.

14 **COMMISSIONER SKRMETTA:** Move to bring the matter up under Rule 57.

15 **CHAIRMAN BOISSIERE:** Moved by Commissioner Skrmetta, second by
16 Commissioner Greene to hear the matter up under Rule 57. Any opposition?
17 [NONE HEARD] Hearing none, next. Can I get another motion, please?
18 Commissioners.

19 **COMMISSIONER GREENE:** Motion to accept Staff recommendation.

20 **CHAIRMAN BOISSIERE:** Moved by Commissioner Greene, second by
21 Commissioner Skrmetta to accept Staff recommendation. Any opposition?
22 [NONE HEARD] Hearing none, so ordered. Next, please.

1 **MS. BOWMAN:** Exhibit Number 4 is Docket Number S-36484. This is Cable
2 One VoIP doing business as Sparklight’s request to partially relinquish its Eligible
3 Telecommunications Carrier designation approved by the Commission in Order
4 Number S-35938. It’s a discussion and possible vote on a Staff report and
5 recommendation. On June 22, 2022, Cable One VoIP doing business as Sparklight
6 filed a request to the Commission to relinquish portions of the company’s ETC
7 designation. Specifically, Sparklight seeks to relinquish its ETC designation for all
8 of its census blocks except for census block 22083970500, which is located in
9 Richland Parish. Notice of the company’s request was published in the
10 Commission’s Official Bulletin with no interventions received. Sparklight is a
11 Delaware LLC with its principal place of business located in Phoenix. The
12 company is wholly owned subsidiary of Cable One, Inc. and is publicly traded.
13 Sparklight was granted ETC designation on May 25, 2021. Consistent with the
14 Communications Act of 1934, an ETC that seeks to relinquish its designation for
15 an area served by more than one ETC shall give advanced notice to the State
16 Commission of such relinquishment. The State Commission must determine
17 whether the customers of the affected area will continue to be served by the
18 remaining ETCs following relinquishment. Upon Staff’s review, there is at least
19 one additional ETC serving each of the areas in which the relinquishment is being
20 sought, thus alleviating any concerns that could exist regarding lack of providers
21 for the customers. Furthermore, Staff believes those ETCs will not be required to
22 purchase or construct additional facilities. And finally, Sparklight does not
23 currently serve any customers pursuant to its ETC designation. On September 20,

1 2022, Staff filed its report and recommendation of the company's petition into the
2 record. And as indicated therein, Staff found that Sparklight's application was
3 submitted in accordance with the requirements outlined in the Communications Act
4 of 1934. Therefore, Staff recommends that its designation be relinquished except
5 for census block 22083970500 which is located in Richland Parish. Therefore,
6 Staff recommends the Commission accept Staff's report and recommendation filed
7 into the record on September 20, 2022.

8 **CHAIRMAN BOISSIERE:** Can -- if you don't mind, give me a reason -- a real
9 reason that the ETC is being removed or relinquished.

10 **SECRETARY FREY:** Arvind was the attorney on that, we'll let him --

11 **MR. ARVIND VISWANATHAN:** Good morning, Commissioner. Arvind
12 Viswanathan for Staff. In this matter, the company ran into an issue with the RDOF
13 funds. I believe there was multiple companies seeking the same amount of funds.
14 The FCC asked the companies to determine if any of them would relinquish their
15 ETC or release their right to any RDOF funds. In this application, Cable One,
16 Sparklight is seeking to just relinquish their ETC, except for the Richland Parish
17 area, and that's why, Commissioner, that they decided to relinquish their ETC
18 application in this matter.

19 **CHAIRMAN BOISSIERE:** Okay. Just to be able to apply properly for the
20 funding necessary for the region?

21 **MR. VISWANATHAN:** Correct, Commissioner. Sparklight had not started
22 servicing customers pursuant to its ETC designation, so at this point, no one is
23 impacted by their relinquishment.

1 **CHAIRMAN BOISSIERE:** Thank you very much. Appreciate the explanation.
2 Do we have a motion, Commissioners?
3 **COMMISSIONER CAMPBELL:** Accept Staff recommendation.
4 **CHAIRMAN BOISSIERE:** Moved by Commissioner Campbell. Do we have a
5 second?
6 **COMMISSIONER GREENE:** Second.
7 **CHAIRMAN BOISSIERE:** Second by Commissioner Greene to accept Staff
8 recommendation. Next item.
9 **MS. BOWMAN:** Exhibit Number 5 is Docket Number U-36133. This is Dixie
10 Electric Membership Corporation, NextEra Energy Marketing, and Amite Solar's
11 joint application for approval of power supply agreements. It's a discussion and
12 possible vote on an ALJ final recommendation and draft order. In this proceeding,
13 DEMCO, NextEra, and Amite Solar seek Commission approval of a 10 year full
14 requirements power supply agreement -- excuse me, DEMCO and NextEra seek a
15 Commission approval of a 10 year full requirements power supply agreement with
16 NextEra and a 25 year power purchase agreement with Amite Solar. If approved,
17 both contracts will supply all of DEMCO's capacity and energy requirements, net
18 of its allocation from the U.S. Department of Energy Southwestern Power
19 Administration beginning April 1, 2024, replacing DEMCO's existing full
20 requirements contract with Cleco Power. This approval is sought pursuant to the
21 Commission's 1983 General Order and is requested no later than the Commission's
22 October 2022 Business and Executive Session. This matter was heard jointly with
23 a similar request in Docket Number U-36135, wherein Jefferson Davis Electric

1 Cooperative is seeking the Commission’s approval of similar contracts to supply
2 all of its needs. The joint hearing was held June 7 through June 9, 2022 and joint
3 applicants in both proceedings, Entergy Louisiana, Cleco Power, Cleco Cajun, and
4 Commission Staff participated. After submission of briefs, a proposed
5 recommendation and draft order was issued on September 13, 2022. Entergy and
6 Cleco filed exceptions to the proposed recommendation and the joint applicants and
7 Staff filed replies to the aforementioned exceptions. Thereafter, a final
8 recommendation and draft order was issued on October 6, 2022. Commission Staff
9 supports the certification, subject to certain conditions, which have been accepted
10 by the joint applicants. Entergy and Cleco Power oppose the certification on the
11 basis that the NextEra PSA does not identify physical generation and as such, is a
12 threat to resource adequacy in MISO. Based upon the evidence and testimony
13 presented at hearing, the administrative law judge recommends that the
14 Commission adopt the final recommendation of the ALJ and draft order issued
15 October 6, 2022, with the ordering language summarized as follows: The NextEra
16 PSA and Amite Solar PPA serve the public convenience and necessity, and should,
17 therefore, be certified as prudent, in accordance with the Commission’s 1983
18 General Order. The joint applicants accept all risk of changes in Commission rules,
19 specifically including a potential requirement for owned and/or contracted-for
20 generation being procured to meet future capacity needs. The joint applicants
21 acknowledge and agree that any changes made to the NextEra PSA and the
22 DEMCO-Amite Solar PPA based on changing regulations are subject to
23 Commission review and approval. The joint applicants retain the obligation to

1 prudently manage both the PSA and the PPA. Joint applicants will annually report
2 to the Commission information related to all decisions made to price and/or procure
3 capacity to meet DEMCO's future load needs. And all prudently incurred costs
4 associated with the NextEra PSA and the Amite Solar PPA are deemed eligible for
5 rate recovery by DEMCO subject to Commission review and further determination
6 at a later date in a separately-docketed proceeding with the expiration of and
7 removal from rates of the costs associated with the current Cleco Power PSA.

8 **COMMISSIONER GREENE:** I'd like to make a motion to accept Staff
9 recommendation.

10 **MS. BOWMAN:** There's a -- I'm sorry. The mic wasn't on.

11 **CHAIRMAN BOISSIERE:** Would you like a mic turned on?

12 **COMMISSIONER GREENE:** Yes.

13 **CHAIRMAN BOISSIERE:** Okay.

14 **COMMISSIONER GREENE:** Are you finished, Kathryn?

15 **MS. BOWMAN:** I am.

16 **COMMISSIONER GREENE:** Okay. I'd like to make a motion to accept Staff
17 recommendation with the amended language.

18 **MS. BOWMAN:** Okay. So Commissioner Greene's motion is: I move that we
19 adopt the final recommendation of the Administrative Law Judge with one
20 additional condition. In order to ensure that the join applicants make a filing with
21 the Commission for our consideration after the conclusion of Docket Number R-
22 36263, the minimum capacity obligation docket, I move that the Commission adopt
23 this additional clarifying condition: At the conclusion on Docket Number R-36263,

1 the joint applicants will make a filing with the Commission in this docket so that
2 the Commission may consider the impacts of its decisions in Docket Number R-
3 36263 on its decision in this docket, on the PSA and the PPA, whether or not any
4 changes to the language of both are required, including but not limited to changes
5 to the PSA and the PPA, changes affecting the prices to be built by -- paid by
6 ratepayers, changes affecting the price mechanisms for the sale of capacity and/or
7 energy and/or deliverability or reporting requirements, so the Commission may
8 take any action it deems appropriate.

9 **CHAIRMAN BOISSIERE:** It's --

10 **COMMISSIONER FRANCIS:** I'll second that motion.

11 **CHAIRMAN BOISSIERE:** Okay. Moved by Commissioner Greene, second by
12 -- I'm going to, if you don't mind sharing it, both myself and Commissioner
13 Francis.

14 **COMMISSIONER SKRMETTA:** And I have a question, Mr. Chairman, before
15 the vote gets closed.

16 **CHAIRMAN BOISSIERE:** Yes, sir.

17 **COMMISSIONER SKRMETTA:** Can I -- I'm sorry.

18 **CHAIRMAN BOISSIERE:** Wait, wait. Go right ahead, Skrmetta.

19 **COMMISSIONER SKRMETTA:** I've got a couple of questions. One, I wanted
20 to hear from Entergy on this issue, and then I've got a couple of other questions.

21 **CHAIRMAN BOISSIERE:** Let's bring them up first.

22 **COMMISSIONER SKRMETTA:** Sure, that's what I meant.

1 **CHAIRMAN BOISSIERE:** I think, if I'm not mistaken, do we need to bring
2 DEMCO up?

3 **MS. BOWMAN:** It's up to you in the sense of the procedure to bring them up.
4 Entergy did file request for oral argument to speak today at the B&E, so they do
5 have the opportunity to come up. So if you want to hear from them first and then
6 allow DEMCO to respond.

7 **CHAIRMAN BOISSIERE:** No, that's -- well, if Entergy's ready to come up now,
8 then come on up, that's fine. I don't want to take things out of order. We will get
9 to everyone. And now I'll go back to Commissioner Skrmetta and his concerns and
10 questions.

11 **COMMISSIONER SKRMETTA:** Well, yeah, I wanted to hear -- I know that
12 there were some issues that Entergy had about these particular issues. I wanted to
13 hear what they were formally, so I asked them to come and make these statements,
14 so. And then I do have some questions for the Dixie Electric, NextEra on their
15 particular application, but I'll reserve those until they come to the table.

16 **CHAIRMAN BOISSIERE:** State your name and employer.

17 **MR. LARRY HAND:** Good morning, Commissioners. Larry Hand on behalf of
18 Entergy Louisiana. I'm joined at the table by Mark Kleehammer, also with Entergy
19 Louisiana. And I guess, for the sake of expediency, the docket that's before you at
20 this instance is just DEMCO. My issues -- Entergy's issues with both this docket
21 and the JDEC docket to follow are not with the Amite Solar PPA, it pertains only
22 to the NextEra Energy Marketing PSA, and with your permission and I guess with
23 your counsel, I would ask that you accept these comments in regard to both dockets

1 without me -- I filed a request in both dockets, but the issues are the same, so in the
2 interest of expediency, I would like to present these once for consideration, if that's
3 fine.

4 **CHAIRMAN BOISSIERE:** Absolutely. I don't see any problem with that. It's
5 noted. Thank you.

6 **MR. HAND:** Thank you. Commissioners, in January of 2022, you approved the
7 1803 Cooperative resource portfolio, which included four new generating resources
8 in Louisiana, and it also included one five-year purchase power agreement that
9 represented approximately 27 percent of the load of those cooperatives without any
10 known source of capacity. Since that time, DEMCO, JDEC, and other cooperatives
11 and even your own Staff have interpreted your 1803 Order as precedent that
12 Louisiana no longer requires wholesale suppliers to own or control any physical
13 generation in Louisiana to support reliability. The result in this case is that DEMCO
14 and JDEC are requesting the Commission to approve wholesale contracts to support
15 approximately 90 to 100 percent of their load requirements without any known
16 source of generation support and that permit them to rely fully on MISO's planning
17 resource auction to meet their planning reserve margin requirements, if they choose
18 to do so. MISO has emphasized that its annual PRA cannot be relied upon for long-
19 term resource adequacy, but if you approve the NEM agreements proposed in these
20 two dockets, that's exactly what you will be enabling for the approximate 10-year
21 term of the agreement, and even longer, if they agree to extend those agreements.
22 NextEra Energy Marketing and the cooperatives will decide whether and to what
23 extent they're relying on the PRA instead of physically identifiable capacity to

1 support load. All of this is occurring at a time when a modest surplus of capacity
2 that exists today in Local Resource Zone 9 is dwindling rapidly and capacity
3 deficits in LRZ 9 are projected as soon as 2024. Long term resource adequacy in
4 Louisiana requires that you act now on the clear record before you, which shows a
5 looming capacity shortfall in LRZ 9 and decline to approve the NEM contracts.
6 Otherwise, you're placing long-term resource adequacy for the state of Louisiana
7 in hands of cooperatives, in NextEra Energy Marketing who are not subject to your
8 jurisdiction. The risk you are undertaking is an increased risk of more likelihood
9 of controlled load shed events needed to maintain reliability when we don't have
10 adequate resources to support load. Alternatively, you could defer consideration of
11 the NEM contracts until after your MCO rulemaking is complete so that you can
12 be assured that you know exactly how NextEra Energy Marketing is intending to
13 serve these loads. As for the precedential effect of the 1803 Order, you have
14 decades of approvals of this Commission under the 1983 General Order that reflect
15 load serving entities being served by entities that own or control generation in
16 Louisiana. That is physical, identifiable generation in Louisiana, the same
17 generation that was so important to this Commission when it looked into the load
18 shed events that occurred in February of 2021. The 1803 Order presented a slight
19 deviation in that the source of generation for one resource was not known at this
20 time for a 5-year contract. However, that portfolio provided 400 megawatts of
21 purchased power from a new build combined cycle gas turbine unit, 170 megawatts
22 of accredited capacity from three new build solar facilities, and then a 270
23 megawatt 5-year PPA from Exelon relying on the market. JDEC and DEMCO

1 don't even attempt to repeat what 1803 did. Instead, they seek to rely 90 to 100
2 percent to serve their load on market contracts with no known source of generation.
3 The portfolios proposed by these co-ops add zero new dispatchable capacity in
4 Louisiana. NextEra Energy Marketing has no obligation to build a new resource in
5 Louisiana, and the co-ops and NextEra have the option to rely exclusively on the
6 PRA if they choose to do so. One thing the ALJ's recommendation does
7 acknowledge is that, and I quote, resource adequacy outlook is of utmost
8 importance when determining the need to add physical resources. The
9 Commission, to determine the resource adequacy outlook, needs to consider the
10 horizon of the agreements before them, which is a 10-year term. To be precise, 9
11 years and 9 months. These agreements will start respectively in 2024 and 2025 and
12 they will end respectively in 2033 and 2034, so that's the horizon we need to be
13 thinking about here. There's no evidence in the record that anyone can point you
14 to that supports a claim that there will be a surplus of capacity in Zone 9 through
15 2033 and '34. The ALJ cites two pieces of evidence, two pieces of testimony. One
16 is the testimony of Mr. Donaldson that there's likely to be a surplus in Zone 9 in
17 2024 and 2025. The second piece of testimony cited is the testimony of Mr.
18 Stewart, who said that there are plenty of resources in the MISO interconnection
19 queue. Now, there's no assurance that any capacity in the MISO interconnection
20 queue will be built. NextEra said it doesn't -- itself doesn't build capacity unless
21 there's support by PPAs with longer than 10-year terms. And frankly, why would
22 anybody want to build new capacity in Louisiana if you're encouraging LSEs by
23 these orders to rely on the PRA. Who wouldn't want to build capacity here in that

