TRANSCRIPT OF THE LOUISIANA PUBLIC SERVICE COMMISSION BUSINESS AND EXECUTIVE OPEN SESSION HELD ON APRIL 27, 2022 IN MANY, LOUISIANA.

PRESENT WERE: CHAIRMAN LAMBERT BOISSIERE, III, COMMISSIONER FOSTER CAMPBELL, COMMISSIONER ERIC SKRMETTA, COMMISSIONER MIKE FRANCIS, AND COMMISSIONER CRAIG GREENE.

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CHAIRMAN LAMBERT BOISSIERE: Good morning.

COMMISSIONER MIKE FRANCIS: Good morning.

CHAIRMAN BOISSIERE: Well, it’s a great day in Many, Louisiana, or what is it -- what is it known as? All right.

COMMISSIONER CRAIG GREENE: Toledo Town.

CHAIRMAN BOISSIERE: Toledo Town. Is that what it’s called? If you’re wondering who I’m talking to over there, that’s Mr. Hunter Lewing. And to introduce him the best way I can is that Commissioner Greene and I snuck away for a dinner last night, and he was actually our waiter. And he’s such a -- he made such an impact on us that we invited him to come by as a member of this community to address the meeting and open us up, but more importantly, I know several years ago, to his credit, Commissioner Campbell started the traveling B&E meetings several years back when he came on the Commission and there’s a lot of reasons -- good reasons that we travel with these meetings so many times a year in each district and when -- and last night, met Hunter and he was so helpful and so thoughtful and so personable, he is the -- just the core of the fabric of this community, the type of people you really enjoy meeting, that it reminded me and
we even said it, this is why we meet. This is why we travel and this is real life when
these situations come up and you meet really good people in a good place. Mr.
Hunter, I know that -- I think your mic is right there. And you may not remember
my name, but do you remember the color?

MR. HUNTER LEWING: Green.

CHAIRMAN BOISSIERE: There you go. And I also want to thank him because
he should be at work right now, is it Fisherman’s Galley?

MR. LEWING: Yes, sir, it is.

CHAIRMAN BOISSIERE: He works at Fisherman’s Galley Restaurant and
Commissioner Greene had to write him a doctor’s note to get him out of work today.
But anyway, at this point, I just want to ask you a question then we’ll open the
meeting. Did you enjoy us last night? Did we wreck your restaurant?

MR. LEWING: No, it was great. I really enjoyed the experience.

CHAIRMAN BOISSIERE: All right. By the way, there’s one other side note, if
you don’t mind me saying this. I’m personally from New Orleans. Most of us on
this end are from southern Louisiana and there’s a lot of alcohol sometimes.

MR. LEWING: Yeah.

CHAIRMAN BOISSIERE: I’m just saying.

MR. LEWING: Yeah, it’s okay.

CHAIRMAN BOISSIERE: But Fisherman’s Galley doesn’t serve alcohol.

MR. LEWING: No.

CHAIRMAN BOISSIERE: So we had to go to the nearby gas station to buy
some.
COMMISSIONER GREENE: Here’s your sign.

CHAIRMAN BOISSIERE: To buy a little something to wash it down. Those wonderful fried shrimp, I think it was.

MR. LEWING: It was, it was.

CHAIRMAN BOISSIERE: Yeah, everything fried. Yeah, it didn’t matter if it was shrimp, it was fried, but -- and so that’s how we met Hunter and I’ll let you say anything you want to add.

MR. LEWING: No, I’m good. I don’t know what to say. It was amazing talking to everyone. They were so nice last night and Dr. Greene here, that’s the only name I truly remember because of the color, but they were so nice and then they asked me to come today. And I’m very, very nervous but I sucked it down and here I am, so.

CHAIRMAN BOISSIERE: I had one other thing to say. We -- you’re a college student, right?

MR. LEWING: Yes, sir, I am.

CHAIRMAN BOISSIERE: What’s your major?

MR. LEWING: History.

CHAIRMAN BOISSIERE: And what job do you think that prepares you for?

MR. LEWING: I have no idea.

CHAIRMAN BOISSIERE: The answer was lobbyist.

MR. LEWING: Oh, yeah, lobbyist, lobbyist. I don’t know where he is, but lobbyist.
COMMISSIONER GREENE: He asked what a lobbyist does, and I told him they study the history and make it the future.

MR. LEWING: That’s it.

CHAIRMAN BOISSIERE: Exactly, exactly. So get used to this guy, I think he’ll be around a while. We’ll probably get to see him at more Commission meetings in the future if he keeps his history major going and wind up being one of our lobbyist. At this time, I guess that’s enough of our introductions, and it’s been a joy. It is our business to handle the utility business for this state and so to kick off the meeting, everyone’s here to handle business and get rolling. I’d like to ask Mr. Hunter Lewing to lead us in a prayer. Everybody stand, first, please.

[MR. HUNTER LEWING LEADS IN A PRAYER]

CHAIRMAN BOISSIERE: And would you mind turning towards the flag and also leading us in the pledge.

[MR. LEWING LEADS IN THE PLEDGE OF ALLEGIANCE]

CHAIRMAN BOISSIERE: Any other questions for Mr. Lewing before we let him go?

MR. LEWING: I really do appreciate it. Thank you so much.

CHAIRMAN BOISSIERE: Thank you, sir. Thank you very much. At this time, I’d like to ask Commissioner Campbell to say a few words.

COMMISSIONER FOSTER CAMPBELL: I’d like to introduce a couple of people. Last month, I apologize, I didn’t introduce Joe Shyne.

EXECUTIVE SECRETARY BRANDON FREY: Commissioner.

COMMISSIONER CAMPBELL: Joe Shyne a young man that’s with us --
MS. KATHRYN BOWMAN: Commissioner, Commissioner --

CHAIRMAN BOISSIERE: Oh, oh.

SECRETARY FREY: Can you pull it a little bit closer?

COMMISSIONER MIKE FRANCIS: It’s on.

SECRETARY FREY: They’re on, but they’re not picking it up, the recording.

And just one note, too, the mics are going to be hot the whole time, so just keep that in mind.

COMMISSIONER CAMPBELL: Okay. That’s okay.

CHAIRMAN BOISSIERE: Thank you, Brandon.

COMMISSIONER CAMPBELL: I want to introduce a couple of people that we work together up in Shreveport at our office up there, and Joe Shyne is a young man who works for us in our office up in Shreveport. His dad -- a lot of people remember the name, Joe Shyne. His dad was a sort of a famous politician up in Shreveport a long, long time. He’s named after his daddy. His dad served on the city council and police juries there for 20, 25 years. Joe is a LSU graduate, and he’s doing well for us up in Shreveport, very courteous and he came with us today. Joe, where are you? And a lot of y’all’s been praying for me and I hope -- I’m sure it worked because I’ve -- I had a great assistant, Bill Robertson who retired and then I had another great guy, Gary Hobbs, and he took a job at a church to get away from me. But anyway, I had been looking for an assistant for a long, long time and everybody would call and try to say, look, I’m trying to help you and this, that, and the other. And I was able to get a lady that’s very qualified to come help us. She’s from Shreveport, her name is Frances “Tutu” Baker. Frances Baker is a lawyer, a
nice woman who is a criminal defense lawyer. Tutu argued a case before the United
States Supreme Court at a very young age and won and so we’re very fortunate. I
don’t -- only Fontham is the only guy’s who ever been to Supreme Court here in
this crowd so you got, Fontham, you got somebody up here equal to you. But went
to the Supreme Court at a younger age than you did, so anyway, I’m glad to have
you. Ms. Baker is right here. If y’all go to jail, criminal defense, murder, anything
like that, we don’t have to go outside now. We got somebody inside.

