

**LOUISIANA PUBLIC SERVICE COMMISSION**  
**MINUTES FROM JUNE 24, 2015**  
**OPEN SESSION**

**MINUTES OF JUNE 24, 2015 OPEN SESSION OF THE LOUISIANA PUBLIC SERVICE COMMISSION HELD IN NEW IBERIA, LOUISIANA. PRESENT WERE CHAIRMAN CLYDE HOLLOWAY, VICE CHAIRMAN SCOTT ANGELLE, COMMISSIONER FOSTER CAMPBELL, COMMISSIONER LAMBERT BOISSIERE, COMMISSIONER ERIC SKRMETTA AND EXECUTIVE SECRETARY EVE KAHAO GONZALEZ.**

Open Session of June 24, 2015, convening at 10:13A.M., and adjourning at 2:37P.M., Sliman Theatre, 129 E. Main Street, New Iberia, Louisiana, with the above-named members of the Commission and Executive Secretary Eve Kahao Gonzalez.

<b>Ex. 1</b>	<p>Fellow Commissioners thanked Chairman Holloway for coordinating the meeting in New Iberia, LA.</p> <p>Karen Haymon thanked Heather Dominique, Head of Parks and Recreation, Bubba Murl for technology and Sandra Upton with the Mayor's staff.</p> <p>Jane Broad welcomed the Commission on behalf of Mayor Hilda Daire Curry.</p> <p>Chairman Holloway introduced his wife Kathy, daughter Sarah, and five of his grandchildren: Kaleb, Ava, Will, Ann, and Robbie.</p> <p>Chairman Holloway offered condolences to Matt Kahal on behalf of the Commission for the loss of his Wife.</p>
<b>Ex. 2</b>	<p><b>S-33470</b> - Louisiana State University and Agricultural and Mechanical College (LSU), ex parte. In re: Petition of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College for Partial Waiver from April 17, 2014 General Order (Docket No. R-33105) for Establishment of Rates for Towing Services on Baton Rouge Campus.</p> <p><b>In re: Discussion and possible vote on Staff's Recommendation.</b></p> <p><b>PASSED</b></p>
<b>Ex. 3</b>	<p><b>S-33131</b> - Shady Grove Community Water System, Inc., ex parte. In re: Request for an increase in water rates (non-profit system).</p> <p><b>In re: Discussion and possible vote on Staff's Recommendation.</b></p> <p>On motion of Commissioner Campbell, seconded by Chairman Holloway, and unanimously adopted, the Commission voted to adopt Staff's recommendation as filed into the record on May 7, 2015.</p>
<b>Ex. 4</b>	<p><b>U-32285</b> - Cox Communications Louisiana, LLC vs Dixie Electric Membership Corporation, ex parte.. In re: Complaint seeking declaratory and injunctive relief barring Dixie Electric Membership Corporation from continuing certain pole attachment practices.</p> <p><b>In re: Discussion and possible vote on ALJ recommendation for review of Interlocutory Ruling.</b></p> <p><b>(Exhibit 4 on the May 13, 2015 B&amp;E Agenda)</b></p> <p><b>PULLED</b></p>
<b>Ex. 5</b>	<p><b>U-32507</b> - Cleco Power LLC., ex parte.. In re: Application of Cleco Power LLC for: (i) Authorization to Install Emissions Control Equipment at certain of its Generating Facilities in order to comply with the Federal National Emissions Standards for Hazardous Air Pollutants from Coal and Oil-Fired Electric Utility Steam Generating Units Rule; and (ii) Authorization to Recover the Costs Associated with the Emissions Control Equipment in LPSC Jurisdictional Rates.</p> <p><b>In re: Discussion and possible vote on ALJ Recommendation.</b></p> <p><b>PASSED</b></p>