1 queue without support from contracts, long-term contracts with load serving
2 entities? None of this evidence establishes a likelihood of a surplus through the 10-
3 year term. In fact, multiple pieces of evidence in the record establish there is a
4 likely deficit in the coming years. First, the year over year PRA results from 2021
5 to 2022 show a 40 percent decline in the surplus of capacity in Zone 9. For 2022,
6 that surplus was only 1,047 megawatts, which equates to 5 percent more than the
7 planning reserve margin requirement. More importantly, the 2021 OMS survey
8 that's entered into the evidence by the applicants shows a firm capacity deficit of
9 200 megawatts beginning in 2023, increasing to 1,200 megawatts in 2025. We all
10 know that Louisiana has over 2,000 megawatts of coal generation that's still
11 operating in Louisiana. This coal generation is at risk of deactivation in the near
12 term due to environmental challenges and economics. The EPA's cross-state air
13 pollution rule also threatens the viability of multiple coal and gas units in Louisiana.
14 The LPSC itself, your Commission, filed comments at the EPA acknowledging that
15 14,800 megawatts of Louisiana generation is subject to the draft EPA rule, which
16 if adopted, will result in premature retirement of those units or many of them as
17 early as 2026. The ALJ acknowledges that there is a risk of load shed. That should
18 concern all of you. But the ALJ claims that if the capacity market works as intended
19 and ensures sufficient capacity, the result won't be a load shed, just higher prices.
20 Well, that's a fundamental misstatement of the intent and function of MISO's PRA.
21 It contradicts everything MISO has said about it and everything your Staff, your
22 MISO experts, has said about the intent and the functioning of the MISO PRA.
23 MISO depends on state regulators like this Commission to ensure an adequate

1 supply of capacity is available to support load. Approving the draft order of the
2 ALJ will send the wrong signal for resource adequacy in Louisiana. Much of the
3 Staff's position in this case in the ALJ's recommendation and your draft order
4 hinges on one important fact: That NextEra Energy marketing agrees to be bound
5 by any rules this Commission adopts that affect that agreement. However, in this
6 case, the record is clear that NextEra Energy Marketing has not unequivocally
7 accepted Staff's condition to comply with all regulations of this Commission. The
8 NextEra witness at the hearing would only commit to try to comply and he assumed
9 that any future rules of the Commission would be reasonable in NextEra's opinion.
10 NextEra said that it would be unreasonable to expect a generator to provide
11 performance information to NextEra to be provided to this Commission such as that
12 which was required by the Commission's General Order dated May 31, 2022. But
13 for a temporary waiver of those generator performance information requirements
14 that this Commission issued after the hearing, NextEra would have already
15 breached its commitment to honor any obligations, any rules that this Commission
16 has. Because NextEra is not subject to jurisdiction, if they choose not to comply
17 with any rules you pass in the future, whether it's the MCO rule or anything else,
18 your only recourse is against JDEC and DEMCO, you have no recourse against an
19 unregulated entity. You can certainly revoke your public interest finding, but where
20 does that leave the co-ops and it allows NextEra to walk away scot free with no
21 obligations for a liability in the state. The real urgency facing this Commission is
22 not to approve these PSAs today, the real urgency facing this Commission is to get
23 its MCO rule in front of the Commission, get it approved, and send the right signal.

1 The ambiguity and uncertainty created by the 1803 decision is wreaking havoc on
2 resource adequacy in Louisiana and our fear is that you will see the effects of that,
3 not today, but in the very near future after you approve the NextEra contract. The
4 Commission needs to resolve as soon as possible this rulemaking so that all utilities
5 can plan and procure the right amount and the right type of capacity that is needed
6 to serve load reliably in Louisiana. Three additional cooperatives have already filed
7 similar proposals from NextEra that allow for reliance in the market if they choose,
8 so the small crack that you left in the door with the 1803 Order in January of 2022,
9 not only have they opened the door wide, they've taken the door off the hinges and
10 they're running through it. Other Louisiana utilities outside of your jurisdiction
11 will be watching what you do today and in the MCO rulemaking because if this
12 Commission decides that its utilities do not need physical generation to support
13 load, why would other unregulated utilities in the state, LUS, Alexandria, many
14 communities, other organizations you don't regulate, why would they go pay the
15 price to add reliable physical generation in the state, when you don't require it of
16 your own regulated utilities. This laissez-faire approach to resource adequacy is a
17 surefire path to inadequate resources and more frequent reliability events such as
18 what we saw in February of 2021. When this happens, MISO's only tool, all MISO
19 can do to ensure reliability of the grid, is controlled load sheds. That can't be what
20 we want as a state. Those load sheds won't just affect DEMCO or JDEC, but all
21 load serving entities in the state. SPP has recently taken a more proactive approach
22 on resource adequacy and recently required and changed its standard to require that
23 all LSEs show that they can support 115 percent of their load with specifically

1 identified generators. The LPSC's representative on SPP voted to approve those
2 changes. Commissioners, in conclusion, the fundamental question before you
3 today is whether these contracts serve the public interest. Not DEMCO's interest,
4 not JDEC's interest, the public interest. To determine whether they are in the public
5 interest, the applicants must prove and carry the burden of proof that the contracts
6 will reliably serve the co-op load needs at the lowest reasonable cost without
7 harming reliability in the state. That hasn't been shown. As discussed, the Staff
8 took the position that because you don't have a physical capacity rule yet and you
9 approved the 1803 docket, you must follow that precedent and allow the co-ops to
10 do what they propose to do here today. Rather than engaging in sound, long term
11 resource planning like Entergy and Cleco Power do and SWEPCO, the co-ops here
12 develop -- they didn't develop a load forecast or identify the appropriate generation
13 to serve that load in terms of the amount, the type, they skipped that and went
14 straight to the RFP and asked the market to tell us what is the cheapest source of
15 capacity. We don't care where it comes from, we don't need to know where it
16 comes from, as long as it's cheap, we'll take it, and that's what we have before you
17 today. This should be a major concern for the Commission. The Commission
18 shouldn't care who serves the load, whether its Entergy, Cleco, NextEra. What
19 they should care about and should have grave concerns about is how the load is
20 served by that wholesale provider and whether there's an adequate and appropriate
21 amount of capacity lined up to do so. If there's not, there will be both reliability
22 concerns and cost shifting effects that will adversely affect all ratepayers in the state
23 of Louisiana, all ratepayers. If this Commission moves forward today, they will be

1 selecting who serves the co-op, that is NextEra, with limited knowledge and limited
2 jurisdiction regarding how they will be served, limited knowledge of your remedies
3 if you disagree with how NextEra chooses to serve, and limited knowledge of the
4 effect that this will have on resource adequacy, reliability, and costs for customers
5 in the state of Louisiana. So Commissioners, we'd respectfully request that you
6 decline to certify as in the public interest the NextEra Energy Marketing PSAs for
7 both DEMCO and JDEC, or alternatively, to defer your consideration until after
8 your MCO rulemaking is passed. Thank you.

9 **CHAIRMAN BOISSIERE:** Thank you, Mr. Hand. Commissioner Francis.

10 **COMMISSIONER FRANCIS:** Mr. Hand, for the sake of the listening audience,
11 what does PSA stand for?

12 **MR. HAND:** It is a -- I believe NextEra's, their purchase and sale agreement, I
13 believe. We often talk about PPAs --

14 **COMMISSIONER FRANCIS:** Purchase sale agreement, PSA?

15 **MR. HAND:** Sometimes we talk about PPAs --

16 **MS. EVANS:** Commissioner, it is power supply agreement.

17 **MR. HAND:** Power supply agreement.

18 **COMMISSIONER FRANCIS:** Okay. Power supply sale, almost the same thing.
19 What about PRA? You said PRA.

20 **MR. HAND:** That is MISO's term for the annual planning resource auction.

21 **COMMISSIONER FRANCIS:** Planning resource auction. Okay. Okay. Thank
22 you. Okay.

1 **CHAIRMAN BOISSIERE:** We probably need an acronym glossary at the
2 Commission to keep up with all the new acronyms. Anyone else? No one? Well,
3 thank you. I want to thank Entergy for coming up, Mr. Hand. I don't think we
4 have any more questions, but you raised some very interesting points that have been
5 discussed and are noted. The selection process has happened according to the rules
6 of the Commission, and in addition to that, similar to the other 1803 previously, as
7 you know we have an MCO docket or a rulemaking docket to follow, and we can
8 discuss probably all or most of this at that junction. But everything has been noted
9 and heard. And so I look forward to the process and to see where we head next.
10 Anyone else before we dismiss?

11 **COMMISSIONER FRANCIS:** I'll second.

12 **CHAIRMAN BOISSIERE:** We already -- I think we have a motion and a second.

13 **MS. BOWMAN:** No, there is a second. There is a motion and a second already
14 on the table.

15 **CHAIRMAN BOISSIERE:** Wait, before we move on, Commissioner Campbell.

16 **COMMISSIONER CAMPBELL:** I appreciate your presentation.

17 **MS. BOWMAN:** Commissioner, is his mic on?

18 **COMMISSIONER CAMPBELL:** Okay.

19 **CHAIRMAN BOISSIERE:** The mic is on.

20 **MS. BOWMAN:** Thank you.

21 **COMMISSIONER CAMPBELL:** Did you go before ALJ and use the same,
22 basically, argument that you're using here?

1 **MR. HAND:** In large part, yes, Commissioner. We also submitted comments into
2 the RFP with the same arguments in July of 2021.

3 **COMMISSIONER CAMPBELL:** How long did that take when you went to the
4 ALJ? Was that something -- was it pretty drawn out and you presented your --

5 **MR. HAND:** The hearing itself was, I think, three days. When the -- when this
6 process started, I cannot recall, you know, how many months the total process took,
7 but it was, I would guess, eight plus months.

8 **COMMISSIONER CAMPBELL:** And the ALJ ruled not the way you wanted
9 them to rule, right?

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

11 **MR. KLEEHAMMER:** Commissioner, Commissioner, if I may add, the Staff
12 took the position that 1803 was precedent and because you had approved that, until
13 you have an MCO, their recommendation was for approval. The ALJ said that you
14 could look at resource adequacy as an issue and they held that Entergy did not meet
15 the burden of disproving that there wasn't going to be enough capacity out there for
16 the co-ops and NextEra to come swipe the take a penny, leave a penny jar,
17 essentially. You've heard that term, we've talked about that in the past because
18 that is what the MISO PRA is.

19 **COMMISSIONER CAMPBELL:** And it just was three days?

20 **MR. HAND:** The evidentiary hearing was, I believe, three days.

21 **COMMISSIONER CAMPBELL:** Well, this issue, I'm just trying to put my
22 hands around it. This issue's been going along -- going a long time, though, hadn't

1 it? About how long have we been talking about this? Not just the ALJ deal, but
2 the other parts of it, too.

3 **MR. HAND:** This issue before you today has been around for I would say four to
4 five years. It started after we joined MISO. Back in the day, it was -- NRG was
5 pushing market sleeve contracts, where they bypassed the Commission's process
6 and so forth. You implemented some rules that restricted that ability, provided
7 some discipline to it, and this is a different way to skin the same cat. The issues we
8 raised four to five years ago, they're there today. The problem is we're running out
9 of time to set a correct path in terms of resource adequacy. Just in one year, we
10 went 40 percent lower in the surplus available from 1,700 megawatts in Zone 9 in
11 MISO down to roughly 1,000 megawatts. And now you have these groups of co-
12 ops combined with 1803, they're seeking to rely on the market for up to 1,900
13 megawatts, so do the math on that one. And again, who's going to build generation
14 if you don't require your co-ops or other regulated utilities to support it?

15 **COMMISSIONER CAMPBELL:** You know, co-ops have an obligation to give
16 people the cheapest rate possible, just like you do.

17 **MR. KLEEHAMMER:** Reliably.

18 **COMMISSIONER CAMPBELL:** Do what?

19 **MR. KLEEHAMMER:** Reliably.

20 **COMMISSIONER CAMPBELL:** Well, I understand. I understand. I don't
21 think anybody would, co-op or y'all, either one, would intentionally do something
22 wrong here and be fooled because they have board of directors like you have
23 stockholders, and nobody wants to be without electricity, nobody. How big is this

1 company that the provider, that's going to provide all of this electricity, how big
2 are they?

3 **MR. HAND:** In terms of the generation they own in the United States, at testimony
4 at the hearing, they said they do not, NextEra Energy Marketing, does not own any
5 generation in the United States of America. Zero. They're a big company, they
6 have a big balance sheet, they have a big parent company, so I'm not saying
7 financially they can't meet their obligations, but in terms of reliability in the state
8 of Louisiana, there's no proof that they own any generation and they said they have
9 no plans to build, they being NextEra Energy Marketing.

10 **COMMISSIONER CAMPBELL:** But they do have it available to them to be
11 able to deliver to the co-ops, they say that. Its' a big company, right?

12 **MR. HAND:** Well, it's available to them but not -- from where? And if the MISO
13 surplus that we've seen in the past few years dries up, and you might want to talk
14 to MISO to see what their view of the capacity market is, there will be no resources
15 available, and so where's it come from? They said they're not going to build it.

16 **COMMISSIONER CAMPBELL:** In the past, have -- y'all are competitors,
17 right? You're competitors to the co-op, basically.

18 **MR. HAND:** In areas where we have service areas adjoining, then we have free
19 [INAUDIBLE] competition.

20 **COMMISSIONER CAMPBELL:** I've been here long enough to see y'all fight
21 about who -- one time we had a big fight about a little old building up in -- I think
22 it was in --

23 **SECRETARY FREY:** Concordia. I won that one.

1 **COMMISSIONER CAMPBELL:** What was it? Concordia?

2 **SECRETARY FREY:** Concordia. I said I won that one.

3 **COMMISSIONER CAMPBELL:** Yeah, it was a little building about this big, a
4 little bitty building, like a tire shop or something and y'all went all through the --
5 had a conniption fit about it, Mark, about not giving it to Concordia. A little bitty
6 building about this big and y'all had a absolute fit that Concordia Rural Electric
7 was going to get it from big, big Entergy. You remember that?

8 **MR. KLEEHAMMER:** Because they were violating the rules.

9 **COMMISSIONER CAMPBELL:** Oh, yeah. Do --

10 **MR. HAND:** Well, Commissioner, in that case, the customers chose Entergy as
11 its supplier, and it was a cooperative who said Entergy shouldn't supply them, and
12 you sided with them --

13 **COMMISSIONER CAMPBELL:** The co-op.

14 **MR. HAND:** -- because it was a close call. Yes.

15 **COMMISSIONER CAMPBELL:** Okay. Guess what?

16 **MR. KLEEHAMMER:** Commissioner, if I may add to what Larry said a moment
17 ago. These are quotes from the NextEra Energy Marketing witness in deposition:
18 NextEra Energy Marketing does not own any generating assets in Louisiana. I
19 don't believe we have any electric generation assets anywhere else that we own or
20 operate. NextEra Energy Marketing, the signatory to this contract, cannot obligate
21 any other company under the NextEra umbrella to anything other than what is stated
22 under the contract, the PSA, which we determined what that was. And then finally
23 that there are no limitations in the contract on how we supply the things that we're

1 required to supply, just that we supply them. So the PRA, which is the planning
2 resource auction, a one year deal -- I added that, so the PRA would be an option
3 that we would consider in fulfilling our obligations. That is our point. The plan
4 that is put forth is to have rolling one-year deals to do long-term resource planning.
5 As you've heard from us and you know, it takes more than a year to put capacity in
6 the ground. It takes a minute for it to trip, so when you start getting short on
7 capacity, when you have operational performance issues and you don't have
8 adequate resources to back that up, you have a load problem, you have a reliability
9 problem.

10 **COMMISSIONER FRANCIS:** In the coming rulemaking docket or meeting
11 we're going to have, is it possible that we could change the rules to effect all the
12 problems y'all see coming?

13 **MR. HAND:** It is possible, it is hopeful, but it begs the question if the Commission
14 is not willing to hold the co-op accountable to a resource adequacy standard today,
15 what hope would there be that you will do it when the MCO [INAUDIBLE] --

16 **COMMISSIONER FRANCIS:** Why would we not let the co-ops follow those
17 rules when we do it for everyone else?

18 **MR. HAND:** The rule -- the 1983 General Order, which is what controls the
19 decision here today, is what they call the public interest standard. That has always
20 been the rule, that has always been the standard this Commission has followed, at
21 least since 1983 in terms of capacity addition, so it's not fair to say there is no rule.
22 You've always applied it, you've always looked to -- even with Cleco Cajun
23 serving these loads, Cleco Power serving DEMCO, you've known the source,

1 you've known that the supplier had physical generation available and determined
2 those contracts served the public interest, so I don't think it's fair to say you don't
3 have a rule because if the Commission's position is you can do whatever you want
4 if we don't have a rule that says you can't, that's unmanageable.

5 **COMMISSIONER FRANCIS:** So it's 1983 rule?

6 **MR. HAND:** Yes, sir.

7 **COMMISSIONER FRANCIS:** We're going to be getting into the rulemaking.
8 When's our next rulemaking date to change things? Would it be '21 or '22? I
9 mean, '22 or '23? [INAUDIBLE].

10 **MS. BOWMAN:** For the MCO docket, Commissioner?

11 **COMMISSIONER FRANCIS:** Yeah, yeah.

12 **MS. BOWMAN:** I'm going to let Ms. Evans answer that, since she is the Staff
13 attorney. I'm not sure what the date is.