CHAIRMAN BOISSIERE: Thank you, Commissioner Campbell.

Commissioner Francis.

COMMISSIONER FRANCIS: I want to welcome everyone to Toledo Bend,
once again. This is the third time since I’ve been on the Commission. It’s a
wonderful place and I want to thank Georgia Craven and I’d ask Georgia to come
up and say a couple of words. Georgia’s the executive director of Sabine Parish
Tourist Commission, and she and her group provided a wonderful hors d'oeuvres
we had last night and cocktails also, so we have a few big heads here because they
had too many cocktails, I see this morning. And before she speaks, let me just say,
Commissioner Campbell and I have had the pleasure of serving all the Louisiana
side of the Toledo Bend Reservoir and because of reapportionment, he asked me to
give him some Sabine Parish votes so he now has all of Sabine Parish so he’s got a
little larger piece of the lake than I have now, but we still both love the lake. And
Georgia, I would like to just ask you to give us a couple of words about -- tell us
about this lake and the economy here and what’s going on in your job.
MS. GEORGIA CRAVEN: Well, good morning, everyone. Like Hunter, I’m not really great at public speaking, don’t like it very much, but I appreciate Mr. Francis giving me an opportunity to speak with you guys this morning. Thank you. I just wanted to say thank you for being here. Thank you for the great work that you guys are doing, not just for Toledo Bend, for the entire state, and I want to welcome you here. Toledo Bend is one of the most beautiful parts of the state, in my opinion. I might be a little biased since I live here, but I think if you’ve been here before or you were fortunate enough to attend the reception last night, which I hope you all enjoyed, you got to see a little bit of the area and the beauty of our beautiful lake. It is a huge lake, it’s 186,000 acres, 1,200 miles of shoreline and it is the key to the economy here in Sabine Parish, along with the utility that’s generated here. So again, the work that you guys are doing is key, and I thank you for being here. Many of you, in talking to you last night, I found had not been here before, so whether you’re from the southern part of the state or like Joe, just an hour away, who had not been here, I encourage you, I hope your schedule allows you some time to explore this wonderful part of our state. If it doesn’t, please grab the people that you love and come back. Come and visit our museums, we have Fort Jesup here, and you can learn about the rich culture and history that we have here in this region that we call No Man’s Land. You’ve seen the lake and the beauty that we have, you know, enjoy a fishing trip, if we have any fisherman. Do we have any guys out there that -- or women that like to fish? This is one of the best bass fishing lakes in the country. So whether you enjoy fishing or if you don’t know how to fish, you know, we have some of the best guides here. They are happy to take you
out on the lake. You can rent a pontoon boat and go out on the lake here. We have beautiful state parks that you can hunt in, hike in, RV and camp in so there’s so much to do here. There’s richness in nature and culture and art, so I encourage you to take some time, come back, visit with us, and enjoy this part of the state and welcome. I wish you God’s speed and wisdom as you do your work here, so thank you.

COMMISSIONER FRANCIS: Thank you, Georgia. And just to remind everyone that, you know, the carbon footprints, the big deal in the news every day now and we have a large generator at the end of Toledo Bend and today, it’s about 60 megawatts and it’s all operated and supervised by the Sabine River Authority. And Warren Founds is the -- he’s the head guy that kind of keeps things on the track. Warren, stand up, and just give us a wave. Warren, thank you for what you do. Let me -- while I’ve got the mic, let me ask Brandon Frey, I need -- I’d like to get an update, Brandon, on the -- our RDOF funds that are coming into Louisiana that what we’ll have a, you know, a part of -- a play there and then also, next meeting, at the next meeting, I’d like to get -- have a report from all those folks who are involved with that. If you give us a brief run down on --

SECRETARY FREY: Sure. Briefly, you know, there was a quite a bit of federal dollars that were available through RDOF to expand broadband, and we certified a number of carriers as eligible to receive that funding. I know you’ve all discussed with them; Commissioner Campbell and I have had a lot of meetings with them, too. In fact, we’ve got one on the agenda today that’s somewhat touches on it, but it’s not clear how many or how much of the dollars are actually flowing through to
the companies yet and where they are in the buildout so I think that would be helpful
to hear from them. And somewhat connected to that, too, the GUMBO program,
which was a state program, I think is also close to awarding its recipient, so we may
want to also reach out to Vaneeth from the broadband office as well to give an
update on kind of where that is because I think it all plays together.

COMMISSIONER FRANCIS: I’m not sure of what companies have received
funding. I don't know if we’d make that announcement here, if they’re going to all
get the message.

SECRETARY FREY: We can make sure --

COMMISSIONER FRANCIS: Can we make sure that we reach out?

SECRETARY FREY: -- we reach out to them, absolutely, yes.

COMMISSIONER FRANCIS: And I think it’s proper for the Public Service
Commission to have a report on where’s that money at today and at the May
meeting, give us a report on where we’re going. We’ve -- all of us who represent,
you know, the rural areas, we get those questions every time that we turn around
that -- what’s going on, when are we going to have our internet, so we’ll give them
a little better answer, they tune in on our May meeting. All right. Thank you.

CHAIRMAN BOISSIERE: Thank you, Commissioner Francis. Commissioner
Campbell.

COMMISSIONER CAMPBELL: Brandon, I want to make sure that you invite
Mr. Denault to be here.

SECRETARY FREY: He is scheduled to be here.
COMMISSIONER CAMPBELL: Well, that’s good. Because you know, last
time, he couldn’t make it.

SECRETARY FREY: Correct.

COMMISSIONER CAMPBELL: We put it off. I got some real important
questions I want to ask him and so make sure that he comes --

SECRETARY FREY: And that’s -- I’ll look out for the Entergy folks. That’s my
understanding, yes. We got the thumbs up. He is -- he will be in Baton Rouge in
May.

COMMISSIONER CAMPBELL: Okay. He’s the chairman of Entergy and we
want to talk -- I want to talk to him about some things that I’m disturbed about.
Thank you.

CHAIRMAN BOISSIERE: And before we actually start, can we get a
clarification, if you don’t mind me asking, the June meeting, do we have a date on
the June meeting?

SECRETARY FREY: Yes. We have had -- there’s a conflict, and I think we’ve
talked to most of y’all, but to move it potentially to June 17th, which is a Friday. I
think that’s going to be the week of SEARUC but after SEARUC, there’s a lot of
other stuff at the end of the month that’s come up, so 17th.

CHAIRMAN BOISSIERE: Okay. We’ll make the formal announcement in just
a few days or a day or two.

SECRETARY FREY: Yes, yes, yes.

CHAIRMAN BOISSIERE: So everybody look forward to paying attention to
any changes on that in the next few days. Just bring it to your attention before we
June will be here before we realize it. All right. Anyone else before we start?

All right. Let’s get started with our docket.