<p><b>Ex. 6</b></p>	<p><b>U-32913</b> - Northeast Louisiana Power Cooperative, Inc., ex parte, Panola-Harrison Electric Cooperative, Inc., ex parte, Washington-St. Tammany Electric Cooperative, Inc., ex parte. In re: Notification pursuant to the LPSC's 2011 Net Metering Order (R-31417).</p> <p><b>In re: Discussion and possible vote on ALJ recommendation.</b></p> <p><b>(Exhibit 5 on the May 13, 2015 B&amp;E Agenda)</b></p> <p><b>PASSED</b></p>
<p><b>Ex. 7</b></p>	<p><b>U-32980</b> - Concordia Electric Cooperative, Inc. versus Entergy Louisiana, LLC. In re: Complaint for De Novo Proceeding for Concordia Electric Cooperative, Inc. and Entergy Louisiana, LLC.</p> <p><b>In re: Discussion and possible vote on ALJ Recommendation.</b></p> <p>On motion of Commissioner Campbell, seconded by Chairman Holloway, and unanimously adopted, the Commission voted to reject the ALJ's recommendation and based on the evidence in the record and heard before the Commission, the Commission found that Entergy violated the 300 Foot Rule in serving UPS. If there should be an appeal, and Entergy loses the appeal, Entergy shall immediately disconnect its facilities from UPS and reimburse Concordia for its losses associated with Entergy's service of UPS from the date of this order. Commissioner Angelle made a substitute motion to defer the vote until the June B&amp;E to hear from company representatives. The motion was seconded by Commissioner Skrmetta, and opposed by Commissioners Holloway, Boissiere and Campbell; thus the substitute motion failed by a vote of 3-2.</p>
<p><b>Ex. 8</b></p>	<p><b>U-33447</b> - Cleco Power LLC, ex parte. In re: June 2014 Annual Cost of Service and Formula Rate Plan Annual Earnings Monitoring Report.</p> <p><b>In re: Discussion and Possible Vote on Unopposed Joint Report and Draft Order.</b></p> <p>On motion of Commissioner Skrmetta, seconded by Commissioner Angelle, and unanimously adopted, the Commission voted to accept the Joint Report and Draft Order filed on June 11, 2014 signed by all parties ordering a refund of \$1,638,393.00 to Cleco Power's eligible customers to be made on their September 2015 bills.</p>
<p><b>Ex. 9</b></p>	<p><b>U-33457</b> - French Settlement Water Company, Inc., ex parte. In re: Application for an increase in water rates.</p> <p><b>In re: Discussion and Possible Vote on Proposed Uncontested Settlement Agreement.</b></p> <p>On motion of Commissioner Skrmetta, seconded by Chairman Holloway, and unanimously adopted, the Commission voted to accept the Uncontested Settlement Agreement.</p>
<p><b>Ex. 10</b></p>	<p><b>U-33533</b> - Point Wilhite Water System, Inc., ex parte. In re: Request for an increase in water rates (non- profit system).</p> <p><b>In re: Discussion and possible vote on ALJ Recommendation.</b></p> <p>On motion of Commissioner Campbell, seconded by Chairman Holloway, and unanimously adopted, the Commission voted to adopt the Commission Staff's proposed rate increases and other recommendations.</p>
<p><b>Ex. 11</b></p>	<p><b>U-33550</b> - Entergy Gulf States Louisiana, LLC ex parte. In re: Annual Evaluation Report of Entergy Gulf States Louisiana, L.L.C. for the test year ended September 30, 2014.</p> <p><b>In re: Discussion and possible vote to accept Unopposed Joint Report and Draft Order.</b></p> <p><b>(Exhibit 6 on the May 13, 2015 B&amp;E Agenda)</b></p> <p>On motion of Chairman Holloway, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to accept the Unopposed Joint Report and Draft Order filed on May 1, 2015.</p>

<p><b>Ex. 12</b></p>	<p><b>R-29380 Subdocket A</b> - Louisiana Public Service Commission, ex parte. In re: An Investigation Into the Ratemaking and Generation Planning Implications of the U.S. EPA Clean Air Interstate Rule.</p> <p><b>In re: Discussion and Possible Vote on Staff Recommendation Regarding Clarification of FEAC</b></p> <p><b>PASSED</b></p>
<p><b>Ex. 13</b></p>	<p><b>R-32975</b> - Louisiana Public Service Commission, ex parte. In re: Examination of long-term natural gas hedging proposals.</p> <p><b>In re: Discussion and possible vote on Proposed General Order.</b></p> <p>On motion of Chairman Holloway, seconded by Commissioner Skrmetta, with Commissioner Boissiere and Commissioner Angelle concurring and Commissioner Campbell opposing, the Commission voted to adopt the Proposed General Order with the following amendments:</p> <p><b>1) Insert in Ordering Paragraph 2</b>, at the end of the first sentence: “, or the filing of a Notification of inability to propose a procurement.”</p> <p><b>2) Insert in Ordering Paragraph 2c.</b>, at the end of the last sentence: “<i>The requirement for filing up to three Applications shall not be construed as a requirement to file a Request for Certification.</i>”</p> <p><b>3) In Staff’s Recommendation section E, subsection (b):</b> change the references from “should not” to “shall not”, so that the paragraph reads: “<i>Participation in the long term procurement program proposal application process should shall not obligate the Electric IOUs to undertake any purchases from their respective proposed procurement programs, as it is not the Commission’s desire to substitute its business judgment for that of the Electric IOUs, nor shouldshall it obligate the Commission to approve a particular procurement of an instrument at this time.</i>”</p> <p><b>4) Revise Attachment D, Paragraph A.6.</b> to require that the proposed supply contract be included with a certification filing, so that the sentence reads: “<i>Utility files either: (a) a Request for Certification, detailing and contract(s) seeking approval (if any), with copies to Staff and Intervenor, or (b) a Notification of its inability to procure a long term natural gas rate stabilization instrument in accordance with the provisions of Section 3 of the General Order.</i>”</p> <p><b>5) Delete the last sentence in Footnote 42</b> that would create an exception to the LPSC General Fuel Order to allow costs of LPSC counsel and consultants and other review costs to be recovered through the Fuel Adjustment. Costs associated with LPSC counsel and consultants and other review costs should be part of the utility’s FRP filing.</p> <p><b>6) Delete the sentence</b> in Footnotes 77, 81, 82, 85, 88, 89 that would require LPSC certification within 30 days or 60 days, which conflicts with the required minimum 30 and 60 day amounts of time that is allowed for Staff/Intervenor review of the supply proposals.</p>
<p><b>Ex. 14</b></p>	<p><b>U-29764</b> - Louisiana Public Service Commission, ex parte. In re: Entergy Louisiana, LLC and Entergy Gulf States, Inc., retail proceeding to estimate and implement in retail rates in 2007 the rough equalization impact of FERC Opinions No. 480 and 480-A, FERC Docket EL 01-88-000, LPSC vs. Entergy Corp.</p> <p><b>In re: Entergy Services, Inc., Docket No. ER14-75 before the Federal Energy Regulatory Commission.</b></p> <p><b>In re: Possible executive session pursuant to La. R.S. 42:17 to discuss litigation and settlement strategy.</b></p> <p><b>In re: Discussion and possible vote on Settlement Agreement.</b></p> <p>On motion of Commissioner Skrmetta, seconded by Chairman Holloway, and unanimously</p>