14 **MS. EVANS:** Lauren Evans on behalf of Staff. So when we first started this
15 docket, we were anticipating an end of the year report. However, as you know,
16 Staff's main witness is tied up in DC for a longer hearing than originally
17 anticipated. We were still able to get our second set of discovery out last week and
18 I believe the responses for that are due in mid-November, so we're still moving the
19 docket along, even in Mr. Sisung's absence. So, I mean, is the end of the year
20 feasible? I'm not sure, but we're keeping it moving.

21 **COMMISSIONER FRANCIS:** Well, I would agree with that -- these folks here
22 on the time sensitive --

23 **MS. BOWMAN:** Can you use your mic, please? Thank you.

1 **COMMISSIONER FRANCIS:** Okay. Am I on?

2 **MS. BOWMAN:** You are. Thank you.

3 **COMMISSIONER FRANCIS:** I would agree with Entergy, this is time sensitive.

4 We need to get on these rules and decide what we're going to do to address any of

5 y'all's suggestions. So let's -- Lauren, we need to have a good timeline on this so

6 we can get it done, get it over with.

7 **CHAIRMAN BOISSIERE:** Commissioner Skrmetta.

8 **COMMISSIONER SKRMETTA:** Just one quick question to you guys. During

9 the administrative hearing, and we're talking about sort of the entirety of the sort

10 of analysis of what was done, did the ALJ really take into consideration the

11 minimum capacity order and the analysis of what her recommendation -- or was

12 this Melanie who did this -- in her recommendation, or was this just a review of the

13 Staff's approach on the previous 1803, what they looked at as a prior decision?

14 **MR. HAND:** Commissioner, certainly it was heavy reliance upon the Staff's

15 review. I wouldn't say that the ALJ or even the scope of the questions before the

16 ALJ were a holistic review of what is the right policy on the minimum capacity

17 obligation because the facts weren't before her, but I think she took a position, not

18 supported by the record, that she felt there would be a surplus of capacity available

19 during the term of the PSA that NextEra could ostensibly rely upon to serve these

20 loads.

21 **COMMISSIONER SKRMETTA:** But, you know, that -- I see that there's a

22 conflict in that statement because of the movement at the federal level to reduce the

23 capacity throughout the MISO footprint of coal generation and to reduce the

1 available generation capacity to where we're not going to have -- we're not going
2 to be long, we're going to be effectively short as we move forward and we're going
3 to constrict supply of power, so it doesn't really sound like that they really took into
4 consideration what the capacities were going to be and it looks like they really
5 looked at more along the just general interactivity of the legal analysis of sort of
6 what was before them and not what was coming and taking into consideration the
7 impact of the minimum capacity or the rulemaking on how it would interact with
8 this. Because that's the real question for me is, you know, well -- and you've kind
9 of stated it, which is, you know, NextEra Marketing doesn't own anything, right?
10 And the other question is what obligation does NextEra Marketing have to the co-
11 ops and what obligation does NextEra Marketing have to the Commission and to
12 its authority to regulate, and realistically, if we're looking at one-year capacity
13 contracts, these co-ops have had the benefit of, prior to these 10-year gap contracts
14 on power, had 40 year coal contracts, and so they had these long-term stability
15 contracts which were a great value to their members and now looking into
16 something that would seemingly put them into a -- more into a Texas style
17 unregulated risk apparent system, which does not show a -- sort of a -- I would say
18 a commitment to the co-ops to give long-term service and guarantee to the members
19 of the co-ops, if there was something to transition them to where they decide we're
20 just not going to serve anymore. And that my, you know, my concerns are if the
21 ALJ did not take into consideration more of the, you know, was she acting and
22 putting out her recommendation prematurely in not taking into consideration,
23 waiting for these small gap of, I think it's like 80 days before we get the MCO. We

1 would have gotten it sooner other than the continuing litigation -- that the decision
2 was rendered prematurely without taking into consideration the full impact of the
3 MCO regulation, and that's my real concern in this and sort of that limited 80 day
4 now gap is going to push this into a decision that would do several things, which
5 would be are we in a position to where we act in a way to which the co-ops would
6 then have to reflect on an MCO Order which may or may not mirror what we did
7 with SPP, but if it does, how are they going to, you know, adjust in these contracts
8 to do that within the footprint of MISO, and I don't know if MISO is prepared to
9 talk to us today about this but I know they're planning on meeting with us in
10 November to talk to the Commission about this, but, you know, we're, you know,
11 this is the sort of, you know, cart before the horse moment and certainly if you have
12 an unknown availability of generation, it's a -- the expression is a pig in a poke,
13 you don't know what you're getting, and especially when you don't have the
14 knowledge of what the Commission is going to demand of the company. So my,
15 you know, I don't know how, you know, committed the guarantor of power is when
16 they can't guarantee what they don't know they have to guarantee, so it's a real
17 problem for me, so, you know, and if you can't tell me that the ALJ did not rely on
18 full knowledge of the MCO Order was going to be a critical element into the overall
19 determination of the assessment of how this is going to function, it seems like it's
20 a lower potential, like, full analysis that needed to be done as part of this full
21 recommendation to the Commission.

1 **MR. HAND:** I agree, Commissioner, and I think what -- even though the
2 recommendation is subject to the outcome of the MCO, I agree with you that it
3 wasn't --

4 **COMMISSIONER SKRMETTA:** Well, it's not subject to the MCO Order
5 because we're about to vote on it and that'll be subject to the MCO, but her order
6 is about to be voted on, this recommendation, now. So the only it's subject to is be
7 overturned later on down the road after we're approving it now. And Kathryn, my
8 understanding is that the vote that we're about to take on it's not grandfathering or
9 giving a prior decision on this, that the take no element in this, that if we do decide
10 it now, we are free to overturn all of this if the MCO Order dictates that we need to
11 overturn this, right?

12 **MS. BOWMAN:** That is my appreciation, but I'm going to let Ms. Evans confirm
13 that since she's the one working on the docket.

14 **MS. EVANS:** So, Commissioner, the ALJ did put in her recommendation that the
15 joint applicants would accept all risk of changes in Commission rules. And then,
16 with Commissioner Greene's motion today, he's kind of clarifying that to say that
17 the joint applicants will -- here, let me pull --

18 **COMMISSIONER SKRMETTA:** That's fine, and I know what we're saying,
19 but what do the applicants say?

20 **MS. EVANS:** The applicants agreed to come in and have the Commission look at
21 the impacts of the decision made in MCO on these contracts.

22 **COMMISSIONER SKRMETTA:** Do the applicants agree to abide by the orders
23 of the Commission if we act in the MCO Order? Or do they --

1 **MS. EVANS:** That is my understanding, yes, sir.

2 **COMMISSIONER SKRMETTA:** Okay. Whose -- who do you have to ask to
3 make that determination?

4 **MS. EVANS:** I would assume JDEC and DEMCO.

5 **UNIDENTIFIED SPEAKER:** [INAUDIBLE]

6 **COMMISSIONER SKRMETTA:** Okay. Well -- whoa, whoa.

7 **CHAIRMAN BOISSIERE:** Hold on, hold on, hold on.

8 **COMMISSIONER SKRMETTA:** No microphone, no talk. No microphone, no
9 talk. So hang on, we'll get you up here in a minute.

10 **CHAIRMAN BOISSIERE:** And Commissioner Skrmetta, all due respect, let's
11 get to the point and that was a very long question and we have a lot of other people
12 that want to speak as well, but -- so let's -- we'll get to it.

13 **COMMISSIONER SKRMETTA:** All right. Well, Mr. Chairman, I'm done with
14 my questions on this.

15 **CHAIRMAN BOISSIERE:** Okay. I have a brief question. He already seconded,
16 so --

17 **MS. BOWMAN:** He did, yes.

18 **CHAIRMAN BOISSIERE:** Yeah, so he's already part of the vote in case we call
19 for a vote in his absence.

20 **MS. BOWMAN:** Well, we'll --

21 **CHAIRMAN BOISSIERE:** I just have a very brief question. I don't want to get
22 into all the details right now. I'm trusting Staff and everything else that is going

1 on, our process in the ALJ system, I just want to make sure. So it's safe to say that
2 Entergy is totally opposed to our certification of the ALJ's recommendation?

3 **MR. KLEEHAMMER:** You know, I think our position was articulated by Mr.
4 Hand that this is in fact reverse order. Sound resource planning requires that you
5 do an integrated resource plan. The co-ops have yet to do one. I think 1803 started
6 after their certification and they're somewhere in a lull in there. So there was no
7 sound integrated resource plan where you looked and you said here's what my load
8 is, here's what it looks like, I need certain types of resources. I need some baseload
9 resources that are on around the clock, I need intermediate resources that I can turn
10 up and down, and I need peaking resources that are available when I peak that a
11 morning like today or a morning that's colder in the year. They didn't do that.
12 They went to the market and said what's the lowest cost that you can provide, and
13 I believe that their criteria were heavily focused on cost and basically threw
14 reliability as an extra, but Mr. Hand can articulate that.

15 **MR. HAND:** Commissioner, I would add that I agree with everything that's said
16 there. There was a 50 percent weighting in the RFP for cost considerations. There
17 was a 10 percent weighting to a category called product, and that's where they
18 talked about reliability. I'm sure when they have a chance to speak they will say
19 reliability to the co-op means assurance that the counterparty will deliver the prices
20 in the contract and that's what reliability means to them. And so our opposition to
21 this is nothing about NextEra as a wholesale supplier, it's about the process, it's
22 about the lack of identifying physical resources that are needed to ensure that load
23 in Louisiana will be reliably served. And why does that matter to Entergy? Why

1 does it matter to my customers? It matters because when load is shed, when MISO
2 makes the call that hey, we don't have enough generation to support load, you need
3 to shed load, generally speaking, that load is curtailed based on the size of the
4 respective LSEs. So that means if Louisiana is 20,000 megawatts and Entergy is
5 10,000 megawatts of that, if their poor planning causes a curtailment, we bear half
6 of it. Your constituents, my customers, bear half of the consequences of reliability
7 of this poor planning and that's why we're opposed to it.

8 **CHAIRMAN BOISSIERE:** Okay. Well, thank you. For the sake of being
9 redundant and we keep repeating ourselves on this, and I think this case has already
10 been heard. I think the Commission has given ample time to your position. I
11 understand the resource questions, some jurisdictional issues, capacity deficits, all
12 noted. We will have a rulemaking to come soon and I'm sure all of these issues
13 will be addressed and heard and we are all here to understand that the price was
14 most important and maybe reliability didn't get as much of a hearing -- a weight in
15 the hearing, but it's important to know that the Commission is considering moving
16 forward with other protections to come. It is not that the rulemaking will leave the
17 people of Louisiana any less protected. It is our intention at this Commission, but
18 thank you for your comments.

19 **MR. HAND:** Thank you for the opportunity to present oral argument.

20 **CHAIRMAN BOISSIERE:** Thank you.

21 **MR. KLEEHAMMER:** Thank you.

22 **CHAIRMAN BOISSIERE:** I think some DEMCO people stood up.

1 **COMMISSIONER SKRMETTA:** I actually have some questions for the
2 DEMCO, NextEra, like people on the docket.

3 **MS. BOWMAN:** Please introduce yourselves for the record and then, Randy, will
4 you sign a yellow card? Tommy can just sign the clipboard.

5 **MR. TOMMY GILDERSLEEVE:** Chairman, Tommy Gildersleeve, I'm counsel
6 for DEMCO. I'll first address Mr. Hand's argument and then, I think, Mr. Pierce
7 has a few comments and he'll respond to any questions you have and Brian Murphy
8 can address any questions about NextEra, but first thing I want to be very clear on
9 is we agreed in the administrative proceeding to be bound by whatever the outcome
10 of the MCO docket is. We agreed to that, that's formally in the record, that's part
11 of the ALJ's recommendation and Commissioner Greene's motion before you
12 removes any doubt. I think we were bound even before Commissioner Greene's
13 motion, but if there was any chance that we didn't have to fully comply with the
14 MCO docket or report on how we would comply with the results of the MCO
15 docket, that is a requirement in the motion before you. So if you vote to approve
16 these contracts, we absolutely will comply with whatever results come out of the
17 MCO docket. Mr. Pierce is here to tell you that as the CEO. I'm here to tell you
18 that as a legal matter, we don't have a choice. We are obligated to comply with the
19 MCO docket. Every single point Mr. Hand raised will be addressed in that MCO
20 docket, and there's a practical reason for doing it that way. The MCO docket will
21 affect all utilities. So rather than have a piece meal approach in this administrative
22 proceeding and this ALJ recommendation, it makes sense to defer those issues to
23 the MCO docket, whether there be a uniform approach, when, whatever it is, we're

1 going to comply with it, but it makes good sense and it's efficient to handle it that
2 way. The last point I'll make is we don't know when the MCO docket is going to
3 be resolved and what you all are going to do in that. As Ms. Evans mentioned,
4 there is pending discovery in that docket. We don't know if Staff will issue further
5 discovery, but we don't know when Staff will propose a set of regulations. It could
6 be January, it could be December, it could be a year from now. We do not know
7 that. What we know is we have a contract now before you that requires certification
8 by a date certain, and if we don't achieve that certification, then all bets are off.
9 We've got to go back to the drawing board with our partner, NextEra, and see if we
10 can negotiate similar terms. There's no guarantee that'll happen.

11 **CHAIRMAN BOISSIERE:** Okay. Let me get this straight. So just to, I guess,
12 paraphrase or even reiterate what you said, that you agree to be bound by the MCO
13 docket and the rulemaking docket?

14 **MR. GILDERSLEEVE:** Absolutely.

15 **CHAIRMAN BOISSIERE:** That you absolutely -- you know, I just wanted to
16 hear you say it again, out loud, by being asked directly.

17 **MR. GILDERSLEEVE:** Absolutely.

18 **CHAIRMAN BOISSIERE:** Also you understand that if there are any significant
19 changes, you have to come back to this Commission for approval, should there be
20 any need for that going in the future or any misunderstanding on these issues or any
21 changes necessary? As I understand it --

22 **MR. GILDERSLEEVE:** Absolutely. I'll say that as DEMCO's counsel and I
23 think Mr. Pierce says that as the CEO. There's no doubt that we will do that.

1 **MR. RANDY PIERCE:** Yes. The answer's yes.

2 **CHAIRMAN BOISSIERE:** Okay. I think for me -- any other questions here?

3 **COMMISSIONER SKRMETTA:** Just a few questions.

4 **CHAIRMAN BOISSIERE:** Commissioner Skrmetta.

5 **COMMISSIONER SKRMETTA:** Actually, Mr. Murphy, you represent

6 NextEra, I believe?

7 **MR. BRIAN MURPHY:** Yes. For the record, Brian Murphy with NextEra

8 Energy Marketing and Amite Solar.

9 **COMMISSIONER SKRMETTA:** Great. A couple of quick questions. And I

10 guess you're their attorney or are you a staff member or what's your position?

11 **MR. MURPHY:** Thank you. I am an attorney for NextEra and participated in

12 docket under Rule 11.

13 **COMMISSIONER SKRMETTA:** So I guess we can assume that you speak on

14 behalf of NextEra and bind them with your statements?

15 **MR. MURPHY:** Yes, I do.

16 **COMMISSIONER SKRMETTA:** Okay. Great. You know, we already know,

17 and I make this perfectly clear, I already know that when the co-ops say that they

18 agree to be bound, we already know they agree to be bound because they are fully

19 regulated by the Commission. It's clear that Mr. Pierce says it, we know that,

20 they're bound, Mr. Gildersleeve, that's -- what we don't know is about NextEra.

21 Okay. You're new to the venue, you're new to our game. But what I want to know

22 from you is, you know, what is your responsibility to the co-ops and to the

23 Commission?

1 **MR. MURPHY:** Can you be more specific when -- that's a pretty broad question.

2 **COMMISSIONER SKRMETTA:** Sure. You know, well, let's say that the MCO
3 ruling or the rulemaking we do is something that you don't like, okay. Do you have
4 a obligation under your contract that you're going to abide by to abide by
5 Commission rules and fulfill it, the contract, under that MCO order?

6 **MR. MURPHY:** I would say twofold. First, I'm saying on behalf of NextEra that
7 we are absolutely going to comply with the MCO Order with our partners DEMCO
8 and with JDEC that will follow. There's no error gap between our willingness to
9 comply with that order or any other orders that come out of FERC, this
10 Commission, or any regulatory body. We said that on the record; I'm reiterating it.
11 Secondly, as DEMCO has already stated, the contract does require us, if there is a
12 change in regulation or law, to come back and consider whether the contract has to
13 be changed. I would say as a foundation, the contract was intentionally drafted
14 with the idea that energy markets and repertory markets change. As its been noted,
15 we are a nationwide company and to your point, yes, this is the first time we're in
16 Louisiana, but resource adequacy is a very important issue, so we understand it, we
17 understand this Commission could change the rules or FERC could change the
18 rules. We will comply with those rules, as we do today. I mean, foundationally,
19 the record shows we are in full compliance with every rule on the current regulation
20 and we commit to be in compliance with every future rule and regulation.