**MS. BOWMAN:** Good morning, Commissioners. We have twelve agenda items today and just went over all of the announcements, so we’re moving to Exhibit Number 2, which is Docket Number T-36184. This is a Louisiana Public Service Commission versus Supermovers on an alleged violation of Louisiana Revised Statute 45:161 through 180.1, by operating intrastate without LPSC authority; by engaging in activities related to moving household goods prior to complying with the requirements of Revised Statute 45:164 (E) and General Order dated March 16, 2021; for failure to comply with the requirements of General Order dated April 3, 2008 as amended; and contempt of Commission Order Number T-34258. This is a discussion and possible vote on an ALJ recommendation. In this proceeding, Commission Staff alleged that Supermovers violated Louisiana Revised Statutes, Commission General Orders and was in contempt of Order Number T-34258 by advertising ads and conducting household goods moves without the Commission’s authority and by failing to pay a citation fee ordered in Order Number T-34258. According to the testimony of Transportation Administrator Tammy Burl and Enforcement Agent Derenda Geter on October 23, 2021, Supermovers performed a household goods move between West Monroe, Louisiana and Bossier City, Louisiana on behalf of the complainant. The Commission Staff recommended that Supermovers be ordered to refund the complainant the full amount that she paid for the move, on the grounds that the carrier should not benefit from providing services it had no authority to provide. The Commission’s orders governing household
goods carriers have no provisions allowing the Commission to order a refund to customers. Therefore, the administrative law judge concluded that ordering Supermovers to issue a refund to the complainant was not appropriate in this case. Based on the evidence and testimony presented at the hearing, the ALJ recommended that: 1) Supermovers be found guilty of violating the Commission’s General Order dated March 16, 2021 and Louisiana Revised Statute 45:164 (E) by engaging in activities related to moving household goods prior to complying with the requirements of the statutes in Commission’s General Order; 2) That Supermovers be found guilty of violating the Commission’s General Order dated April 3, 2008 by failing to include a Louisiana Public Service Commission certificate number in all advertising; 3) That a fine of $2,500 and a citation fee of $25 be imposed upon Supermovers for its violation of Louisiana Revised Statute 45:164 (E)(1), and Commission General Order dated March 16, 2021 and Commission’s General Order dated April 3, 2008, and that those amounts must be paid to the Commission in certified funds within 30 days of issuance of an order; and 4) That Supermovers be found to be in contempt of Commission Order Number T-34258, and that a fine of $2,000 is hereby imposed on Supermovers and that this amount must be paid to the Commission in certified funds within 30 days of the date of the issuance of this order.

COMMISSIONER SKRMETTA: Move to accept Staff recommendation.

COMMISSIONER CAMPBELL: Hold up.

MS. BOWMAN: Yes, sir.

CHAIRMAN BOISSIERE: Commissioner Campbell.
COMMISSIONER CAMPBELL: I’m sorry. This is in my area and --

CHAIRMAN BOISSIERE: You have the mic, Commissioner.

COMMISSIONER CAMPBELL: Let me ask you about this deal. You charged them $2,500 fine plus a $2,000, another deal for contempt?

MS. BOWMAN: Yes, sir.

COMMISSIONER CAMPBELL: $4,500?

MS. BOWMAN: That is what the Staff recommended and the ALJ agreed.

COMMISSIONER CAMPBELL: Yeah, I don’t agree. That’s $4,500. You know about this account? You know about this?

MS. BOWMAN: I know a little bit. I know Ms. Burl is here.

COMMISSIONER CAMPBELL: Who handled it? Who handled this deal?

MS. TAMMY BURL: Good morning, Commissioner. Tammy Burl on behalf of Commission Staff. So it was myself and our new Staff attorney, Tanika Starks, that handled this case.

COMMISSIONER CAMPBELL: Tell me about it. The fellow moved a house -- moved somebody from Monroe to Bossier City and he didn’t have -- he didn’t have a license or what was the deal?

MS. BURL: That’s correct, Commissioner. He did not have authority to transport household goods for consumers in Louisiana.

COMMISSIONER CAMPBELL: And so -- and the lady complained that he moved the house?

MS. BURL: Her complaint, initially, was that the mover came in and they quoted her one price, they moved her goods and did a lot of damage to her goods.
COMMISSIONER CAMPBELL: Okay.

MS. BURL: And they came to us and filed the complaint. We investigated. The company did not have authority to move household goods in the state, so that’s when we proceeded to the citation. This was the second offense of Supermovers. It’s not their first.

COMMISSIONER CAMPBELL: Okay.

MS. BURL: It is their second.

COMMISSIONER CAMPBELL: Yeah. Well, did the -- do these people have any authority with us at all?

MS. BURL: No, sir.

COMMISSIONER CAMPBELL: Okay.

MS. BURL: The owner of the company, at one time, did have three previous moving companies that he cancelled.

COMMISSIONER CAMPBELL: Okay.

MS. BURL: And he did not come back and get authority again.

COMMISSIONER CAMPBELL: Okay. I understand. I just -- $4,500 is a lot of money, but I understand, no problem.

COMMISSIONER FRANCIS: Ms. Burl, who was the ALJ on this job?

MS. BURL: Judge Guillot.

COMMISSIONER FRANCIS: Say again.

MS. BURL: Judge Guillot.
COMMISSIONER FRANCIS: Okay. And this -- these charges, these fines, they’re pretty well, you know, that’s not the first time we’ve done this to someone, when you came up with these figures; is that right?

MS. BURL: That’s correct.

COMMISSIONER FRANCIS: All right. Thank you.

COMMISSIONER GREENE: I’ll second Commissioner Skrmetta’s motion.

CHAIRMAN BOISSIERE: We have a motion by Commissioner Skrmetta, a second by Commissioner Greene. Any opposition? [NONE HEARD] Hearing none, the order passes. Next one, please.

MS. BOWMAN: Exhibit Number 3 is Docket Number T-36197. It’s the Commission versus Southern Soil Environmental and it’s an alleged violation of Revised Statute 45:161 through 180.1, by operating beyond the scope of authority in Common Carrier Certificate Number 8120 on 95 counts occurring on or about February 3, 2020 through February 10, 2020. It’s a discussion and possible vote pursuant to Rule 57 on an affidavit and stipulation executed by the carrier. This is a proposed settlement between Southern Soil and the Commission Staff for Southern Soil’s violation of the Commission’s rules and regulations relative to operating within the scope of its authority in Common Carrier Certificate Number 8120. As a result of a manifest audit submitted to Staff by the Office of Conservation of the Louisiana Department of Natural Resources, Staff issued a citation to Southern Soil alleging that the carrier had violated Revised Statutes by operating beyond the scope of its authority on 95 counts occurring on or about February 3, 2020 and through February 10, 2020. In response to the citation, the
president of Southern Soil signed an affidavit and stipulation admitting to violating the revised statutes by operating beyond the scope of its authority. In the affidavit and stipulation, the president agreed to the imposition of a fine of $25,000 with conditions summarized as follows: The Southern Soils has to obtain a common carrier certificate from the Commission to transport non-hazardous oilfield waste for disposal intrastate. That the company needs to implement changes to the corporate training policy to include an orientation on Commission related statutes, rules, and orders under its appointment and thereafter on an annual basis; and then that the company needs to remit all payments due and submit this executed affidavit and stipulation with the payment and citation fee by April 13, 2020. Additionally, the president agreed that the affidavit and stipulation is to be a global settlement between Commission Staff and Southern Soil on any and all violations of transporting non-hazardous oilfield waste without authority occurring before November 24, 2021. Staff recommends that the Commission: 1) Exercise its original and primary jurisdiction under Rule 57 to consider the affidavit and stipulation; and 2) Accept the affidavit and stipulation executed on April 11, 2022 for fines and fees totaling $25,025.

COMMISSIONER GREENE: I motion to take the item up under Item 57.