	<p>adopted, the Commission voted to enter executive session.</p> <p>On motion of Commissioner Skrmetta, seconded by Chairman Holloway, and unanimously adopted, the Commission voted to exit executive session.</p> <p>On motion of Chairman Holloway, seconded by Commissioner Skrmetta, with Commissioner Angelle concurring and Commissioner Boissiere and Commissioner Campbell opposing, the Commission voted to accept the following agreement:</p> <p>Entergy Services, Inc. has put forth a settlement proposal in Docket No. ER14-75 before the Federal Energy Regulatory Commission, which docket involves the required time period between an Entergy Company's notice of withdrawal from the Entergy System Agreement and the date on which the withdrawal may occur. The proposal, which is confidential, involves issues outside the scope of the FERC docket and would require the waiver of any conflicts with certain orders or positions of this Commission in retail proceedings. The Commission is giving serious consideration to the offer, subject to certain modifications, but intends that all parties potentially affected by its terms should be provided an opportunity to understand the proposal, submit comments and/or written evidence, and have their views considered. Therefore, I move that the Commission direct the Staff and our outside counsel to take the following steps:</p> <ol style="list-style-type: none"> <li>1. Obtain approval from the parties in the FERC proceeding to release the proposed terms so that they, together with the Commission's proposed modifications, may be publicly noticed for review in a Commission proceeding.</li> <li>2. EGSL/ELL shall file proposed Settlement Term Sheet and associated workpapers, including the Commission's proposed modifications, in LPSC Docket No. U-29764 (LPSC Docket to review System Agreement matters) and Docket No. U-32675 (MISO Implementation).</li> <li>3. Notice of the proposed Settlement Term Sheet shall be published in the Commission's Official Bulletin, and such notice shall include the procedure to review and submit comments on the Settlement Term Sheet as set forth below. <ol style="list-style-type: none"> <li>a) EGSL/ELL and Commission Staff shall host a Technical Conference within ten days of the publication in the Official Bulletin, or as soon as is practicable as determined by Staff, in order to explain the proposed Settlement Term Sheet and answer questions from interested parties;</li> <li>b) Interested parties shall submit written comments 30 days following the Technical Conference; and</li> <li>c) Reply comments from EGSL/ELL and Commission Staff shall be due 10 days after comments are submitted by interested parties.</li> </ol> </li> <li>4. A record shall be compiled for the Commission's consideration at its August 26, 2015 Business and Executive Session</li> </ol> <p>Commissioner Boissiere made a substitute motion, seconded by Commissioner Campbell, to accept the original unmodified Settlement Agreement. Commissioner Holloway, Commissioner Skrmetta and Commissioner Angelle opposed; therefore the motion failed by a 3-2 vote.</p>
<p><b>Ex. 15</b></p>	<ol style="list-style-type: none"> <li>1) Reports</li> <li>2) Resolutions</li> <li>3) Discussions</li> <li><b>4) ERSC/OMS Business</b></li> </ol> <p>On motion of Chairman Holloway, seconded by Commissioner Angelle, and unanimously adopted, the Commission voted to ratify Commissioner Skrmetta's votes taken on June 11, 2015, as the Louisiana Public Service Commission representative to the OMS Board of Directors.</p> <ol style="list-style-type: none"> <li>5) Directives</li> </ol>
<p><b>Ex. 16</b></p>	<p><b><u>Directive for Staff to work with the Commission's MISO consultants and attorneys to begin to develop this cost-benefit study required by Commission Order No. U-32148.</u></b></p> <p><b>At the request of Commissioner Skrmetta.</b></p> <p>Order No. U-32675 required that Companies and Staff begin discussions in the first quarter of</p>