21 **COMMISSIONER SKRMETTA:** Right. Because as you can well admit --
22 understand that the Commissioners here, what they paramount concern of all
23 Commissioners are are not particularly for the co-ops, it's for the members of the

1 co-op, right. It's for the ratepayers of investor owned utilities. We look for price,
2 but we look for reliability of service, and what we don't want to see is any missing
3 link in the development of resource adequacy. We don't want to have any question
4 mark about, well, we didn't have the power so we went to the market, we bought it
5 more expensive, layer it up, and then drop that on the co-ops and go here's a higher
6 price for you. Because, you know, you may have it down for one year, you may
7 have it down for two years, but after that there's some big question marks about
8 what the pricing is going to be for these co-ops and so we want to make sure we
9 protect the ratepayers and we protect the co-op members. So you can see that this
10 is a consideration as we move forward to our minimum capacity order on why we
11 want to make sure that, you know, NextEra Marketing and basically your owners
12 are fully committed to the regulatory authority of the Commission.

13 **MR. MURPHY:** I completely understand your statement and we are fully
14 committed.

15 **COMMISSIONER SKRMETTA:** Okay. And I think that's good enough for me,
16 Mr. Chairman.

17 **CHAIRMAN BOISSIERE:** Thank you, Commissioner Skrmetta. Any other
18 questions or comments? Yes, sir?

19 **MR. MURPHY:** I would just like to thank you personally for your comments in
20 the beginning of the hearing with regard to Florida. I happened to be in Louisiana
21 at the time the hurricane hit. Even though I am a lawyer for the company, I started
22 in our transmission department many years ago, so I am on the front lines during
23 the restoration with line crews that I am very happy to say before you, many were

1 from Louisiana, and I personally supervised them, put up power to many of our
2 customers in record time. I wanted to thank you for your comments, and I wanted
3 to thank Louisiana for its support during the hurricane.

4 **CHAIRMAN BOISSIERE:** You're welcome for that and when we have storms
5 here, and we have them far too often unfortunately, and they're much stronger than
6 they have been, I usually, and sometimes with my fellow Commissioners like in
7 Laura, Commissioner Francis and I went into Lake Charles on the ground to be part
8 of or to assist and aid in the recovery and restoration as much as possible, so I
9 understand how devastating it can be and it's very important for me, as a
10 Commissioner, to actually go and touch and see and feel the damage because they
11 have a real appreciation of what's happening to people. And likewise, whenever
12 there's a storm or damage, I usually go out and physically survey, personally, and
13 often there are linesman and repair people from other states helping our local people
14 repair and recover. Workers from other places, electricians, bucket trucks, other
15 resources that come into Louisiana every time we have damage and every time we
16 need help, and for that reason, you know, I do the same and I make the comments
17 and I appreciate that because we couldn't do it without the help of others. And that
18 is the reason I remembered and when I saw Ian bearing down on Florida, it brought
19 back all those feelings for me and so I just wanted to express that and let Florida
20 know we're here for them, too, as much as we can be and we can work together on
21 some of these things because we have all too much experience and expertise in
22 repair and recovery and as long as we can continue to communicate. But again,

1 I'm getting a little bit ahead of myself, bringing me back into it and you're welcome
2 for the comments and let's continue to work together.

3 **COMMISSIONER SKRMETTA:** One quick comment.

4 **CHAIRMAN BOISSIERE:** Okay. One more, Commissioner Skrmetta.

5 **COMMISSIONER SKRMETTA:** This isn't relevant to you guys. I want you to
6 know for the purposes because we're probably about to go to a vote, for the
7 purposes of procedural elements, I wanted to state my general protection under the
8 procedures of the Commission to be able to readdress this issue and bring it up later
9 that I will be voting in the positive, but I am generally concerned about voting for
10 this matter, simply because of this premature element as I perceive it and I think
11 that contract dates can be extended. Taking preemptive action that is largely putting
12 the cart before the horse until we get this MCO Order is bad policy, but as most of
13 the Commissioners will tell you, I can count, and at the same time, I do want to
14 protect my ability to bring this matter up later and address this issue, if there is a
15 failure to comply with the MCO Order or the way the Commission will function
16 downstream. So thank you very much.

17 **CHAIRMAN BOISSIERE:** I do have a question to ask DEMCO, if you don't
18 mind. Is this something -- is this vote something that you want to happen today,
19 the certification by this Commission?

20 **MR. PIERCE:** Yes, Commissioner. We are absolutely asking for support.
21 There's a couple of things, there's many benefits we believe to the two contracts
22 that we're asking for certification for today. First and foremost, it will result in
23 lower rates.

1 **CHAIRMAN BOISSIERE:** Lower rates.

2 **MR. PIERCE:** Lower rates for our members. We know that by the calculations
3 within the contract. So from the standpoint of the index that's used for energy, the
4 pricing that's used for capacity, the energy services charges, all of those things, we
5 looked at 95 different proposals from 13 major providers across the country,
6 including all of the incumbent folks in the state who had their opportunity to be part
7 of the process. And with that, we chose one that we knew -- we believe will be
8 reliable because of the nature of the agreement that we'll have with NextEra, the
9 relationship that we've built and believe that they will adhere to. We've seen their
10 performance in other states, we're very comfortable from the reliability standpoint,
11 and we feel very good about the pricing standpoint. We will also, secondly, have
12 the opportunity to be involved in making decisions along the way, which we don't
13 have that opportunity today. This will lead to rates that are more stable, less
14 fluctuating rates, we'll be locking in pieces and parts of bilateral agreements and
15 contracts as we go, and as we approach any given year, there will be in many cases
16 with physical plants, in many cases probably right here in the state. So, again, we
17 feel very good about it, we believe it is by far the best option that we looked at. It's
18 the most dynamic option in terms of bringing benefits to our members and to the
19 state of Louisiana and to the seven parishes that we serve. So absolutely we are
20 asking for support and we are absolutely, and I'd just like to go back on the record
21 to say and emphasize that DEMCO, NextEra continue to agree to be bound by all
22 future rules of the Commission, including any rules that come from the MCO
23 docket or any other rule the Commission makes. We've agreed to return to the

1 Commission on this issue in any manner that the Commission deems necessary. So
2 with that, yes, we are asking for certification.

3 **CHAIRMAN BOISSIERE:** Okay. And one last question from me. You heard
4 the motion as read, Commissioner Greene's motion read by Ms. Bowman, and do
5 you agree with the motion, which includes language that agrees that you'll be bound
6 according to the amendments?

7 **MR. PIERCE:** Absolutely. We do agree, yes.

8 **CHAIRMAN BOISSIERE:** Okay. Great. Well, I think that's relatively clear
9 enough. Any other questions? Anyone else? All parties been represented? Okay.
10 I think we have -- thank you very much. You can stick around or you go back to
11 your seats. I think we have a motion and a couple of seconds.

12 **MS. BOWMAN:** We do. We have a motion by Commissioner Greene and a
13 second by Commissioner Francis with you co-seconding.

14 **CHAIRMAN BOISSIERE:** Very good. Thank you very much. Any opposition?

15 **COMMISSIONER SKRMETTA:** No. Just to include my comments as part of
16 the record with my affirmative vote.

17 **MS. BOWMAN:** Yes sir.

18 **CHAIRMAN BOISSIERE:** Yes. Commissioner Skrmetta, and I want to note we
19 have a --

20 **MS. BOWMAN:** Sorry. Who?

21 **CHAIRMAN BOISSIERE:** I'm sorry.

22 **COMMISSIONER FRANCIS:** [INAUDIBLE]

1 **CHAIRMAN BOISSIERE:** Sure. Sure. Come on. We're still on the record here.
2 Who would you like to speak to?
3 **COMMISSIONER FRANCIS:** Lauren. [INAUDIBLE].
4 **MS. BOWMAN:** And Commissioner, could you use your mic, please? Thank
5 you.
6 **COMMISSIONER FRANCIS:** Going back to the rulemaking docket --
7 rulemaking [INAUDIBLE] the rulemaking to address some of these problems.
8 **MS. EVANS:** Yes, sir.
9 **COMMISSIONER FRANCIS:** I would like to have a report at the next meeting
10 on some sort of a timeline to know when we could possibly have the rules done
11 where we know where we're headed with these -- the differences of opinion about
12 this case. Thank you.
13 **MS. EVANS:** Absolutely.
14 **CHAIRMAN BOISSIERE:** Okay. Before we move on, I see we have someone
15 standing here.
16 **MS. FREYA RIVERS:** [INAUDIBLE]
17 **CHAIRMAN BOISSIERE:** Yes. Have we placed the ability to speak right here
18 at this part of the B&E?
19 **MS. BOWMAN:** It wasn't filled out that it was for Exhibit 5, but if it's for Exhibit
20 5.
21 **MS. RIVERS:** [INAUDIBLE]
22 **MS. BOWMAN:** Okay.

1 **CHAIRMAN BOISSIERE:** Okay. Well, hold on, hold on. This is apparently for
2 Exhibit 5 because that wasn't --

3 **SECRETARY FREY:** Yeah, it wasn't on the card.

4 **MS. BOWMAN:** Apparently. Yeah, it wasn't on the card.

5 **CHAIRMAN BOISSIERE:** -- wasn't explained to me that way.

6 **COMMISSIONER SKRMETTA:** For Dixie Electric Co-op?

7 **MS. BOWMAN:** For --

8 **MS. RIVERS:** Yes. She asked [INAUDIBLE] --

9 **COMMISSIONER SKRMETTA:** Okay.

10 **CHAIRMAN BOISSIERE:** Okay. All right. Please have a seat. You're
11 docketed for Exhibit 5, correct? Is that right? Is that procedurally right?

12 **MS. BOWMAN:** And I'm assuming you are Ms. Rivers?

13 **MS. RIVERS:** Yes.

14 **MS. BOWMAN:** Okay. Yes, ma'am.

15 **CHAIRMAN BOISSIERE:** Okay. All right. All right. I mean, but -- please
16 have a seat. Let me make sure we finish with the rest of the voting and we've filled
17 out all of our requirements. Do we --

18 **SECRETARY FREY:** If she's speaking on Exhibit 5, let's hold off the vote.

19 **CHAIRMAN BOISSIERE:** You're right. Right. Exactly. Exactly. Sorry for
20 the confusion. We had a different docket system here.

21 **COMMISSIONER SKRMETTA:** Excuse me, sir. Is this your information? So
22 this is about Entergy?

23 **MS. RIVERS:** It's about Entergy --

1 **MS. BOWMAN:** Ma'am, you need to press the -- press the button --

2 **CHAIRMAN BOISSIERE:** Somebody --

3 **COMMISSIONER SKRMETTA:** Because you're EBR -- oh, okay. I got it. I'm

4 just trying to understand if you're in the right spot. That's all.

5 **MS. RIVERS:** Yes. Entergy spoke against this.

6 **CHAIRMAN BOISSIERE:** Okay.

7 **MS. RIVERS:** And I'd like to speak for anyone that's interested in lowering the

8 rates that customers face here in Louisiana.

9 **CHAIRMAN BOISSIERE:** I don't want to interrupt, but I want to make sure

10 we're okay. Is this about the DEMCO NextEra deal that we just heard?

11 **MS. RIVERS:** The co-op that's -- hopefully will lower the costs, yes.

12 **COMMISSIONER SKRMETTA:** It's not related to Entergy.

13 **CHAIRMAN BOISSIERE:** Okay. All right. Okay. Wait, wait. Wait, wait.

14 Wait, wait, wait, wait, wait. Where's my gavel? Okay. All right. I'm willing to

15 use this. All right. Of course, you'll have a chance to speak. We had you in a

16 different part of the docket, and we want to make sure we're following all the

17 procedures correctly because there's a lot of eyes and a lot of lawyers watching us

18 right now and consumers. So we want to make sure everything's in order even

19 though we welcome -- very much welcome you and your comments to come before

20 this Commission, as everyone is welcome to come and speak of course. I just

21 wanted to make sure we're following procedure and docket order properly. Now

22 go right ahead.

1 **MS. RIVERS:** Thank you. My name is Freya Anderson Rivers, and I live in East
2 Baton Rouge Parish, District 3 of the Public Service Commission represented by
3 Commissioner Boissiere. I'd like to speak on Exhibit 5 because there's a possibility
4 that costs could be lowered, and since Entergy is speaking against this, that's even
5 more reason for us to be concerned because we need to break up a monopoly that's
6 not considering the interests of its citizens. I'd like for you to consider a citizen, a
7 real citizen, a retired citizen on Social Security and we're impacted by your
8 decisions. So these cooperatives promised to lower costs and we're hopeful that
9 they can. I would like to thank Commissioner Campbell for his stance on looking
10 for not increasing costs and his vote against Entergy storm restoration monthly
11 charge, but I'd like to admonish the other four of you for standing together to
12 support the 5 percent of the population who are millionaires and not the 95 percent
13 of their constituents whose median income for all households in Louisiana is
14 \$47,000, which is deplorable. When will enough be enough for the selfish, greedy
15 people and companies that have a monopoly, like Entergy, in their services? They
16 need something to break this up. While Louisianans suffer, this Commission found
17 the money to increase the CEO's salary of Entergy, of Leo Denault, an additional
18 4 million for a total of \$16 million and paid dividends of 1.2 billion to shareholders
19 while I'm trying to keep a roof over my head. Still, you allow Entergy to collect
20 3.2 billion over the next 15 years for storm restoration along with Entergy
21 adjustments that co-ops say they can get us a contract to stay stable for two years,
22 and the cost for Entergy continue to increase exponentially monthly. What
23 happened to the federal grant monies received? Were they even used to offset

1 customer fees? From 2020 to 2022 my bill has increased to the degree that many
2 sacrifices had to be made. But I am also thankful that I could afford to do so. I
3 realize that our household uses more power than the average household, but we had
4 to consolidate into an extended, multi-generation family to do so. My daughter and
5 grandson live with us because he is special needs and requires special
6 accommodation that requires more power. However, we equipped our home with
7 low energy windows, lights, appliances, and thermostats. We raised the
8 temperature in the summer and lowered it in the winter. We're trying to conserve
9 energy. So when the astronomical bills began arriving this summer, I wondered if
10 there had been a mistake or maybe we had turned on something that was just
11 draining power. But, no, our kilowattage usage only increased in one month this
12 summer. In fact the other summer months, our kilowatts decreased. Yet, we had
13 Entergy come out to check to make sure that this wasn't a mistake. There's only
14 one month where the energy exceeded the previous years, but the bill increases
15 were due to fuel adjustment for electric and gas of 289 percent, 289 percent, and
16 included the storm restoration offset. If you don't mind, look at schedule on Page
17 1. In July of 2020, the kilowattage was 5,433 for a total of \$507. In July of 2022,
18 it's lower, 5,224, but my cost increased from 500 to \$900. For less than the amount
19 paid in '22. I admit some increase may be reasonable, but a \$400 monthly increase
20 is unsustainable. Your electric fuel adjustment increase in June started at 172
21 percent increase, July 265 percent increase, August 275, and for September 289
22 percent increase. I'd like a contract maybe from a co-op that can guarantee me a
23 rate. My electric costs went from 437 to 714. I'm an average citizen receiving

1 Social Security. 289 percent increase, I barely get three. The total monthly budget
2 is shown here; the gas rates are the same. I will not take up your time further, but
3 I thought maybe instead of hearing from CEOs and lobbyists that you really need
4 to hear from the public. I know that you think you're doing your duty, but listen to
5 the average person and how it really affects us. I realize that you will not change
6 and probably do not care about the average person, but I will work to try and unseat
7 all of you except Foster Campbell. I only hope that we can afford to stay in our
8 home if I'm able to live another 15 years. As Commissioner Campbell stated there
9 is no rule that says these companies cannot help. They can put up money, too. And
10 Entergy has money to put up. Maybe the CEO can donate part of his money back.
11 You are not the Public Service Commission but rather the public disservice
12 commission. At this time it would be appropriate for a mic drop, but I'm afraid I
13 might get charged next month for a replacement of the mic. With that --

14 **COMMISSIONER CAMPBELL:** Can I ask a question?

15 **CHAIRMAN BOISSIERE:** Hold on.

16 **MS. RIVERS:** Yes, sir.

17 **CHAIRMAN BOISSIERE:** Go ahead.

18 **MS. BOWMAN:** Commissioner --

19 **COMMISSIONER CAMPBELL:** Let me say something that probably ought to
20 be said. I appreciate you bringing my name up and I did vote against that. I live in
21 north Louisiana. They don't live in north Louisiana. They all live in south
22 Louisiana. And I'm not -- I did vote against it, but it was a reason that I thought
23 that was unfair because north Louisiana people were paying for storms that we

1 didn't have. In their defense, they were voting for storms they did have. That was
2 the reason I voted against it. They're all -- if you would take it from me, if you
3 could, you seem like a nice lady. I like your hair color. You know why?