COMMISSIONER SKRMETTA: Second.

CHAIRMAN BOISSIERE: Moved by Commissioner Greene, seconded by Commissioner Skrmetta to take the item up under Rule 57. Let me ask Commissioner Campbell -- you have the --
COMMISSIONER CAMPBELL: I make a motion that we accept the Staff recommendation.

COMMISSIONER FRANCIS: Second.

CHAIRMAN BOISSIERE: Moved by Commissioner Campbell, seconded by Commissioner Francis that we accept Staff recommendation. Any opposition?

[NONE HEARD] Next item, please.

MS. BOWMAN: Exhibit Number 4 is Docket Number R-34758. This is the Commission’s timely disclosure of facts and notices regarding such matters as MaxGen alerts to Commission and Commissioners and related matters. It’s a discussion and possible vote on Staff recommendation associated with the investigation into transmission and generation issues occurring during the February 2021 Winter Storm. This was Exhibit 17 on January 25, 2022 B&E and Mr. Zimmering, I believe, is going to give the report.

MR. PAUL ZIMMERING: Good morning, Commissioners. Paul Zimmering on behalf of the Commission Staff. This matter came before the Commission several months ago and about 150 page report was submitted to the Commission regarding the results of the investigation into the winter storms of -- in February of 2021, there was a series of recommendations that were attached that the Staff had come up with. I believe it was Commissioner Greene who recommended that those -- that the Commission take no action at the January meeting, that those recommendations simply be passed by all of the intervenors in the case and see if there were objections or comments. There were two opportunities for comments by the intervenors. Staff
took into consideration what they said, modified some of the recommendations and
these recommendations are simply before you now for adoption.

**MS. BOWMAN:** And I can summarize the recommendations if that would be
helpful. Staff’s recommendations were filed into the docket on April 18, 2022,
which are summarized as follows: The Commission should formally adopt
communication protocols to be effective during and after the declaration of
emergency events requiring MISO, SPP, and Commission jurisdictional utilities,
including cooperatives, to timely communicate information regarding an
emergency event. IPPs, merchant generators, co-generators, power districts and
municipalities that own generation shall be requested to provide similar
information; 2) All LPSC jurisdictional electric utilities should submit
winterization reports to the Commission on all current and ongoing winterization
efforts to their generation fleets, transmission systems and/or distribution networks
by August 1, 2022 and annually thereafter; and 3) that the Commission and Staff
should continue to participate in the evaluation of transmission solutions to expand
the RDT north/south transmission constraint and Staff recommends that the
Commission accept Staff’s recommendation filed into the record on April 18, 2022.
And I have a motion by Commissioner Greene. Would you like me to read that?

**COMMISSIONER GREENE:** Yes, please.

**MS. BOWMAN:** Commissioner Greene moves to adopt Staff’s recommendations
with the technical/clean-up amendments as follows: 1) The last sentence of the first
partial paragraph on Page 23 of the original recommendation should be deleted and
replaced with the following: “This information may be designated by the producing
party as confidential information and provided on a confidential basis pursuant to Commission Rule 12.1 if such confidential treatment is warranted.”; 2) Immediately after that sentence, the following sentence shall be inserted as a separate paragraph. “To the extent non-jurisdictional IPPs, merchant generators, co-generators, power districts and municipalities that own generation are referenced in the information reporting provisions herein, such provisions are intended as voluntary and are not a mandate.”

COMMISSIONER GREENE: Yes, thank you. That’s my motion with the amendment.

CHAIRMAN BOISSIERE: I’ll second. So we have a motion by Commissioner Greene, second by the chair. Any opposition? [NONE HEARD] Hearing none, it passes. Next item.

COMMISSIONER GREENE: Thank you for all y’all’s work on that. That’s -- hopefully, we will have different mistakes next time but we won’t have the same ones.

MR. ZIMMERING: That’s the goal, Commissioner. Thank you.

MS. BOWMAN: Exhibit Number 5 is Docket Number R-36227. It’s the Commission’s assessment of Louisiana’s current electric utility infrastructure for resilience and hardening for future storm events. It’s a discussion and possible vote to hire an engineering consultant, and this was Exhibit 4 on last month’s agenda. This docket was initiated by a Commission directive to assess the current electric utility infrastructure in Louisiana and propose a plan of resiliency and hardening for Louisiana’s electric grid. At the March B&E, the Commission directed Staff to
issue the RFP seeking an engineering consultant. Based upon this directive, Staff
issued RFP 22-2 (REVISED) on April 4th seeking qualified consultants and we
received three qualifying bids. The first is from Critical Technologies Consulting
of $276,430 in fees and 14,000 in expenses for a total budget not to exceed of
$290,430. The second is from CSRS of 318,950 in fees and 12,000 in expenses for
a total budget not to exceed of $330,950. And the third is from Linfield, Hunter,
and Junius of 498,740 in fees and 0 in expenses for a total budget not to exceed of
$498,740, and Staff makes no recommendation as all three bidders are qualified.

COMMISSIONER SKRMETTA: Move to accept the low bid of CTC for
$290,430.

COMMISSIONER CAMPBELL: I want to make a substitute motion, to -- is it
B or Number 2, which one is it?

COMMISSIONER GREENE: Middle bid.

COMMISSIONER CAMPBELL: B?

COMMISSIONER GREENE: Yes.

COMMISSIONER CAMPBELL: That we accept the bid of Number B, for
300,000.

CHAIRMAN BOISSIERE: CSRS.

COMMISSIONER CAMPBELL: CSRS, what -- how much money?

MS. BOWMAN: CSRS --

COMMISSIONER CAMPBELL: It’s not in my book, that’s why I’m --

MS. BOWMAN: Oh, I apologize, CSRS for $318,950 in fees and 12,000 in
expenses for a total budget not to exceed of $330,950.
COMMISSIONER CAMPBELL: That’s the motion.

COMMISSIONER GREENE: I second it.

CHAIRMAN BOISSIERE: Okay. Commissioner Skrmetta, you made a motion as well, right?

COMMISSIONER SKRMETTA: I did. For the low bid of CTC for $290,403.

CHAIRMAN BOISSIERE: Do I hear a second? [NONE HEARD] Okay. All right. So no second on low bid. Do we -- what do we have a substitute motion or a second bid?

MS. BOWMAN: Second bid.

SECRETARY FREY: A second bid.

CHAIRMAN BOISSIERE: Second --

SECRETARY FREY: The first motion didn’t have a second, so that failed. So rather than a substitute motion, this will just be another motion on the table.

CHAIRMAN BOISSIERE: Okay. So who made -- who’s made the motion?

Commissioner Campbell?

SECRETARY FREY: Commissioner Campbell.

CHAIRMAN BOISSIERE: Commissioner Campbell moved for B or CSRS.

MS. BOWMAN: Correct.

CHAIRMAN BOISSIERE: And was that seconded?

COMMISSIONER GREENE: I seconded it.

CHAIRMAN BOISSIERE: Seconded by Commissioner Greene. Any opposition?

COMMISSIONER SKRMETTA: Yes.
CHAIRMAN BOISSIERE: Roll call.

COMMISSIONER FRANCIS: Do we get any discussion on it?

CHAIRMAN BOISSIERE: We can, sure.

COMMISSIONER FRANCIS: Huh?

CHAIRMAN BOISSIERE: Yeah, would you like to make a comment?