	<p>2015 concerning the details of an interim cost-benefit study with regards to Companies' participation in MISO. Therefore, I direct Staff to work with the Commission's MISO consultants and attorneys to begin to develop this cost-benefit study required by Commission Order No. U-32148.</p>
<b>Ex. 17</b>	<p><b>U-33595</b> - Utilities Inc. of Louisiana and Louisiana Water Service, Inc., ex parte. In re: Request for Consolidation, Application for an Increase and Adjustment in Retail Rates, and Request for Interim Rates.</p> <p><b>In re: Discussion and possible vote on interim rate increase.</b></p> <p><b>At the request of Commissioner Skrmetta.</b></p> <p>On motion of Commissioner Skrmetta, seconded by Commissioner Campbell, with Chairman Holloway and Commissioner Boissiere concurring and Commissioner Angelle opposing, the Commission voted to accept Staff's recommendation that the Companies be allowed to implement the requested interim rate increases, subject to the following conditions:</p> <ol style="list-style-type: none"> <li>1. UIL and LWS shall submit separate reports, financials, and all documentation regarding improvements made to comply with DEQ requirements and specifying the applicable requirement to the Commission Staff for review on a monthly basis.</li> <li>2. Each company shall submit a new or revised tariff reflecting the Commission action to the Utilities Division prior to implementing the rate increase.</li> <li>3. The companies shall obtain a protective bond or letter of credit in the total amount of \$1,265,946 (the amount of the increase in revenues for six months) prior to implementing the rate increase. Specifically, LWS shall file a protective bond or letter of credit in the amount of \$270,426 and UIL shall file a protective bond or letter of credit in the amount of \$995,520.</li> <li>4. If the Companies' rate request is still pending or the appeal delays have not run within six months, the Companies shall obtain additional security in the amount of \$210,991 per month, to ensure that the ratepayers are protected until there is a final rate decree. Specifically, LWS shall obtain additional security in the amount of \$45,071 monthly and UIL shall obtain additional security in the amount of \$165,920 monthly.</li> <li>5. This interim rate is subject to refund with interest, as required by La. Const. Art. 4 Sec. 21(D)(3), pending the Commission's decision on the Companies' application for a rate increase.</li> </ol>
<b>Ex. 18</b>	<p><b>X-33602</b> - Louisiana Public Service Commission, ex parte. In re: Audit of Purchased Gas Adjustment Filings for CenterPoint Energy Entex for the period of August 2012 through December 2014.</p> <p><b>In re: Discussion and possible vote to hire outside consultant.</b></p> <p><b>At the request of Commissioner Skrmetta.</b></p> <p>On motion of Commissioner Skrmetta, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to retain J. Kennedy and Associates to assist Staff throughout the conclusion of the review period for a proposed budget not to exceed \$19,300 in fees, \$400 in expenses, for a total not to exceed budget of \$19,700.</p>
<b>Ex. 19</b>	<p><b>X-33603</b> - Louisiana Public Service Commission, ex parte. In re: Audit of Purchased Gas Adjustment Filings for CenterPoint Energy Arkla for the period of January 2013 through December 2014.</p> <p><b>In re: Discussion and possible vote to hire outside consultant.</b></p> <p><b>At the request of Commissioner Skrmetta.</b></p> <p>On motion of Commissioner Skrmetta, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to retain J. Kennedy and Associates to assist Staff throughout the conclusion of the review period for a proposed budget not to exceed \$19,300 in fees, \$400 in expenses, for a total not to exceed budget of \$19,700.</p>

<b>EX. 20</b>	<p><b>R-31891-A</b> - Louisiana Public Service Commission, ex parte. In re: Review and Update of the Regulations and Guidelines of the Louisiana Public Service Commission Applicable to Customer Owned Coin Operated Telephone Service Providers and Alternate Operator Service Providers.</p> <p><b>In re: Discussion and possible vote to lift stay imposed at the March 20, 2013 Business and Executive Session.</b></p> <p><b>At the request of Commissioner Boissiere.</b></p> <p><b>PASSED</b></p>
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On motion of Commissioner Skrmetta, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to adjourn.

**MEETING ADJOURNED**

The next Business and Executive Session will be held on Wednesday, July 21, 2015 at 9:00 a.m. in Baton Rouge, Louisiana.