4 **MS. RIVERS:** It's like yours.

5 **COMMISSIONER CAMPBELL:** It's like mine. But anyway, I really think
6 everybody up here is trying our best. As we read this at the beginning of the --
7 when we started.

8 **MS. RIVERS:** Uh-huh.

9 **COMMISSIONER CAMPBELL:** They're all sick think about this, too. Nobody
10 wants to see people pay 15 cents an hour. We're sick about it. Everybody's trying
11 to do everything they can, and the reason I voted against it was because like I say I
12 live in north Louisiana. And this really affected me because we're paying for
13 storms that all happened down here. That was my reason. So anyway, I think --
14 I'm not trying to soothe anybody. I know the people up here. I think everybody's
15 aware that we -- our rates have got to come down, and we're working hard to try to
16 do that. And I think everybody up here is trying to do it. We might disagree, but
17 we all agree on one thing and we do care about what people think and what they're
18 going through because we know -- I have some of the poorest people living in
19 America living up and down the Mississippi River, worse than Appalachia. And
20 we have people making \$18,000 a year income, not 40,000, 18. So I'm not trying
21 to tell you people don't care. We hear you. And we're doing our best to do what
22 we can to get these rates down because I get the calls and I hurt for people trying
23 to pay these bills. And I appreciate you coming because it takes courage to come

1 and tell it like it is and it's hurting everybody. And I don't think there's anybody
2 in this room or anybody in this state or certainly anybody on this Commission that
3 doesn't hear you. I can't go anywhere, anywhere, and it's not just poor people
4 talking about the bills. I'm talking about any restaurant I go to, everybody pulls
5 your shirt off, saying hey, Foster, what you going to do about these bills? What
6 you going to do about these bills. And they don't want to hear about well, we
7 trying. They want some action. So I think you're going to see some action here,
8 and that's why -- I didn't have to bring out all these people. You know, Entergy
9 didn't want to -- they don't want to publicize their 15 cents a hour. Cleco, they
10 dang sure don't want to say hey, you charging 17 cents an hour. They need to hear
11 it because there's a lots of things they could be cutting. Leo Denault's salary made
12 me sick. Anybody make that kind of money, and that's tough. And I hear you,
13 people don't understand a guy making 17 million a year. I don't care what he does,
14 nobody's worth 17 million, 15 million a year, \$45,000 an hour or something. It's
15 nuts. And all these companies ought to realize that. I don't care if they worried
16 about their stockholders, they ought to be worrying about people. And so we're
17 doing everything we can up here, and I'm speaking for me and these guys. I know
18 them. We all talk. We all have to run for election. This is not good fertilizer for a
19 politician to go through this at this particular time. It's hard, but I know that they're
20 trying and I appreciate you coming and speaking. It takes courage. You're very
21 articulate. And what do you do for a living or what did you do?

22 **MS. RIVERS:** White hair, I'm retired.

23 **COMMISSIONER CAMPBELL:** Yeah. What did you do?

1 **MS. RIVERS:** Principal, superintendent.

2 **COMMISSIONER CAMPBELL:** A school?

3 **MS. RIVERS:** Schools, yes.

4 **COMMISSIONER CAMPBELL:** Well, bless you. I taught school, too.

5 **MS. RIVERS:** Yeah. You were on the education committee in the Senate.

6 **COMMISSIONER CAMPBELL:** Well, thank you for coming here and you're a

7 very nice lady. And where do you live?

8 **MS. RIVERS:** Here in Baton Rouge.

9 **COMMISSIONER CAMPBELL:** Oh, you do.

10 **MS. RIVERS:** Yes.

11 **COMMISSIONER CAMPBELL:** Okay. Well, thank you for coming and I --

12 everybody heard, it was touching. And you know, Aaron Nevels is a famous singer

13 in New Orleans that I like, he had a famous song, you know what that song was?

14 Tell it like it is. And that's exactly what you did today. You told it like it is. We

15 all heard you and appreciate your testimony. Thank you.

16 **CHAIRMAN BOISSIERE:** Wait. Don't leave yet. Commissioner Greene.

17 **COMMISSIONER GREENE:** I want to thank you for being here and the only

18 thing I would like to correct is I don't think you're a regular person. I think you're

19 a local icon from what I hear. So it really means a lot that you would come and tell

20 us exactly how you think. I think we need more citizen involvement, and matter of

21 fact, I would invite you back in December. We're having -- I have opened a docket

22 to address many of the things that you brought up, and it's called customer-centered

23 options. I think customers ought to be at the center of the options that are before

1 us for the next 20 to 40 years, and we would love your input and other people's
2 input in that as well. Because although we couldn't do anything immediately after
3 the storm or retroactively, we do have some items on the table to make it better for
4 the future for all the citizens and we need your input along the way.

5 **MS. RIVERS:** Well, I'd like options, but right now we don't have any.

6 **COMMISSIONER GREENE:** We're working on it.

7 **MS. RIVERS:** Okay. Thank you.

8 **CHAIRMAN BOISSIERE:** May I? I don't want to keep if you got to go, you
9 know, but first of all, I -- not only do I hear you, I'm very glad that you actually
10 came to the Commission because as Commissioners, the five of us, and we have a
11 Staff. I have a staff of two. One of them right over there is Jared still sitting with
12 us right now. We get these phone calls every day that sound very similar to yours,
13 not as well evidenced and articulate, but people who are hurting because of high
14 bills. And Commissioner Campbell was correct, there's not one of us up here that,
15 if we could, with a vote or a motion of a pen reduce everybody's bill. So we're
16 working hard every day to do that. But to get back to the fact that you're here, is
17 huge because you become the voice of the people outside the room inside the room.
18 I don't have to tell somebody a constituent called me, they see you, we heard you.
19 And we heard all of the issues that are important to you. So when we go back and
20 meet with the utility companies or we have issues before us, and we're digging in
21 on some of the CEOs like you mentioned in your piece, Leo Denault of Entergy.
22 There's a reason we ask those tough questions. There's a reason we dig in on
23 salaries and expenditures, just like you just did. We do that here, so I'm glad you

1 brought it to us because these are the things that the constituents are giving us every
2 day that we have to then meet with the -- we don't provide electricity. The
3 providers are in the room or the companies are around Louisiana, and we have to
4 share this -- your information with them and let them know how serious this is every
5 day. Fortunately enough, you heard the beginning part of the meeting, and not only
6 did Commissioner Campbell, which is usually his regular opening to a meeting,
7 discuss the rates around the state, but you also saw us on this item, but right before
8 you came up, or we're in the process of approving a lower rate. So we're doing the
9 work that you want us to do. Now, we have more work to do on this particular
10 issue. This one isn't done yet, there's more to go. There's a rulemaking and other
11 things, I don't want you to think that. But we are working to get lower rates here.
12 We're working to get -- to do the job on behalf of people not behalf of companies.
13 You heard Entergy ask for something, and you heard us reject Entergy. Right? Just
14 now. So the message that we do what the company's want is just not true. We
15 fight for people. Now, we also believe that a healthy utility system is important
16 here, but to get back to it and deal with your issue more specifically, I would love
17 to be able to not -- I don't mind taking up Commission time and Commission
18 business time, but I would love to meet with you in my office where we can look
19 at you in a very specific manner, if there's anything we can do to help. We would
20 offer this to any and all constituents, but if you have more to talk about, I'll be more
21 than happy to spend time with you and so the meeting can move -- to flow. And
22 let you know that we hear you and we're working for you. And we care about
23 voters and we care about constituents and we care about customers and we care

1 about businesses that need lower rates in Louisiana. I'm fighting for that right now.
2 Obviously, you know I'm in the middle of a race, but I -- the one thing and I'm
3 going to add this because I was just about to dismiss, but I'm just going to add one
4 comment. One of the reasons bills were higher and we had a -- we had a
5 presentation on it, I think it was the September meeting by Staff.

6 **SECRETARY FREY:** July. July.

7 **CHAIRMAN BOISSIERE:** When you did your presentation?

8 **SECRETARY FREY:** Yes.

9 **CHAIRMAN BOISSIERE:** I'm sorry. Right. July meeting. One of the major
10 reasons is the spike in natural gas prices, and you have it in your presentation. I see
11 it right here. Natural gas spiked, and that was a huge reason the bills went up. The
12 rates really didn't change. The gas prices really spiked causing these huge spikes
13 all over -- and not just in Louisiana; it's every state. It's not just us. It's Mississippi,
14 Texas. It's all across the nation. It's almost, you know, worldwide gas problems.
15 But what I want to say is that and everyone up here knows me. I fought for
16 diversification of our fuel from Day 1. As long as I've been here, I've been
17 explaining that we have to diversify. We have to look at things that are not just
18 coal and natural gas. This isn't anything new. If you follow any meeting, I
19 probably say it in every meeting at some point in time. Because it's what I fight
20 for and it's what I vote for. Because it gives us a hedge against one fuel like natural
21 gas spiking affecting all ratepayers. Now, that may be a little -- you're a
22 schoolteacher, you understand the math of that. You're an educator. Once again,
23 I just want to say thank you, and if there's any way I can continue the conversation

1 with you, I'm more than happy to meet with you, your neighbors, your
2 neighborhood, your -- any other people or friends or organizations you're part of,
3 I'd be more than happy to continue to express, work with you, as we're doing up
4 here to get the rates as low as possible. Thank you. Wait. Commissioner Francis,
5 you want to say something before Ms. Rivers --

6 **COMMISSIONER FRANCIS:** Ms. Rivers, I represent southwest Louisiana, and
7 appreciate your coming. You're the voice that I talk to everyday when I talk to my
8 constituents. So many of them have the exact same views you do, and I just want
9 to tell you I feel your pain and I think all these Commissioners do. I thank
10 Commissioner Campbell for, you know, speaking up for all of us, but this hasn't
11 been a pleasant time in public service. And I could assure you I've used every God-
12 given wisdom I have to try to address this and keep the rates down and keep things
13 reliable. So we're all humble, you know, during this time and we are taking as
14 much action as we know to try to get the rates down, and I think there's hope for
15 some better days ahead. Thank you for coming.

16 **CHAIRMAN BOISSIERE:** Wait. Do you mind if I mention something I just
17 found out about you? Is that okay if I mention it?

18 **MS. RIVERS:** It's not pertinent to the PSC.

19 **CHAIRMAN BOISSIERE:** Well, come on. You're here. Okay. I'll leave it off
20 then if you -- it sounds like you prefer me to leave it off. Thank you so much.

21 **MS. RIVERS:** Thank you.

22 **CHAIRMAN BOISSIERE:** Okay.

1 **MS. BOWMAN:** So just to go back, we have a motion by Commissioner Greene
2 and a second by Commissioner Francis with a co-second by Chair.

3 **CHAIRMAN BOISSIERE:** And I also was in the process of making a point that
4 Commissioner Skrmetta made comments and that he is -- well, I guess, we're
5 calling for the vote -- he made it a point to say that he's voting to approve as well.
6 I want to make that noted. So with that said, any opposition? [NONE HEARD]
7 Hearing none, so ordered. Next, please.

8 **MS. BOWMAN:** So moving on to Exhibit Number 6, which is Docket Number
9 U-36135. This is Jefferson Davis Electric Cooperative and NextEra Energy
10 Marketing's joint application for approval of a power supply agreement. It's also
11 a discussion and possible vote on ALJ recommendation and draft order. In this
12 proceeding, JDEC and NextEra seek Commission approval for JDEC to enter into
13 a power supply agreement with NextEra. Currently, JDEC serves its members
14 through a wholesale power supply and service agreement with Louisiana
15 Generating that will expire in March of 2025, and JDEC seeks to replace the current
16 contract with a nine year, nine month full requirements PSA with NextEra. If
17 approved, the PSA will supply all of JDEC's capacity and energy requirements
18 from March 28, 2025 to December 31, 2035. This approval is sought pursuant to
19 the Commission's 1983 General Order. As just mentioned in the prior docket, this
20 matter was heard jointly with a similar request in Docket Number U-36133. The
21 joint hearing was scheduled June 7 through 9, 2022 and joint applicants in both
22 proceedings, Entergy Louisiana, Cleco Power, Cleco Cajun, and Commission Staff
23 participated. After submission of briefs, a proposed recommendation and draft

1 order was issued on September 13, 2022, and Entergy and Cleco Power filed
2 exceptions to that proposed recommendation with joint applicants and Staff filing
3 replies to the aforementioned exceptions. Thereafter, a final recommendation and
4 a draft order was filed on October 7, 2022. Based on the evidence and testimony
5 presented at the hearing, the administrative law judge recommends that the
6 Commission adopt the Final Recommendation of the ALJ and draft order issued
7 October 7, 2022, with the ordering language summarized as follows: The NextEra
8 PSA serves the public convenience and necessity, and should, therefore, be certified
9 as prudent, in accordance with Commission's 1983 General Order; joint applicants
10 accept all risk of changes in Commission rules, specifically including a potential
11 requirement for owned and/or contracted-for generation being procured to meet
12 future capacity needs; joint applicants acknowledge and agree that any changes
13 made to the NextEra PSA based on changed regulations are subject to Commission
14 review and approval; joint applicants retain the obligation to prudently manage the
15 NextEra PSAs; joint applicants shall annually report to the Commission
16 information related to all decisions made to price and/or procure capacity to meet
17 JDEC future load needs, respectively; and all prudently incurred costs associated
18 with the NextEra PSA are deemed eligible for rate recovery by JDEC subject to
19 Commission review and further determination at a later date in a separately-
20 docketed rate proceeding with the expiration of and removal from rates of the costs
21 associated with the current LaGen PSSA.

1 **COMMISSIONER FRANCIS:** Okay. I've got a motion I'd like to read into the
2 record. Okay. Is there anyone here from Jeff Davis Electric Co-op? Would y'all
3 -- you want to come up, Mike? I got a couple of questions for you.

4 **CHAIRMAN BOISSIERE:** Is everybody coming or just --

5 **COMMISSIONER FRANCIS:** Whoever's here with Jeff Davis, can you just
6 stand up and let me see how many folks we got represented here? Okay. We got
7 one sitting down there also. All right. Thank y'all for coming and if you don't
8 mind, just stay standing just a minute. I want to read something I think you'll be
9 interested in. You ready? Okay. I move that we adopt the final recommendation
10 of the administrative law judge with one additional condition. In order to ensure
11 that the joint applicants make a filing with the Commission for our consideration
12 after the conclusion of Docket Number R-36263, the minimum capacity obligation
13 docket, I move that the Commission adopt this additional clarification condition:
14 At the conclusion of the Docket R-36263, the joint applicants will make a filing
15 with the Commission in this docket so that the Commission may consider the
16 impacts of its decision in Docket R-36263 on its decision in the docket on the PSA
17 whether or not any changes to the language of the PSC are required, including but
18 limited to changes to the PSA, changes affecting the prices to be paid by ratepayers,
19 changes affecting the pricing mechanism for the sale of capacity and/or energy or
20 deliverability or reporting requirements so that the Commission may take any
21 action it deems appropriate and, you know, I had pointed back to the rulemaking is
22 coming up, it's going to affect all of this. And I might -- let me add one other thing.

1 The rules we're under right now -- Lauren, they're -- you said 1983? Is that the
2 rules that we're going by today?

3 **MS. EVANS:** So JDEC and DEMCO both came in for certification of these power
4 supply agreements under the 1983 General Order.

5 **COMMISSIONER FRANCIS:** Y'all can sit down. [INAUDIBLE] I'm sorry.
6 Go ahead.

7 **MS. EVANS:** They came in for certification under our 1983 General Order.

8 **COMMISSIONER FRANCIS:** Okay. So they're just under the General Order.
9 Okay.

10 **MS. EVANS:** That's correct.

11 **COMMISSIONER FRANCIS:** So would you say when we change the rules or
12 if we change any rules, it will be changed under that same order? It would be --

13 **MS. EVANS:** No. The rules we are going to implement would be under this new
14 rulemaking that R-3 -- what is it?

15 **MS. BOWMAN:** 36263.

16 **COMMISSIONER FRANCIS:** Okay. All right.

17 **MS. EVANS:** Correct.

18 **COMMISSIONER FRANCIS:** Well, listen, who we got before us here. We got
19 the head guy with Jeff Davis Electric; is that right?

20 **MR. MIKE HEINEN:** Mike Heinen, CEO for Jeff Davis Electric Cooperative.
21 Good morning, Commissioners.

1 **CHAIRMAN BOISSIERE:** But before we get started, Mike, let's do some things
2 that we probably should handle first. I think you made a motion, and I think we
3 have a second by Commissioner Greene and myself once again.

4 **COMMISSIONER FRANCIS:** Okay.

5 **CHAIRMAN BOISSIERE:** And now we should move on with the discussion.

6 **COMMISSIONER FRANCIS:** Okay.

7 **CHAIRMAN BOISSIERE:** And Mike, I guess you have the floor, so go right
8 ahead.