COMMISSIONER FRANCIS: Yeah, I want to vote -- I’m going to support my Commissioner friend, Campbell, but I want to make a note that he’s usually pushing for low bid and he’s not doing low bid on this one, but I’m not either. We’re together on that one. That’s all.

CHAIRMAN BOISSIERE: Well, I’d like to make a comment, too, that’s an incredible show of cooperation that we welcome here at the Commission as often as possible. Likewise, the comment I would like to make, if you don’t mind me adding is that we -- this is something very new and interesting so I just want to make sure we’re doing it the right way for the right reasons. So at this point, we’re doing roll call vote. Wait, wait, wait.

COMMISSIONER SKRMETTA: Make a comment, too.

CHAIRMAN BOISSIERE: Okay, okay.

COMMISSIONER CAMPBELL: I do too.

CHAIRMAN BOISSIERE: Well, Commissioner Campbell, go right ahead.

COMMISSIONER CAMPBELL: How much money difference is it? Just --

CHAIRMAN BOISSIERE: By the way, Commissioner Campbell doesn’t have this in his notes, could somebody get him a sheet?
COMMISSIONER CAMPBELL: I don’t have it in my notes, so anyway. How much is the difference between the low and this?

COMMISSIONER GREENE: $40,000.

SECRETARY FREY: About 40,000.

MS. BOWMAN: It’s about $40,000.

COMMISSIONER CAMPBELL: That’s why I was trying to say, it’s $40,000. I think the company’s more qualified.

MS. BOWMAN: Can you pull your mic closer, please, Commissioner?

COMMISSIONER CAMPBELL: The only difference is $40,000, which is a lot of money, I know that, but this is a big job and I think the other people are more qualified so that’s why -- that’s why I’m choosing this company.

CHAIRMAN BOISSIERE: Commissioner Skrmetta.

COMMISSIONER SKRMETTA: Yeah. I made some written comments --

MS. BOWMAN: Commissioner, your mic.

COMMISSIONER SKRMETTA: I’m sorry, let me pull it a little closer, hang on a second.

MS. BOWMAN: Thank you.

COMMISSIONER SKRMETTA: How’s now? Is that better? Is that okay? All right. I made written comments at the last meeting and I’m going to go still resubmit them instead of going through them again. Also, giving them the opportunity, the CSRS, to resubmit their bid when they overbid this bid last month by nearly a million dollars more than what they did now, I think is just wrong. Secondly, CTC currently does work for a number of other state public service
commissions where CSRS does not and the experience lies with CTC as the low bidder. They work with, I believe, the state of Mississippi as well as other commissions that we already know. So I do think that the vast layer of experience for working with public service commissions lies with the low bid and that’s a -- a primary reason. Then the second reason is, I think it’s wrong for the Commission to engineer a -- pardon the pun, a secondary opportunity to -- and bite at the apple to allow someone to rebid an issue in order for them to try to come closer into a sort of plenary acceptance potential for getting their contract, so for that reasons, I’m sticking with my general feeling about going with the low bid.

CHAIRMAN BOISSIERE: Thank you, Commissioner Skrmetta. Anyone else?

Okay.

COMMISSIONER CAMPBELL: Roll call.

CHAIRMAN BOISSIERE: Yeah, we haven’t finished roll call yet. Can we start over. Commissioner Francis.

COMMISSIONER FRANCIS: I’m voting in favor of Commissioner Campbell --

MS. BOWMAN: So the --

CHAIRMAN BOISSIERE: Commissioner Francis vote yes.

COMMISSIONER FRANCIS: Yes.

CHAIRMAN BOISSIERE: Commissioner Campbell.

COMMISSIONER CAMPBELL: Yes.

CHAIRMAN BOISSIERE: Commissioner Greene.

COMMISSIONER GREENE: Yes.
CHAIRMAN BOISSIERE: Commissioner Skrmetta.

COMMISSIONER SKRMETTA: No.

CHAIRMAN BOISSIERE: Chair votes yes. Thank you. Next item, please.

MS. BOWMAN: Exhibit Number 6 is Docket Number S-35745. It’s Northeast Louisiana Power Cooperative and Volt Broadband’s petition for approval of a letter of non-opposition to borrow funds to construct broadband system. It’s a discussion and possible vote on Staff’s report and recommendation. On October 1, 2020, Northeast filed a petition for approval of a letter of non-opposition from the Commission allowing NELPCO to issue debt to finance a three-year build out of a Fiber-to-the-Home and Fixed Wireless Application broadband infrastructure, with an anticipated cost of $53.6 million. Staff conducted a complete review of NELPCO’s initial request and on October 13, 2020, filed its report and recommendation recommending to the Commission that NELPCO be granted the letter of non-opposition subject to conditions. The matter was considered by the Commission at its October 13, 2020 Business and Executive Session and Order Number S-35745 reflects the Commission’s vote granting this initial request. On February 1, 2022, NELPCO and Volt, a newly formed subsidiary of NELPCO, filed a petition for approval of a letter of non-opposition to borrow funds to construct the broadband system requesting a modification to the terms of the Order Number S-35745. Notice of the petition was published in the Commission’s Official Bulletin and there were no interventions received. The present requests reflects material changes in circumstances since issuing order S-35745. NELPCO won only a small percentage of the territory they intended to serve in the RDOF auction and in
response, NELPCO is requesting to partner with Conexon Connect, the winner of the remaining blocks in NELPCO’s territory. Conexon has offered to build a fully Fiber-to-the-Home broadband system for a cost of $45 million. The initial request, as approved, anticipated a cost of $53 million to build a combination of Fiber-to-the-Home and Fixed-Wireless-Application system. In addition to providing a more secure system at a lower price point, Conexon would provide back office services to Volt, as well as regulatory and tax compliance services for a period of 10 years at no additional cost. Conexon has also proposed a buyback option where Volt could sell the broadband system assets to Conexon at the cost of construction minus federal funds secured, should Volt so choose. The option to sell to Conexon would be valid for 90 days prior to the completion of the construction. As customers will be brought online during the construction phase, Volt should have a reasonable understanding of the take rate and their projected number of customers prior to the 90 period. In addition, Conexon proposes to lease two strands of fiber optic cable from Volt, for a period of eight years, in order to serve its own customers outside of NELPCO’s service territory, producing additional guaranteed revenues for Volt. Because of the creation of Volt and the adaptation of the infrastructure buildout plans, CoBank, which is NELPCO and Volt’s lender, has modified the borrowing arrangement initially anticipated and approved. According to the new arrangement, Volt will be the borrower and, therefore, primarily liable for the construction loan and operational letter of credit from CoBank. NELPCO will be the guarantor, and therefore, indirectly liable on such instruments. This represents a change from the initial request wherein NELPCO was the borrower and primarily liable. Staff
recommends that the Commission grant NELPCO’s petition and express its non-
opposition to the proposed financing and securitization, subject to the conditions
set forth in attached Staff’s report and recommendation which was filed on April
25, 2022.

COMMISSIONER CAMPBELL: This is -- I don’t -- maybe it’s a little big to
say history is being made, but it is.

MS. BOWMAN: Commissioner, your mic, please.

COMMISSIONER CAMPBELL: Okay.

MS. BOWMAN: Thank you.

COMMISSIONER CAMPBELL: This is first co-op in the state of Louisiana to
get in the broadband business. I have really gone over these papers and met with
people and met and met and double checked and done everything I can do to talk
to these people, this is Northeast Rural Electric Co-op up in Winnsboro. They’ve
got about five parishes in northeast part. They’re working together with Conexon.
I’ve checked out Conexon. Luke’s checked them out. Yesterday, we had a meeting
in Shreveport in my office and Mr. Post, you might remember -- Mr. Post was the
head of CenturyTel -- CenturyLink, the chairman of the board in Louisiana -- in
United States. He was somewhat skeptical of this arrangement. I asked him for a
favor since he knew more about the broadband business than anybody that I knew
of. He knew how to run a billion dollar business up there. He called several of
these co-ops where they have this operation going and much to his surprise, he at
first told me it wasn’t going to work, Fiber-to-the-Home. He called me back, now
this is the chairman of the board of CenturyLink in United States, he calls me back
-- and he lives up in Union Parish -- he said I was wrong, this deal’s going to work.
So that helped me a lot. Luke did a good job. The head of the Northeast Co-op,
he’s not here today, huh? Come on up here, Jeff.

**MS. BOWMAN:** And Luke, just introduce yourself, please, and Jeff, introduce
yourself, please, on the record.

**COMMISSIONER CAMPBELL:** I didn’t see you back there. I’m sorry. Jeff
Churchwell is the director/manager of the co-op in Northeast. Saying this, I’ve
spent a lot of time on this and worked with Luke very, very closely. I worked with
Kathryn King very closely; she represents Conexon. At first, I was very, very
skeptical, but I have done a lot of work. My office has. I’ve been in contact with
a lot of people, and the icing on the cake was I asked the man who lives in
Farmerville, who was the Chairman of the Board of CenturyLink, CenturyTel in
the United States, to come look at this. And at first he was very skeptical and then
he became -- he said it’ll work. So I’m satisfied that this deal we’ve had with
Northeast will work. I’m for this. We’re all for getting rural electric -- I mean
broadband in the rural areas of Louisiana. Everybody up here is for this. I think
this is the first co-op to do it. I think co-ops are a great place to start because they
already have lines to every home and they’re working with them. And the good
thing about this, they’re going to put fiber to the home for about $59 a month, 59,
and that’s what we all talked about, how do you get this where it’s -- where people
can afford it. And if you want the Cadillac kind, it costs a little bit more, but -- so
anyway, I’m all for this. I talked to Brandon about it, we talked about it. I think
these people are for real and I think that Claiborne Electric will be next, and I hope
that Concordia Electric down in Jonesville will be the next. I think this is the way
for the co-ops to go. And I think these people, they’ve got all the RDOF people,
these are the people who got the funds, they have millions of dollars from the
federal government, and my due diligence, if you borrow the word, not being
bragging, but the -- what our Staff could do and what I’ve done and asked you all
the hard questions I could ask, I think this is the real deal. Luke was their lawyer,
you can go ahead and explain the situation and tell them where we are.

MR. LUKE PIONTEK: Sure thing. Thank you, Commissioner Campbell,
Chairman Boissiere, Commissioners, good morning. My name’s Luke Piontek. I
represent Northeast Louisiana Power Co-op. With me today is Jeff Churchwell,
general manager of Northeast. I also represent Volt Broadband, who is the wholly
owned subsidiary of Northeast that’s going to build the broadband system. The
Commission approved our first letter of non-opposition back in October 2020 so
that we could bid into the RDOF, the Rural Digital Opportunity Fund Auction, that
the FCC had. We bid into that, we did not win as much as we had hoped. We won
about $1.2 million in the RDOF auction. Conexon won a lot of the census block
groups in our territory; they won a bunch of money.

COMMISSIONER CAMPBELL: How much did they win?

MR. PIONTEK: They won, statewide, about 108 million.

COMMISSIONER CAMPBELL: Okay.

MR. PIONTEK: How much of that is in our territory, I’m not sure, but they bid
a lot of areas in north Louisiana, they won 108. And Commissioner Francis, to
answer your question, we started receiving the RDOF funds in January. So they
give it out at equal amounts every month for 10 years, so 1.2 million over 10 years, we’re getting about 10,000 a month, we started getting that in January, so we’ve gotten about four payments so far. And we’re putting that to use with make ready engineering, make ready construction, stuff like that, which is going on right now. We’re studying the poles, whether we need new poles, whether we need to rearrange attachments, that kind of thing, we’re doing that right now, so it’s in design right now. The reason we filed this notice filing is because the original approval was for a $54 million system that we were going to build with National Rural Telecommunications Cooperative and it was going to take five years and had some other features that have changed now because once we got to the auction, we had to decide, well, we only won 1.2 million, are we still going to do this, is this still a good idea? So we scrubbed it down with NRTC. We had Miers Group come to us, which is a big company that builds utility systems all over the country, they proposed to build it for us. And then Conexon also came to us and proposed to build it, so we had three people basically competing to build this system for us. So we made each one of them sharpen their pencils and sharpen their pencils and sharpen their pencils, and Conexon came up with just the best deal in our opinion. They’ve lowered it from 54 million, that was NRTC’s estimate. Conexon’s going to build it turnkey not to exceed 45 million. So if it goes over 45 million, that’s on them, not on us. They’re going to build it in two years, not five, and the reason for that speed is because they have a unique means of designing a system, they called it distributed tap architecture, don’t ask me what that means technically, but it’s a design where they can design it much faster than other companies that build these
systems, so their design is much more advanced. They’re going to put it to -- make it available to everyone, of Northeast members, 11,500 members in two years, so we’ll be done -- we expect to break ground next month or June.

MR. JEFF CHURCHWELL: Next month is when we expect to break ground.

MR. PIONTEK: So it’s going to be done in about two years from next month. We’re going to start hooking up customers as we construct. We’re not going to build the whole thing and then sign up the first customer. We’re going to hook up people as we build it out. After two years, when the construction’s complete, this is another important feature of this new deal is that we have a buy-back option from Conexon. Within 90 days after construction’s complete, Volt and Northeast can say we don’t want this anymore, Conexon will buy it from us and they’ll pay us the full construction cost and buy the system from us.

COMMISSIONER CAMPBELL: And I’ve checked their credit out. Brandon and I -- I’ve checked their credit, they can pay their bills.

MR. PIONTEK: Yeah. And one of the things that they can do that to fund that is some of the RDOF funding because we’ll be supplying areas that they won in RDOF and they can tell the FCC we’re partnering with Northeast and Volt, so we’re serving this area that we won in the auction, so that kind of frees up some money for them to build elsewhere and/or to buy the system back from us after two years. So we agree, we think they’re financially sound and able to do that and it leverages out almost as much risk as you can on this deal because if we don’t like it after two years, we’ll know what our take rate will look like, we’ll have a good idea at the end of two years and we’ll sign up people as we go. If the take rate’s too low and
it’s not working, we’ll sell it to them and they’ll buy it from us and they’ll run it.

So those are the main features. Another reason we did this is that about a third of Northeast’s members are in non-RDOF areas. So if we didn’t do this at all and Conexon just built in the areas they won, about a third of our members may not get internet because they’re in non-RDOF areas. Conexon may get them eventually but they won’t get it anytime soon, and that’s a big chunk, a third of our members. So we decided to do this deal with Conexon, they have a bunch of experience in building these systems all over the country. They build I don’t know how many thousands of miles per week for co-ops around the country. Jeff went and visited a couple of co-ops in Mississippi and Missouri where Conexon has built their system and those co-ops were very pleased with it and pleased with the take rate and the performance of Conexon. So with all that said, these are sort of some material changes from what the Commission originally approved, so we filed a notice filing asking you guys to reaffirm that we’re still good to go. And our lender, CoBank, wants to loan us the 45 million to build the system. They would like the assurance that everything is still good to go as well. So that’s it in a nutshell, and I’m happy to answer any questions you have.