9 **MR. HEINEN:** No. Just saying good morning, Commissioners. Mr. Campbell,
10 you look a lot better than the last time I saw you, glad you're feeling better. Last
11 time I saw you, you had a neck brace on. So I'm glad you're feeling better. And
12 thanks all Commissioners for having us here today.

13 **COMMISSIONER FRANCIS:** Who's with you?

14 **MR. HEINEN:** I have all of my board of directors or most of them that are here
15 with me that help me run the co-op. With me on the table is Kara Kantrow, our
16 attorney for Jeff Davis Electric Co-op.

17 **COMMISSIONER FRANCIS:** Well, I'm proud to be the Commissioner in your
18 whole district, I believe. Isn't that right?

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

20 **COMMISSIONER FRANCIS:** And what parishes does JD cover?

21 **MR. HEINEN:** We serve in Calcasieu, Cameron, Allen, Vermilion, and Jeff
22 Davis.

23 **COMMISSIONER FRANCIS:** Right. How many ratepayers in your district?

1 **MR. HEINEN:** Well, we used to have more than we had before the storm hit, but
2 we have about 7,000 ratepayers, 10,000 meters approximately. That went down by
3 couple of thousand after Hurricane Laura but well, we're coming back.

4 **COMMISSIONER FRANCIS:** Now, you are -- you know that you are subject to
5 this Commission making rules that may change the way we do business in the future
6 somewhat, aren't you?

7 **MR. HEINEN:** Absolutely. That is correct.

8 **COMMISSIONER FRANCIS:** Okay. And I know that's been a point of
9 controversy here for most folks, but --

10 **MR. HEINEN:** It's been said several times and to avoid repeating Jeff Davis and
11 the board of directors have agreed to all those stipulations.

12 **COMMISSIONER FRANCIS:** Well, I'm in full support of what you have before
13 us, but we will -- we just want to warn all the JD public that this is a new deal, this
14 is a new day, and there may be few new rules that we operate under because we got
15 to keep this thing reliable and do the right thing.

16 **MR. HEINEN:** Well, this point in time for the -- the members of Jeff Davis
17 Electric Co-op, the actual ratepayers, I've been working at the co-op for 36 years.
18 Most of them are my family, friends, and people I've known forever. And this
19 particular deal will lead to lower rates. And I can assure you, rates are not the only
20 thing that we took into consideration in this contract, reliability was very high on
21 the list of things that we looked at. There's nobody more concerned about
22 reliability than the people who actually serve our members because we know them,

1 we live with them, and we answer to them every day. They're our owners. We
2 don't have stockholders; we have people who own the company that we serve, so.

3 **COMMISSIONER FRANCIS:** And in these new contracts, we all understand
4 that your prices for electricity will -- should go down; is that right?

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

6 **COMMISSIONER FRANCIS:** Without us taking any danger of reliability, right?

7 **MR. HEINEN:** Without taking any danger of reliability. You're absolutely
8 correct.

9 **COMMISSIONER FRANCIS:** Okay. And we'll covet your help in making these
10 new rules so all those things will be true in our future because we desperately need
11 the public to see that we're trying to do everything we can to get these prices down
12 and still be reliable.

13 **MR. HEINEN:** Absolutely.

14 **COMMISSIONER FRANCIS:** Okay.

15 **CHAIRMAN BOISSIERE:** Mike, any more questions there?

16 **COMMISSIONER FRANCIS:** No, I'm through.

17 **CHAIRMAN BOISSIERE:** You heard the line of questions that happened and
18 you heard Entergy make its position earlier. Of course, that applied to your issue
19 as well.

20 **MS. KARA KANTROW:** Jeff Davis reaffirms and adopts the comments of Mr.
21 Gildersleeve and as well as Mr. Murphy that were said in the previous docket. The
22 selection of Jeff Davis' new power supplier, it's been a long and methodical

1 process. It started back in 2020. Your full support and appreciate the support of
2 this Commission.

3 **CHAIRMAN BOISSIERE:** Okay. Okay. I don't have any more. Commissioner
4 Skrmetta.

5 **COMMISSIONER SKRMETTA:** Yeah.

6 **CHAIRMAN BOISSIERE:** Go ahead.

7 **COMMISSIONER SKRMETTA:** I just have one question for y'all. I'm
8 adopting all my previous comments for the record from Dixie Electric/NextEra into
9 the JDEC/DEMCO comment. But I would like to ask a question of NextEra if
10 you'd come up and join us. If somebody could provide them a chair, I'd appreciate
11 it. One real question I didn't ask Dixie Electric folks and I'll ask you is what
12 happens if -- let's say all these great things are going to work. What happens if
13 they don't? What provisions have you made in your contract to extricate yourself
14 from this if, you know, all things go wrong and NextEra doesn't perform? What's
15 the plan?

16 **MR. HEINEN:** You're asking me?

17 **COMMISSIONER SKRMETTA:** I'm asking somebody from your side of the
18 table, so it can be you or Kara.

19 **MR. HEINEN:** As far as I'm concerned, the contracts that we have, we followed
20 all the rules of the MBM order, we followed all of the rules of the 1983 Order. We
21 went through the administrative law judge. We went to the Staff and all those
22 things.

1 **COMMISSIONER SKRMETTA:** Yeah. I'm not asking for anything like that.
2 I'm really -- what's your plan in case there's a failure from your provider to provide.
3 **MR. HEINEN:** I don't plan on the provider failing but if they do, we --
4 **COMMISSIONER SKRMETTA:** I understand but what's your plan if they do?
5 **MR. HEINEN:** We will get together and find out, along with the Commission, the
6 best process to move forward.
7 **COMMISSIONER SKRMETTA:** So you don't have a plan at this time other
8 than to come to the Commission?
9 **MS. KANTROW:** There are provisions in the contract that provide for breaches
10 of the contract, which are confidential, Commissioner.
11 **COMMISSIONER SKRMETTA:** Yeah. I mean, I get that, but what's your plan
12 if there is a failure in the contract? I mean, what's your -- do you have a backup
13 plan? Do you have a plan to get electricity in a different way? I mean, do y'all
14 have a plan?
15 **MR. HEINEN:** As far as electricity flowing, electricity will always flow to our
16 members. As far as a plan of our power supplier, we're dealing with a company
17 that is the biggest in the nation.
18 **COMMISSIONER SKRMETTA:** I know, but again, I'm just asking you a very
19 simple question. If they don't supply you, if something goes wrong, do you have a
20 plan to -- since they don't have power plants, it's all coming through contract. If
21 they don't supply you, what's your plan?
22 **MR. HEINEN:** Isn't there a plan through MISO that we always have supply
23 contracts?

1 **COMMISSIONER SKRMETTA:** So you'll switch back to the MISO sort of
2 mechanism outside of -- to go directly to MISO?

3 **MR. HEINEN:** I'll switch to the Public Service Commission's mechanism to
4 supply power which involves MISO.

5 **COMMISSIONER SKRMETTA:** Yeah. I guess Kathryn, that's a question I
6 think I'd like to have further explored on both DEMCO and JDEC. Okay. And the
7 other question is really back to you, Mr. Murphy, which is really reiterating my
8 previous questions is that you recognize that the -- my concern as Commissioner is
9 for the members of the co-op and to ensure that, you know, you're going to be
10 subjecting yourself to the jurisdiction of the Commission and that, you know, you
11 understand that if you want to adopt your previous statements under DEMCO and
12 apply them to the JDEC order, I'd be satisfied with that.

13 **MR. MURPHY:** Thank you, Commissioner, and I fully expected that we would
14 have this conversation for JDEC. And I will adopt my statements in the DEMCO
15 hearing for JDEC that we will be fully compliant with rules that come from this
16 Commissioner, FERC, or any other regulatory body.

17 **COMMISSIONER SKRMETTA:** Okay. Thank you very much. I want to adopt
18 all my, like I said, my previous comments, and again, I truly believe that we are
19 placing the cart before the horse and not waiting until the MCO order comes out. I
20 think we are premature. I am going to vote along with this to preserve procedural
21 rights as a Commissioner, but -- and I hope this works out, but, you know, a lot like
22 everything else, plan for the worst and hope for the best, right? And so thank you
23 very much. My comments are complete.

1 **CHAIRMAN BOISSIERE:** Thank you. I think that's all the comments we have
2 because we ask all -- I think most of the questions in the previous item with
3 DEMCO. So we have a motion and a second. Any opposition? [NONE HEARD]
4 Hearing none, so ordered. Thank you. Congratulations.

5 **MS. BOWMAN:** Exhibit Number 7 is Docket Number U-36276. This is South
6 Coast Gas Company's application for an extension of its rate stabilization plan, and
7 this is a discussion and possible vote on an uncontested stipulated settlement. On
8 February 15, 2022, South Coast filed a request for extension of its rate stabilization
9 plan with the Commission. Notice of the proceeding was published in the
10 Commission's Official Bulletin with no interventions being filed. Commission
11 Order Number U-32713 initially authorized a five year RSP for South Coast with a
12 two level earning bandwidth and a return on equity of 10 percent. The last annual
13 review under the initial RSP was completed in 2018. South Coast filed for an
14 extension of its initial RSP in Docket Number U-35052 and Order Number U-
15 35052 dated August 7, 2019 authorized the extension of that initial RSP, which
16 included a simplification of the bandwidth structure and a new three year term. The
17 last annual review under the current RSP is completed in 2021. Therefore, South
18 Coast filed for a second extension in this proceeding with a request to extend the
19 term for an additional term of three years with test year filings in 2022, 2023, and
20 2024. South Coast also requested to move the dates of the annual filings, review
21 periods, and rate changes forward by thirty days so that there was sufficient time
22 for audited financials to be available. After thoroughly reviewing the company's
23 application for extension and minor modifications in responses to data requests,

1 Staff filed its recommendation, including direct testimony, on August 1, 2022.
2 Staff found that the company's request was reasonable subject to certain
3 modifications, and on August 29, 2022, South Coast informed Staff of its agreement
4 with Staff's recommendations, subject to a date clarification. On September 15,
5 2022, South Coast and Staff, pursuant to Rule 6 of the Commission's Rules of
6 Practice and Procedure, filed a joint motion to reschedule -- convert and reschedule
7 the uncontested stipulated hearing, including a stipulated settlement and testimony
8 in support of the settlement by Staff and the company. A hearing was held at which
9 all parties appeared and testimonial evidence in support of the stipulation was
10 submitted. If approved by the Commission, the settlement would resolve all issues
11 outstanding in the above-captioned matter. Staff and South Coast support the
12 settlement and find that the extension of the company's initial RSP, with certain
13 modifications, is consistent with the public interest. Major terms of the settlement
14 are summarized as follows: South Coast is authorized to extend its rate stabilization
15 plan. The term of the RSP will be for four years with annual filings in 2022, 2023,
16 2024, and 2025. South Coast will use a hypothetical capital structure for its RSP
17 purposes and if the company's ROE falls between its bandwidth, no rate adjustment
18 will be necessary. However, if the actual ROE falls outside the bandwidth, rates
19 will be adjusted to meet the midpoint of the bandwidth. As there are no unresolved
20 issues, Staff and South Coast respectfully request and recommend that the
21 Commission grant the uncontested proposed stipulated settlement filed into the
22 record on September 15, 2022.

23 **COMMISSIONER GREENE:** Motion to accept Staff recommendation.

1 **CHAIRMAN BOISSIERE:** Moved by Commissioner Greene. Second by
2 Commissioner Campbell. Any opposition? [NONE HEARD] Hearing none, so
3 ordered.

4 **MS. BOWMAN:** Exhibit Number 8 is reports, resolutions, discussions, and votes.
5 We do have a few items under Exhibit 8. The first being a discussion with Cleco
6 Power, LLC's CEO, Mr. Bill Fontenot.

7 **SECRETARY FREY:** Mr. Chairman, I don't know if you wanted to take up Bill
8 first or I know you had a couple items you wanted to discuss we talked about and I
9 think Commissioner Campbell as one as well.

10 **CHAIRMAN BOISSIERE:** Everybody's got a little something here. So who do
11 we want to go with first?

12 **COMMISSIONER CAMPBELL:** [INAUDIBLE]

13 **CHAIRMAN BOISSIERE:** Wait, wait. I think he's asking.

14 **SECRETARY FREY:** That's fine.

15 **CHAIRMAN BOISSIERE:** Are we doing reports now or what are you saying,
16 Brandon?

17 **SECRETARY FREY:** Yeah. Reports, resolutions, discussion. I know you had a
18 couple items you wanted to discuss and Commissioner Campbell --

19 **CHAIRMAN BOISSIERE:** Okay.

20 **SECRETARY FREY:** -- had one as well, as well as Bill, so I was trying to make
21 sure which order [INAUDIBLE].

22 **CHAIRMAN BOISSIERE:** Okay. No, he's right. Okay. I'll jump in here and
23 I'll let Commissioner Campbell do his next. This is under reports and resolutions

1 -- okay. Look, I want to be clear, we have a -- under our fuel adjustment order, we
2 have what is known as a -- and I've spoken with my fellow Commissioners about
3 it for the most part here -- I think we're missing one -- Louisiana Consumer Bill of
4 Rights here that we have in our rules under the fuel adjustment order. It exists and
5 it speaks of the -- basically a bill of rights between consumers and the fuel pricing.
6 I think it's appropriate that we expand this document and update this document
7 considering some of the new ways fuel is managed and also to expand it outside of
8 fuel to be considered for ratepayers and customers of utilities with utility companies
9 before this Commission. I have some suggestions, but I don't want to get into a
10 drafting of it here at the B&E today, but that we can address it and perhaps
11 potentially open it as a directive or perhaps even open a docket where our fellow
12 Commissioners and others may be able to participate that we expand this document
13 to be more, I guess, inclusive of new issues and new reasons. I think that's only
14 going to help to improve the relationship between consumers or ratepayers and the
15 utility companies that serve them as well as making a clear understanding at the
16 Commission that we help to work for these relationships to be good and clear and
17 understood. I don't know if we need a vote for that or if we have any opposition on
18 that.

19 **SECRETARY FREY:** No. If there's no opposition, I think I hear what you're
20 saying and we can start working on that.

21 **CHAIRMAN BOISSIERE:** Okay. In addition to that, I have another that I
22 wanted to bring up. As mentioned, it came up several times today including the
23 announcements I raised about Florida. I want us to, and again, I'm -- this is not a

1 drafted directive in any way, but maybe it should become one. So I'll work with
2 you to get that completed. I want us to open a communication with the state of
3 Florida and perhaps the Florida Commission, especially as it pertains to the effects
4 and damage and recovery from Hurricane Ian. We should look at some of the
5 practices that are going on in Florida. People continue to compare us. I think it's
6 important for us to look at some of the ways that the Florida Commission handles
7 these weather events, these storms and disasters and maybe find ways that we can
8 share information between us and Florida. In some ways, the way that utility
9 companies operate and function, specifically as pertaining to the storm Ian and
10 hurricanes and how or what we expect of our utility companies here during natural
11 disasters and storms. And not to get too deep into specifics right now, I'll just cut
12 to the chase and say similar, we should communicate or learn from them or work
13 with them like we did in the Winter Storm Uri a couple years ago with Texas. So
14 it would be a fact sharing, information sharing, and ongoing relationship to
15 determine and to discuss and learn. And those are the two almost directives or near
16 directives that I have today.

17 **SECRETARY FREY:** Gotcha.

18 **CHAIRMAN BOISSIERE:** Any opposition? [NONE HEARD] Okay.

19 **COMMISSIONER GREENE:** I have a question.

20 **CHAIRMAN BOISSIERE:** And a question, Commissioner Greene.

21 **COMMISSIONER GREENE:** I like the name and the intent. I just wanted to
22 ask Justin, can you clarify, are we already getting some of that information in the
23 infrastructure dockets?

1 **MR. JUSTIN BELLO:** Yes, Commissioner. Justin Bello on behalf of
2 Commission Staff. In Docket Number R-36226, which we're looking at specific
3 practices in maintaining the electric grid, we're asking questions of the utilities and
4 we have asked specific questions about any lessons that they may have learned from
5 Florida Power and Light or Duke Florida as well.

6 **COMMISSIONER GREENE:** Thank you.

7 **CHAIRMAN BOISSIERE:** Excellent. I just want to be specific and make sure
8 we understand that -- at least from my position that it's being done. Good job on
9 working with that. We can continue doing the same. Did anyone else --
10 Commissioner Campbell.

11 **COMMISSIONER CAMPBELL:** I'm interested in the rate case with SWEPCO.
12 We put that off and put it off for years and years and years. And I want know when
13 they're going to court, when we going get it resolved. Way, way too much talk,
14 not enough action.