COMMISSIONER CAMPBELL: Mr. Churchwell, what do you have to say?

MR. CHURCHWELL: Well, first of all, I just want to thank you guys for taking this matter up. We have -- we’ve been down a long road. Commissioner, I want to thank you for the due diligence that you’ve had and your absolute involvement as we’ve -- through every step. You know, I told you we were going to keep you informed every step of the way through this and it’s been a good experience and a
great exercise because we have, as Luke said, our first out of the box quote from
NRTC when we were looking at a full fiber deployment was 98 million. And Luke,
when his high pitched squeal stopped because we were going to have to come to
you guys for that, we said to them we’ve got to work this thing down, it’s got to be
something that’s manageable. But when I approached our board, I have two of my
board members here with me today, my president and vice president, you know,
it’s ultimately their decision. We’ll chase -- general managers will chase the ball
as far as they throw it, but they had to choose to throw the ball on this, and I take
my hat off to them because we look at northeast Louisiana as a dying area of our
state. We have a lot of good things, just like Toledo Bend, we’ve got a lot of good
things to offer in northeast Louisiana, too, but the biggest thing we have missing,
especially in the rural area, is the ability to be connected to the world and we’re
excited about the opportunity to provide this service to our membership in
Northeast Louisiana Power Co-op.

COMMISSIONER CAMPBELL: You know what I’m surprised at, and I’ve
been down this road before, you think your take rate can be 60 percent. Mr. Post
yesterday, I asked him, I thought that was ambitious, you know, and I asked him at
CenturyTel, I said what do you think, you think 60 percent? He said I think it’s
entirely possible, and that’s what you want to do. And we are making history today,
this is the first time this has happened in Louisiana. And maybe the other co-ops,
they’ll -- I’m sure you’ll help them if they’re interested. I think this is the way to
go. We spent a lot of time on it. Luke’s done a great job, you’ve done a great job,
and put it all out on the able. This is -- as Jethro would say, this is high ciphering
here. This is not something everybody just gets walking down the street. You had
to have a lot of help to explain it to a lot of people. And I’ve been very dubious of
all this stuff from the very get-go, but I’m convinced today this is the right thing to
do and I hope the other co-ops of Louisiana will look at y’all’s example and I hope
it works because we all hope people in rural Louisiana can be connected, especially
after this COVID deal. We all got a lesson there that they have -- you have to. Kids
are at home, businesses are shut down, this is like the telephone used to be in the
’20s or ’30s, other than when I got phones at Mink, Louisiana back in 2020, they
never had a phone. Anyway, so I would like to make a -- move that we accept the
recommendation of the Commission Staff. And I’m glad to help you. Luke, again,
I want to tell you what a fine job I think you did. You answered all my questions.
I’d call him up and say -- one thing I’d say, look, let’s make sure this damn company
can pay the bills. You say they can buy it, y’all go broke, what’s the deal. I don’t
want to hear about another Cajun.

CHAIRMAN BOISSIERE: Cajun Electric.

COMMISSIONER CAMPBELL: Cajun Electric, right. You know, when they
went broke and they owed the government $4 billion, I’ve been down that
nightmare. But anyway, I’ve been assured these people can pay the money. Plus
they got all the RDOF funds, $100 million, which helps. But anyway, I’d like to
make a motion that we accept Staff recommendation.

COMMISSIONER GREENE: Second.

COMMISSIONER SKRMETTA: And I have a comment.
CHIARMAN BOISSIERE: All right. We have -- yeah. We have --
Commissioner Campbell, are your comments complete?
COMMISSIONER CAMPBELL: Yeah.
CHIARMAN BOISSIERE: All right. Next, we have Commissioner Skrmetta.
COMMISSIONER SKRMETTA: In general, and I had a conversation with you
two gentlemen. You know, I support the general concept of this. But I’ve got some
concerns and maybe it’s not going to fall on you, but the Staff ought to be listening
to this about what we ought to be looking down the road, since we’re going to be
looking at other people. Number one, my major concern about any of this is risk.
It’s not your risk, it’s the risk for the ratepayers, okay. And number one is,
Northeast Co-op is the ultimate guarantor of this money. Okay. Which means your
ratepayers are the ultimate guarantor. So if Conexco or whatever they are fail to do
anything, your ratepayers are the ultimate guarantor of this money. I mean, that’s
just the way it is. They’ve got an opportunity to buy it from you, this other company,
but they can also choose not to buy it from you; is that correct?
MR. PIONTEK: No, Commissioner --
COMMISSIONER SKRMETTA: Are they forced to buy it from you?
MR. PIONTEK: It’s at our discretion, they either have to buy it or lease it from
us for an equivalent amount. That’s our --
COMMISSIONER SKRMETTA: Okay. Well, that’s fine. The other question
is we had the discussion about -- and this is for Staff to look at, is that you’ve got
the potential of people going to take service, right, but right now no one has looked
at pre-contracting as an element of, you know, guaranteeing so much service to be
taken, right. So right now it’s about, you know, people are saying, oh, we want it. And I know they want it, but I think that as we look further down the road with other folks and I think as you look down, you may need to start doing this, but contracts of pledge, contracts of service, that pre-contracting to say when it comes, we will start paying you the $59 a month and we will start doing this, I think is an important element for giving security to the members of the co-op that there’s going to be the revenue stream to take care of this. Another element of this, when we’re talking about y’all doing a $45 million contract is, is this something that should be limited to a board action or should this be a required confirmation vote of the members because for me, I believe the members are de facto shareholders, okay, in that the members should have a say so in something that is a magnitude purchase. They don’t have to come and vote when you buy a new truck or stuff like that, we understand that. But when you’re talking about stepping into the tens of millions of dollars, should there be a call for a confirmation vote of the board actions by the members of the co-op so then later on there’s not any hue and cry from the members that the board did something they shouldn’t have done and the members confirm the actions of the board. And so that should be something that should be looked at, even for yourself, but right -- but for the future, that we should look at having a requirement vote for the members to ensure that this is actually what they want. Because we know what we think they want, but it’s much easier to find out what the members really want when the members vote, okay. The other thing is, what’s going to happen -- is this a bid to provide service or is this a bid to find a way for Northeast to make money, right, through its subsidiary and what happens to the
money it makes as a subsidiary? Does it make a profit, does that profit transfer back to the ratepayers, do they get a benefit on reduction of their electricity rates? And that comes into the next layer which is sort of this board confusion element, and we had a discussion about you’ll have some members of an independent board but you’ll have some members of the common board from, I think it’s like four members from your Northeast board will be members of this new company board, and so what we want to make sure is that there’s no board issue of paying board members more to be on the communications company board and shift revenue, which we’ve seen in some other companies and we want to make sure we avoid that type of thing to where we provide the greatest value of benefits actually go back to the ultimate guarantor, which are the ratepayers of Northeast. So if there’s value coming back, want to make sure that the bills are paid, but anything above the bills being paid ought to be going back to Northeast Co-op and, you know, that money should go back to help buffer and reduce the rates of electricity because if something went bad the other way, they sure would have to have their rates increased to cover the losses associated. So they should get -- the pendulum swings both ways and so that should be there. And I think that’s really where I am on this. I think that, you know, unfortunately the first guy out the gate gets to be the experiment. I certainly think we need to expand broadband services. You said you’re going to do VoIP based telephone services, which is great. But ultimately it comes back to my first statement, which was risk. And like Commissioner Campbell said, nobody wants to see another, you know, Cajun, big Cajun failure, and what I want to make sure is, you know, your contract with Conexon is based
on the contract on the other side, on their potential. Because just because they have
to lease it from you or buy it from you, if they’re not in a condition or something
goes wrong and they can’t do it, you could ultimately still be holding the bag, right.
So then you’re out looking for another suitor, right. So what we’re trying to do is
-- and I think you can temper that by having a security of knowing how many people
are going to take the service. So that really comes down into this sort of pre-
commitment of knowing what you’re going to be able to sell. And I’m reluctant,
but I’m going to vote for this simply because I want to see the services provided,
but what I want to see is these things I’ve been talking about with the Staff listening
to this as we move forward with the co-ops and how they do this, to ultimately
remember that the co-ops are in the business of selling electricity, and there’s a
certain sort of lure of other potential, but that money that’s out there coming from
that ultimately has to find it way back to temper the cost of electricity because that’s
where costs are going to rise and communication costs should not. So we want to
see where that really ends up and we want to look at that over the years as it
progresses, to see how that potential value comes back and helps the ratepayers. So
I’ll be supporting it, but I do want to see how you can take from what I’ve told you
and it’s not really anything you haven’t heard me tell you before, but I would like
to see how we move forward from that to secure those, you know, belt and
suspenders approach to protecting ratepayers and still get you what you want. So
thank you.