15 **SECRETARY FREY:** So you and I have discussed this and we did some digging
16 on this, and Arvind's going to correct me if I say any of the wrong dates, but
17 SWEPCO filed a full rate case back in 2019. They actually didn't file testimony in
18 support of it until the end of 2020. There's been some things that have happened
19 in there, namely that the Dolet issue was initially included in the rate case and that's
20 been pulled out. But where we are now is both the company and Staff have filed
21 their testimony, so everyone's positions are out there. There has been some
22 discussion back and forth, but in order to get this thing moving, as you and I
23 discussed, Arvind filed a motion requesting a status conference in front of the ALJ

1 to get a procedural schedule for a hearing set. So as soon as the ALJ calls that status
2 conference, we will have a hearing date set and we'll work forward to getting it
3 resolved as soon as possible.

4 **COMMISSIONER CAMPBELL:** Well, what do you call soon as possible? You
5 only been waiting -- I've been waiting 20 years, so.

6 **SECRETARY FREY:** I think we're going to ask for -- we hear you. I think
7 SWEPCO hears you. We're going to ask for an aggressive hearing date, and, you
8 know, there's a possibility that all the issues are resolved before that anyway.
9 There's a few sticking points between the testimony, but I don't know that they're
10 that far apart. So we can update you on that as well, but you know --

11 **COMMISSIONER CAMPBELL:** It's been some sticking points for 20 years.

12 **SECRETARY FREY:** Yes.

13 **COMMISSIONER CAMPBELL:** So I want some action, you know, and if you
14 can't do it in December, January's right behind December. Let's have some action.
15 I've heard all about we filed this and we filed that and we can't do this and we can't
16 do that. It's 20 years is way, way too long, and that's my fault. That's my fault.
17 But it's not going to be my fault anymore, Mr. Lawyer, it's going to be your fault.
18 I found religion, so I want to have some action by January.

19 **CHAIRMAN BOISSIERE:** All right. All right. So we have a -- do we have a
20 answer on the SWEPCO rate case? What are we going to do with that?

21 **SECRETARY FREY:** We are going to have a -- we will have procedural schedule
22 in place before we meet next month. And we'll -- so we'll have a date certain for

1 a contested hearing and assuming the issue's resolved, then it would be even
2 quicker than that.

3 **CHAIRMAN BOISSIERE:** All right. Well, to touch on that -- that vein of
4 conversation here, not only time and things like that, Commissioner Greene and I
5 have spoken before -- so I'm dragging you into my comments now, Greene,
6 hopefully you agree, but sometimes we have things on the docket that sit way too
7 long, things that we're going to do or should do, but we just for some reason never
8 really get around to it. There have been some discussions. Matter of fact, just a
9 few months ago, we discussed speeding up the dockets and looking at those
10 dockets. We're going to follow up with that this month. Commissioner Campbell
11 here not only alerted me to that with his SWEPCO comments, I think it's very
12 important that we take care of business on SWEPCO, but there's other things that
13 are sitting there that we have open dockets on that are just sitting with very little or
14 not much or no action whatsoever. So I'm not going to get into all those, but I will
15 raise one, and there's others of course, but there's one I want to raise sort of right
16 now. I'm going to mess up the name -- hold on. We had or tried to have an issue
17 -- tried to hire -- I think it's the AMI billing issues docket. Are you familiar with
18 that?

19 **MS. BOWMAN:** Yes.

20 **SECRETARY FREY:** Yes, very familiar with it.

21 **CHAIRMAN BOISSIERE:** Give me a status update. What are we
22 [INAUDIBLE] --

1 **SECRETARY FREY:** Sure. And look, I'll speak to this to some extent and then
2 Kathryn's going to jump in. So we've issued multiple RFPs to hire engineers to
3 perform that work for us. We don't have an engineer on Staff as you're well aware.
4 No one responded to the RFPs, so then we actually attempted to solicit bids from
5 the engineering firms who are doing the energy efficiency work for us and actually
6 were hit with a response from -- Kathryn can fill you in on this next part.

7 **MS. BOWMAN:** Yes. So we received a letter from the state engineering board
8 saying that they -- in their opinion, we were violating a revised statute by soliciting
9 engineers within the state. I attempted to reach out to him and have not -- we've
10 been playing phone tag. I haven't gotten back to him yet to explain in my opinion
11 why we are not violating this revised statute for several different reasons. The main
12 one obviously being that we are constitutionally created and therefore, we create
13 our own rules, we have a general order related to hirings and solicitations. So I'm
14 still working on that front, but even in that solicitation of our engineers, we did not
15 receive responses from them. I'm assuming it was in potential fear of violate -- the
16 engineers being in violation of that revised statute. So, you know, it has been a
17 long haul of trying to find someone to help us with this endeavor.

18 **CHAIRMAN BOISSIERE:** Okay. I don't want to get into the revised statutes
19 right now. I mean, I'm glad you say it, but I don't want to hash out the conflicts.

20 **MS. BOWMAN:** Understood. And I'm happy -- yeah, I'm happy to explain that.

21 **CHAIRMAN BOISSIERE:** Not here, not now. It could get too hairy, and no, we
22 can discuss that later but --

23 **MS. BOWMAN:** Sure.

1 **CHAIRMAN BOISSIERE:** -- what I think is important is that we deal with the
2 issue legally to make sure we find a way to do so and we comply with all laws,
3 revised statutes or our own as well so we don't have any hiccups. But the most
4 important thing is that we address the issue.

5 **MS. BOWMAN:** I have a --

6 **CHAIRMAN BOISSIERE:** What can we do to get people to -- like you
7 mentioned, nobody stepped up to respond. What do you think's wrong there?

8 **MS. BOWMAN:** I'm not sure. I mean, I think the scope is fairly straightforward.
9 I have another idea that I would like to run by the Commissioners before we talk
10 about it publicly just to make sure you guys are all on board with it, I think that
11 potentially could be a solution. But, you know, I think the scope is clear as to what
12 we're looking for, for whatever reason I just don't believe the consultants and/or
13 engineers that are on our list believe that they could do the work, maybe it's they
14 don't have the time to do the work. I haven't heard from anyone saying
15 [INAUDIBLE] --

16 **CHAIRMAN BOISSIERE:** All right. Okay, okay, okay, Ms. Bowman. All right.
17 We will talk later but know that's on the radar --

18 **MS. BOWMAN:** Got it.

19 **CHAIRMAN BOISSIERE:** -- and that we need to follow up on that because it's
20 important to everyone. I get calls every day about that issue. And ever since we
21 installed those, it's been problematic. Let's get to the bottom of it, and that rounds
22 it out for me today. Commissioner Greene, did you have any other? Commissioner
23 Campbell, did you have any other?

1 **COMMISSIONER GREENE:** No. She has the directive.

2 **CHAIRMAN BOISSIERE:** Okay. Next [INAUDIBLE] --

3 **SECRETARY FREY:** We have now -- we have Mr. Fontenot under discussions.

4 **MS. BOWMAN:** Yeah. We have Mr. Fontenot if you want I go in order on Exhibit

5 8.

6 **COMMISSIONER SKRMETTA:** Could we get my directive out of the way, Mr.

7 Chairman?

8 **MS. BOWMAN:** Oh, yeah.

9 **COMMISSIONER SKRMETTA:** Mr. Chairman, we have one directive from

10 me and a couple -- a vote on the ERSC we could get out of the way if

11 [INAUDIBLE].

12 **CHAIRMAN BOISSIERE:** We have a -- let's get the directives done right now.

13 **MS. BOWMAN:** So we have -- we do have one ratification and then we also have

14 one directive.

15 **CHAIRMAN BOISSIERE:** Okay.

16 **MS. BOWMAN:** So I'll just go in order very quickly on the ratification. It's a

17 discussion and possible vote to ratify interventions of the Commission and RTO

18 and ERSC related FERC proceedings. And this is matter is on the agenda pursuant

19 to the scope of work approved in connection with the retention of Stone Pigman

20 and UPC at the February 2021 Business and Executive Session for MISO, SPP, and

21 ERSC participation. Interventions were filed on the LPSC's behalf in the following

22 FERC dockets: ER 22-2763, ER 22-2814, ER 22-2891, and RM 21-11. These

1 interventions were filed for the purpose of monitoring issue related to MISO and/or
2 SPP, and Staff recommends that the Commission ratify these actions.

3 **COMMISSIONER SKRMETTA:** Move to ratify.

4 **COMMISSIONER GREENE:** Second.

5 **COMMISSIONER BOISSIERE:** Moved by Commissioner Skrmetta, seconded
6 by Commissioner Greene. Any opposition? [NONE HEARD] Hearing none, so
7 ordered. Next.

8 **MS. BOWMAN:** And then there is one directive to jurisdictional electric utilities
9 regarding utility poles at the direct from -- request from Commissioner Skrmetta.
10 It is in reviewing the initial reports regarding the damage and restoration efforts in
11 Florida following the impacts of Hurricane Ian, there appears to be preliminary
12 evidence that the use of certain pole types and the respective utilities high risk
13 service areas may have resulted in less damage and destruction and thus quicker
14 restoration/outage times. Specifically those distribution and transmission poles that
15 were concrete in composition appear to have faired positively. Given the potential
16 impacts storms have on Louisiana utilities, I believe the potential benefit of such
17 construction should be properly analyzed in Louisiana, and therefore, direct Staff
18 to either open a docket or make a recommendation in any applicable existing docket
19 requiring all jurisdictional electric utilities to each implement a pilot program
20 wherein a certain number of distribution and/or transmission poles determined by
21 the Staff are replaced with the 12 months -- are replaced within the next 12 months
22 of this date with those using concrete construction. After placement and analysis,
23 each electric utility shall annually report back to the Commission with a

1 comprehensive review on performance and resilience. And that's a directive by
2 Commissioner Skrmetta.

3 **CHAIRMAN BOISSIERE:** Commissioner Greene.

4 **COMMISSIONER GREENE:** Yeah. With due respect to Commissioner
5 Skrmetta, I oppose this directive. I think it's a good thought, but not only is this
6 duplicative because the Commission already has three infrastructure dockets
7 ongoing and active addressing all level of our grid's infrastructure, but this is a
8 mandate without any evidence of sensibility or usefulness yet. Our engineers and
9 Staff are working hard on building rules and standards for our grid based on
10 investigation and evidence. This directive would steer momentum away from the
11 evidence based work we are doing to bring a more reliable grid and instead settle
12 for pilot programs that then will be used to stall the widely -- widespread
13 improvements that are necessary. This is not the time for utility pilots. This is the
14 time for Commission-led hardening of our grid and thanks to the leadership of this
15 Commission here up here today, we're already doing that.

16 **COMMISSIONER SKRMETTA:** Okay. Well, I don't have anything to read but
17 I will tell you that the directive says that it could be under an existing docket or
18 whatever the Staff chooses if they need to open a docket. But I think it's actually
19 enhancing the ongoing work of the Commission to take active review, analysis, and
20 response to provide the leadership from up here to tell the utilities, including the
21 investor-owned utilities and co-ops, that we've seen the result of what has happened
22 and we think that they should move forward and take action, not to, kind of limber
23 along through, you know, random analysis, we can actually take action now and

1 we've seen the results of what this has been valued. And it's not going to be
2 everywhere, it's going to be in the high-risk areas for each one, so it's a pretty
3 straightforward thing. Now, they may not, you know, if you're successful in
4 blocking this with the other votes, that's fine, but the utilities and the co-ops and
5 the IOUs have heard the logic of this and they may move forward on their own.
6 But I think that it makes perfect sense to take this and move forward. We do
7 isolated things through our pole docket anyway so I don't see why there is a massive
8 opposition to this other than there is some particular reason that -- other than what
9 you've just read, I can't see the impediment to taking a simple move forward to
10 encourage the utilities to move forward, to take an action, to review it after 12
11 months, and give us a report. So if you can explain to me what the problem is with
12 that, I'd love to hear what it is.

13 **COMMISSIONER GREENE:** I just think we need to read the defense before we
14 run a play, and I don't see any problem with us finishing the rigorous analysis
15 before implementing the play.

16 **COMMISSIONER SKRMETTA:** Well, I mean, I appreciate the football
17 analysis because, you know, I watched Alabama get beat, but, you know, but my
18 point is, we saw empirical data of what worked, we worked with these utilities, and
19 we should tell them to take action and we should tell them to -- them to review it.
20 So this is the perfect opportunity to tell these utilities to engage in an action and to
21 come back to us in 12 months with a report. Instead of some -- well, nebulous
22 action and review that you're talking about, we have a real opportunity to tell and
23 move forward, taking action, and do a project and come back in 12 months and tell

1 us how it worked out. And then they could go back 12 months and come back and
2 tell us again. And if we see the sort of resilience associated with this, we can expand
3 that in the existing docket. So I don't see the resistance to this. I think that
4 resistance to it is not in the best interest of the system and the hardening of the
5 system. In fact, promoting it can increase the value and increase the potential to
6 increasing the resilience of the system particularly in the high-risk areas. So I
7 would ask the other Commissioners to support this directive.

8 **CHAIRMAN BOISSIERE:** Okay. So we have a directive with opposition. What
9 do we do now, roll call?

10 **MS. BOWMAN:** Yes.

11 **CHAIRMAN BOISSIERE:** Okay. Starting with the -- Commissioner Skrmetta?

12 **COMMISSIONER SKRMETTA:** Yes.

13 **CHAIRMAN BOISSIERE:** Commissioner Greene?

14 **COMMISSIONER GREENE:** No.

15 **CHAIRMAN BOISSIERE:** Commissioner Campbell?

16 **COMMISSIONER CAMPBELL:** No.

17 **CHAIRMAN BOISSIERE:** Commissioner Francis?

18 **COMMISSIONER FRANCIS:** No.

19 **CHAIRMAN BOISSIERE:** And actually I'm not sure because I don't have time
20 to get into the argument so I'm going to abstain, but I do believe that we do need a
21 hardening of the system and anybody who wants to help do that, I'm all for it. A
22 hundred percent. But I abstain for the sake of this vote. It fails for three noes, the
23 directive fails. Next item, please.

1 **MS. BOWMAN:** The last item is a discussion with Cleco Power's CEO, Mr. Bill
2 Fontenot.

3 **COMMISSIONER CAMPBELL:** I'm going to have to -- as bad as I'd like to
4 talk to Mr. Fontenot, I have a doctor's appointment across town at one o'clock I
5 have to go to. Mr. Fontenot, sorry I couldn't ask you some questions. I bet you
6 hate I'm not going to be here.

7 **CHAIRMAN BOISSIERE:** Commissioner Campbell has left me his question
8 book, and I'll be handling it for him at this point.

9 **COMMISSIONER FRANCIS:** Can I have the floor?

10 **CHAIRMAN BOISSIERE:** You may. Let him introduce himself, please.

11 **COMMISSIONER FRANCIS:** Okay.

12 **MR. BILL FONTENOT:** My name is Bill Fontenot. I'm the president and CEO
13 of Cleco Holdings.

14 **MR. JOHN SHIRLEY:** John Shirley of Phelps Dunbar representing Cleco.

15 **CHAIRMAN BOISSIERE:** At this time, I'll yield the floor to Commissioner
16 Francis.

17 **COMMISSIONER FRANCIS:** Thank you fellows for coming. Mr. CEO, is that
18 the top of the org chart at Cleco?

19 **MR. FONTENOT:** It is, Commissioner.

20 **COMMISSIONER FRANCIS:** The buck stops with you. I thank you for coming
21 today. And did you hear Ms. Rivers give a testimony when she came up here about
22 her electric bills and all the problems she's having?

23 **MR. FONTENOT:** Yes, I did, Commissioner.

1 **COMMISSIONER FRANCIS:** Okay. I've got over a hundred thousand Cleco
2 meters in my district, you know. I'm really proud to represent Cleco and the people
3 there. And I get those calls every day. I've talked to hundreds of people like that
4 lady, hundreds, and this job of public service, listening to that everyday has been
5 tough. And you weren't here at the last meeting, but I want to repeat what I said
6 for those who might've missed it. You know, I had a oil field business of almost
7 500 people, and if I had got that kind of performance out of those appointed CEO's
8 I -- you would have been fired from the job because these high prices and poor
9 service. And that's the message that I've gotten from hundreds of customers of
10 Cleco on my phone and in my Staff. I thought for a while we were going to have
11 to hire some extra Staff people just answer all the calls, you know. So I'm sure
12 your people were getting those same calls, but we're sure getting them. And it
13 hasn't been very pleasant as a public servant to go through this. So I just -- as the
14 head guy up there, what are you going to do about these prices and the service?

15 **MR. FONTENOT:** So Commissioner, first of all, we hear our customers and we
16 certainly understand the impact of really escalating fuel costs on their households.
17 We absolutely understand that. And Commissioner, we have added extra call
18 representatives to field those calls and work with our customers. In summary, we
19 are in the infrastructure business. We call it the power business, but it's the
20 electrical infrastructure business. And when we say infrastructure, we mean
21 typically things move a little slow, but we all know that the decisions we made on
22 infrastructure a long time ago, sometimes commodities move fast and impact our
23 customers. And today -- for the past year, that's exactly what's been happening.

1 So what we did early on as a company, seeing this would happen this summer, we
2 first of all began to talk about energy efficiency. Yes, the prices are high. So one
3 way is of course to conserve energy. That's not simple for a household. We all
4 have needs, but that was the first thing that we worked on. Secondly, we've got to
5 work with our customers. When you get on that call, is there a payment plan? And
6 we spread it out over 24 months. We began to waive disconnects in an effort really
7 to resolve our customers' needs.

8 **COMMISSIONER FRANCIS:** Yeah.

9 **MR. FONTENOT:** I'll tell you one thing I think the company is doing for our
10 customers is working with a company called Unitas. And what's that about? Well,
11 as we -- as our customers have been hit with -- look, it's -- utility bills are high,
12 food costs are high. We're stressing their budgets, and there are federal funds
13 available to customers, both to the state and often times the federal level. But often
14 times, the demographic of our customer is just unable to really access those funds,
15 so we hired a company called Unitas to actually reach out and contact those
16 customers to try to enable them to access those funds, be it for utilities, Medicare,
17 or whatever the budgetary needs are for them. It's in pilot phase today, but we're
18 hoping it can help our customers. But Commissioner, we understand the impact on
19 our customers and we're siding with them, we're doing everything we can to
20 support them.

21 **COMMISSIONER FRANCIS:** Well, I'm a native of the CENLA area where you
22 have a large footprint, your main office. Cleco's one of the largest companies, if
23 not the largest company in CENLA and a lot of people are looking to you to be a

1 leader in this. And we've got the highest prices in Louisiana for Cleco. And the
2 service is questionable sometimes. I just -- we need to send a message out to all
3 the folks that we're representing that we are working hard and we know we can do
4 better. And I'll do anything I can do to help you and your company, but right now
5 my phone is blowing up with people with problems. And we need to do something
6 about it.

7 **MR. FONTENOT:** Well, thank you for your support, Commissioner. And I know
8 our customers are a large portion of your district. I'll say that we can always
9 improve in communication, and it was in September that we put in place a new
10 portal -- customer portal. It takes a while for these systems to mature but this is
11 something we've been working to modernize the way we interface with customers,
12 better access to texting, emails, even a chatting system in addition to, you know,
13 the conventional things that we have like a new office in Opelousas, a new office
14 in Mansfield to accommodate, you want to call it, the conventional means of
15 discussing with us. So Commissioner, we can always do better at communication,
16 and we're hoping that this investment in technology is going to help us do that.
17 And of course, continue to work with these customers with the high bills that
18 they're being subjected to.

19 **COMMISSIONER FRANCIS:** Well, thank you for coming out and answering
20 to the public and me. Thank you.

21 **CHAIRMAN BOISSIERE:** Okay. All done? Okay. I'll just -- Campbell actually
22 did leave this behind, so I'm going to ask you about it right now. Your rates are
23 high, actually some of the highest in the state right now for a thousand kilowatts, at

1 17 cents I think it is right now as Commissioner Campbell highlighted. And I know
2 you're working with everyone to make them lower, but how do we get there and
3 what can we really do to help people to get your rates lower than 17 cents right
4 now?

5 **MR. FONTENOT:** There's short-term issues, Commissioner, and there's long-
6 term issues to deal with our customers. I think I relayed what we're -- how we're
7 trying to work out solutions for our customers today when the aftermath of high
8 natural gas prices and hurricane costs, then there's the long term. I'll say that, yes,
9 we've got to work on our cost problem. Why are our costs high today? Well, I'd
10 say it's the decisions we made with a generation unit that is a high-cost unit today,
11 and of course, costs could be mitigated by growth increasing kilowatt hour sales in
12 the business. And -- so we're dealing with an asset that's been expensive for our
13 customers and we've been subjected to really low growth -- low load growth really
14 over the past five years. When I say low 0.3, 0.4 percent and we all know costs are
15 going up a lot more than 0.3 and 0.4 percent. So the answer is we had a plan in the
16 long-term. We are looking at a carbon capture and sequestration solution called
17 Diamond Vault, which would capture the CO2 from our coal plant. And you say
18 what does that do for customers? Well, actually tax credits from this recently
19 enacted Inflation Reduction Act will actually support that investment and actually
20 we think remove about a third of the burden of that coal unit from our customers.
21 Then there's the growth issue. And, you know, if you don't live in an area that its
22 economy is booming, it's hard to drive growth, but we do firmly believe that the
23 solution to decarbonization of our customers' needs is in the form of electrification,

1 more electrification to decarbonize our customers' needs, be it a water heater in
2 your home or be it an induction -- use of an induction furnace and industrial process.
3 And we are seeing the increased opportunities to sell kilowatt hours and ultimately
4 spread those costs across a broader range of sales and reduce our customers' costs.
5 So what are we doing about that? More economic development, retooling our
6 marketing group to capture every opportunity we possibly have to reduce our long-
7 term bills.

8 **CHAIRMAN BOISSIERE:** Okay. Let me ask about your renewables. How is
9 Cleco doing with any renewable energy, solar energy? I did hear about the carbon
10 in the previous question. But what is your footprint or percentage of renewables?
11 Are you aware of the amount of renewable you have or solar or any other projects
12 like that?

13 **MR. FONTENOT:** So today, really our single clean energy unit is St. Mary's
14 Clean Energy Unit and we actually have net zero carbon production, and that
15 represents about four percent of our Cleco Powers sales. We have a filing before
16 this Commission to -- I hope by the end of the year to approve what we refer to as
17 the Dolet Solar Solution. We shut down a coal plant in Mansfield and we're looking
18 to put in place a solar field of 240 megawatts to support our grid. That would be
19 another 6 to 7 percent. So collectively between St. Mary's and between this Dolet
20 Solar, we're looking about 10 percent of our energy to be through solar field. And
21 of course, with the -- over time, when we do decarbonize Madison 3, that will take
22 us into 50 to 60 percent of our energy being zero carbon or -- and including
23 renewables.

1 **CHAIRMAN BOISSIERE:** Okay.

2 **MR. FONTENOT:** Sorry for those long answers, Commissioner.

3 **CHAIRMAN BOISSIERE:** That's -- no, no, no, no. I think the explanation is
4 necessary. It's not a problem. Go ahead, Commissioner Greene.

5 **COMMISSIONER GREENE:** Can y'all explain how instituting carbon capture
6 will help lower costs?

7 **MR. FONTENOT:** So to explain what carbon capture is, we basically have a coal
8 plant which is our highest carbon emitter in our fleet, probably in the state. And so
9 there is technology available today, called carbon capture and sequestration
10 technology, such that you invest in, let me say a chemical plant, that's really what
11 it is, that captures the carbon from the flue gas stack rather than letting the carbon
12 be emitted into the air, and it is sequestered in formations under the ground. Now,
13 we happen to be sitting on top of a very prolific saline aquifer that's capable of
14 taking our carbon output for many years to come. So how does that -- so that's the
15 process. How do we reduce our customers' cost? So the chemical plant, the
16 investment, is going to be north of a billion dollars, but the Inflation Reduction Act
17 is going to provide tax credits that will support the investment in the carbon capture
18 facility as well as support the sequestration. So we intend to build that unit with no
19 impact to our customers, but the impact to the unit is that this chemical plant I refer
20 to will consume about a third of the energy requirements of Madison 3. What we -
21 - but those tax credits will pay for the utility bill to keep our customers whole and
22 actually take some -- we estimate about \$40 million off of their bills in the future.

23 **COMMISSIONER GREENE:** Thank you.

1 **MR. FONTENOT:** I know that's another long answer, but it's a complicated
2 carbon capture solution and really part of our vision 2025 on how we're going to
3 invest in infrastructure to support our customers going forward.

4 **COMMISSIONER GREENE:** But the short answer would have been tax credits
5 and about 40 million of savings passed on to ratepayers?

6 **MR. FONTENOT:** Correct.

7 **COMMISSIONER GREENE:** Thanks.

8 **CHAIRMAN BOISSIERE:** Any further questions? Give us any idea what we
9 can expect of Cleco, Cleco Power to look like in the future. Where do you see the
10 projections on the company and its services in Louisiana? Like what changes do
11 you have in the near future. I mean, I know -- I know about the Diamond Vault
12 and the carbon sequestration. Any new ideas you have we -- I know you and I
13 spoke about a few things but --

14 **MR. FONTENOT:** Well, you know, the past five years what will be done for the
15 company, I think we've modernized it and invested in information technology to
16 support our employees being more efficient. We've cut \$30 to \$40 million out of
17 our cost structure. So the past five years has been really investing in our people
18 and the organization to make it more efficient. And the future over the next five
19 years is investment, we think, in the technology, be it solar, be it carbon capture, or
20 be it investment in marketing solutions to increase the sales for our customers. For
21 instance, in our area, we've seen an immense opportunity of electrifying natural gas
22 compression. I have to say that very slowly, but typically you use natural gas to
23 compress natural gas pipelines, but there are electrical means of compressing

1 natural gas. There are large loads, large sales, and of course, we would invest in
2 the infrastructure to serve those customers to, again, increase our kilowatt hours
3 sales. So the future is investing in, let me say cleaner solutions for the future, as
4 well as trying to grow the sales in our company to really serve our customers more
5 cost effectively for the future.

6 **CHAIRMAN BOISSIERE:** Okay. So we all done with the Cleco questions for
7 today? Thank you for answering the questions on issues of rates, prices,
8 renewables, and future. Commissioner Skrmetta, do have any further questions for
9 Cleco?

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

11 **COMMISSIONER GREENE:** Second.

12 **CHAIRMAN BOISSIERE:** I heard that. Thank you very much. But wait, before
13 we do that, I was just texting Brandon.

14 **SECRETARY FREY:** I think I saw Stephanie here earlier, so if you want to see
15 if she's still here.

16 **CHAIRMAN BOISSIERE:** I was hoping Stephanie was -- Stephanie --how do
17 you -- Doiron will still be here from AT&T or any AT&T representatives here?

18 **COMMISSIONER SKRMETTA:** She was here.

19 **CHAIRMAN BOISSIERE:** I know. I was just trying to see if I could find her.

20 **SECRETARY FREY:** She may have left, I don't see anybody standing up.

21 **COMMISSIONER SKRMETTA:** I do not see her.

22 **CHAIRMAN BOISSIERE:** Well, I'll tell you what before -- then I'll ask you,
23 Brandon.

1 **SECRETARY FREY:** Sure.

2 **CHAIRMAN BOISSIERE:** You have to be the voice of telecommunications. I
3 have -- and I wanted to raise it with AT&T specifically because they not only serve
4 in Louisiana but they serve in New Orleans, which may be a slightly different
5 jurisdiction. Oh, Emory. All right. I guess he didn't want you to answer, Brandon.

6 **MS. BOWMAN:** Yeah, he didn't know he was here.

7 **SECRETARY FREY:** Well, you want to give me a shot before he can?

8 **CHAIRMAN BOISSIERE:** No. Well, I'll ask it and you can jump in.

9 **SECRETARY FREY:** All right.

10 **CHAIRMAN BOISSIERE:** Thank you very much, Emory. I'm glad you let me
11 catch you completely off guard and unaware and unprepared for what I'm about to
12 ask you.

13 **SECRETARY FREY:** And make sure you hit the button, Emory. Hit the button
14 to make the light --

15 **MS. BOWMAN:** Hit the button so you have a green light. Please introduce
16 yourself and sign the clipboard.

17 **CHAIRMAN BOISSIERE:** All right. I'm going to ask that everybody just give
18 me a couple minutes and keep the room quiet, so we can get through this quick line
19 of questions. All right, everybody, just another minute. This is the -- I think this is
20 the last item.

21 **SECRETARY FREY:** Yes.

22 **CHAIRMAN BOISSIERE:** And then we can dismiss. Emory, I have a question.
23 We -- in New Orleans itself, and I know AT&T represents the state, I'm getting

1 tons of calls and have been asked by constituents to raise this issue at the
2 Commission meeting and so I'm going to do so now. The question is the -- or the
3 issue is that there is a lacking of fiber and proper high speed wiring in the city of
4 New Orleans and we're trying to get more investment in the -- especially in the
5 Gentilly area, but throughout the city of New Orleans. Can AT&T or what can
6 AT&T do to improve the fiber optics in the Gentilly area or especially anywhere in
7 New Orleans as we're trying to improve our fiber optics and high-speed
8 communications in the city?

9 **MR. EMORY BELTON:** Commissioner and the Commissioners, thank you for
10 having me. I don't know a lot, but I can tell you what I do know. And we can
11 certainly follow up with more detailed explanation.

12 **CHAIRMAN BOISSIERE:** Right.

13 **MR. BELTON:** It's my understanding that AT&T is actively working to do that
14 right now. I think -- and this is somewhat of a guess I believe. As you know, I
15 mean, Cox was the main provider through the city, you know, well, not necessarily
16 telecommunications but cable services and broadband and all that stuff.

17 **CHAIRMAN BOISSIERE:** Right.

18 **MR. BELTON:** So I think AT&T has had to go through some process to be able
19 to enter the market and then begin, you know, doing their installations. But I can
20 assure you, we'll get you a more detailed explanation that you'll be able to provide
21 your constituents with.

22 **CHAIRMAN BOISSIERE:** Well, I appreciate that, and I want to drag Brandon
23 in just for a second because I think this one is something we've talked about at least

1 briefly. The governor has a program through the governor's office to help grow
2 and expand broadband and high speed and maybe even fiber throughout the state.
3 How would that apply to a place like New Orleans or --

4 **SECRETARY FREY:** So the way I understand -- and you're talking about the
5 GUMBO program.

6 **CHAIRMAN BOISSIERE:** Yes.

7 **SECRETARY FREY:** It's a little bit different than RDOF, because RDOF was
8 for rural areas. GUMBO is tied to either unserved or underserved, and that's based
9 on that definition of speed. So the way Veneeth's group has compiled that
10 information is through speed tests. People putting in their data into the website as
11 well as provider data to show what the actual speeds are in a particular location. So
12 to the extent that there are areas even within an urban area that don't satisfy that
13 requirement, I think they would be eligible for that funding. That's the best answer
14 I can give on that.

15 **CHAIRMAN BOISSIERE:** You think they could be eligible.

16 **SECRETARY FREY:** It could be eligible assuming it's not satisfying that
17 definition of broadband which is based on a certain upload and download speed.
18 And that's based on the data provided by the provider. So to Emory's point, if Cox
19 was already there and satisfies those speed requirements, then that area would be
20 deemed and thus not eligible for the funding. But that's all something that they're
21 sorting through and there's multiple rounds of funding coming there, and it's not
22 restricted to rural areas like RDOF, so there is a possibility, I'd have to see the
23 specifics to know whether it could actually work there.

1 **CHAIRMAN BOISSIERE:** Sure. I understand RDOF is for rural. The city of
2 New Orleans is not considered rural.

3 **SECRETARY FREY:** Correct.

4 **CHAIRMAN BOISSIERE:** And so the GUMBO package would be the most
5 applicable one.

6 **SECRETARY FREY:** Yes.

7 **CHAIRMAN BOISSIERE:** Last question for Emory, of course I want more high-
8 speed, more broadband in the city. Can you agree to work with the city, work with
9 myself to get that done?

10 **MR. BELTON:** Well, certainly. Absolutely.

11 **CHAIRMAN BOISSIERE:** Thank you. Let's follow-up in the future and take
12 care of these issues. Thank you so much. Can I get a motion to adjourn?

13 **COMMISSIONER SKRMETTA:** [INAUDIBLE] adjourn.

14 **CHAIRMAN BOISSIERE:** Move to adjourn by Commissioner Skrmetta.
15 Second by Commissioner Francis. Thank you very much. Next meeting in New
16 Orleans.

17

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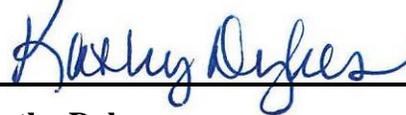
19 **(WHEREUPON THE MEETING WAS ADJOURNED)**

20

1 I certify that the forgoing pages 1 through 100 are true and correct to the best
2 of my knowledge of the Open Session of the Business and Executive Meeting
3 held on October 19, 2022 in Baton Rouge, Louisiana.

4 *****

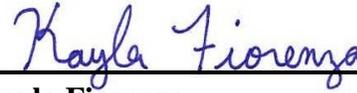
5 Rough Draft prepared by:

6 

7 Kathy Dykes,
8 Court Reporter

October 31, 2022

Date

9 

10 Kayla Fiorenza,
11 Court Reporter

October 27, 2022

Date

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14 Proofed by:

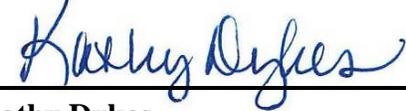
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16 Kayla Fiorenza,
17 Court Reporter

November 3, 2022

Date

18 Finalized by:

19 

20 Kathy Dykes,
21 Court Reporter

November 3, 2022

Date

22