**MR. PIONTEK:** Thank you, Commissioner. We’re going to do all we can to
address your concerns and work with you on this.
COMMISSIONER SKRMETTA: Thank you.

MR. CHURCHWELL: You want to -- we did cover some of those and --

COMMISSIONER SKRMETTA: Yeah.

MR. CHURCHWELL: And we’re not -- I mean, we’re, you know, obviously like you said, Commissioner, we are the guinea pig and, you know, I guess that’s sometimes good and sometimes bad. We have covered some of the issues that you -- the risk piece, we think that the buyback agreement is, you know, Luke did a great job making sure that it’s as ironclad as a lawyer can make it to, you know, against another lawyer, so that mitigates the risk piece. The other issue that you brought up was, you know, a vote of the membership. One of the things I’m going to give credit to Commissioner Campbell for, and this was very early on, he said, boy, you go out there and make sure they want to do this, you need to do a survey. So we hired a very reputable gentleman out of Florida. He did a survey of our membership, which is 400 respondents or responses, and it came back overwhelming, 87 percent said that they would, you know, they would choose the service if provided from the co-op versus a competing provider. But we, you know, going to my board and the board members that now serve as managers on the Volt Broadband group, they wanted to know even further. We said we need to know -- our membership needs to know. We have a 5 percent quorum requirement in our co-op that represents about 590 people. We send out ballots to all 11,000 residential members, 11,500. We got 28 -- almost 2,900 responses back, 96 percent voted in favor. And we spelled it out. And it was four simple questions, you know: Do you want us to get into this? Are you for us borrowing $54 million? And we had four
-- six times the number of requirement that would meet a quorum to respond. And so we did that. I’m not saying it’s the roadmap, as other co-ops may or may not choose to do this, but I think we’ve laid the groundwork for how you can approach it. I mean, obviously there’s more than one way to skin a cat, but this is how we chose to skin this cat. The other side, on the profit, it is a for profit. We do intend to within the guise of the rules of non-profits, if we can get, you know, 15 percent and we can draw that in against our revenue on the cooperative side, it will offset. It will go to pay capital credits back, it’ll go to, you know, improve life for the co-op members. So ultimately, to keep our rates as low as they are each and every month, and we’re very proud of how low our rates are to our members are now. So I hope that addresses some of the issues that you have and I do appreciate your concerns.

COMMISSIONER SKRMETTA: Okay. Thank you.

CHIARMAIN BOISSIERE: Thank you. Commissioner Francis.

COMMISSIONER FRANCIS: Mr. Churchwell, is your co-op’s operated out of Winnsboro; is that the main office?

MR. CHURCHWELL: Yes, sir, Winnsboro, Louisiana.

COMMISSIONER FRANCIS: One of the things that’s come up in the past was compensation for board members on co-ops. Will your board members get an increased compensation for taking on this extra work?

MR. CHURCHWELL: The board members that serve on the Volt board do receive a compensation for that, and the reason that is, Commissioner, is because we’re going to have at large board members, and so in order to get qualified board
members, we felt like it was important to pay a small amount. We talked about that
with Commissioner Campbell, and he informed my board president, Weldon Fitch,
he said, well, I know you got to pay them something to get them there, he said just
don’t pay them too much. So it’s a minimal amount of money that they receive to
be on that board.

COMMISSIONER FRANCIS: All right. Will you have a full-blown election for
those board members for this?

MR. CHURCHWELL: Absolutely. Those board members would go through the
same election. If they’re voted off on the Northeast Louisiana Co-op Board then
those would be -- they would be removed from that, from that automatic seat.

COMMISSIONER FRANCIS: All right. One brief final -- most of your lines
will be hung on the poles; is that right? Pole attachments?

MR. CHURCHWELL: Yes, sir. Yes, sir.

COMMISSIONER FRANCIS: Is there compensation, will they be paid, will the
electric co-op be paid for rent on the pole attachments?

MR. CHURCHWELL: Yes, sir, absolutely. We’re going to treat Volt
Broadband, even though it’s our wholly owned subsidiary, just like we would any
other ISP that would come to us. So we’re going to charge a pole attachment fee,
Northeast will charge its subsidiary.

COMMISSIONER FRANCIS: Because those poles belong to the co-op
members.

MR. CHURCHWELL: Yes, sir. 
COMMISSIONER FRANCIS: This is a revenue that goes back to -- from broadband back to the electricity side of the business and we want to be real sure that, in other co-ops as well as yours, that we should have a standard pole attachment to cost and not be playing with the books on, well, we’re going to give a little fair deal here or there for some special reason because this is revenue back to the ratepayers of the electricity because of what we’re doing with broadband. Okay. Thank you.

MR. CHURCHWELL: Thank you.

CHIARMAN BOISSIERE: I’ll let Commissioner Campbell respond.

COMMISSIONER CAMPBELL: I want all of y’all to hear this. This is good medicine for all you utility providers. By the way, their rates this month is 8.8 cents per kilowatt hour, and some of your boys’ rates are not real close to that. Some of them are 12 cents per kilowatt hour, you know, so they’re about 4 cents cheaper than you guys. So think about that. They’re running a real clean shop, and I appreciate you keeping the rates down. Another factor that we ought to realize, and I don’t -- and we’re right here in north Louisiana. Central and north Louisiana, only 3 parishes out of 30 something parishes up here, half the state, didn’t lose population last year. This parish here lost population. Caddo Parish lost population. Caldwell, everybody’s losing population in north Louisiana. We don’t have the industry you have in south Louisiana. We’re hurting up here and we need everything possible to help us. So that’s why it’s so important that we have high-speed internet. We need it more than anybody. And they’re in the poorest part of the state. And to take it another step, those parishes along the Mississippi river are...
the poorest in America, poorer than Appalachia. So we’re talking about poor
parishes, poor people, people needing jobs, and it can’t be done because the first
thing they do when they come in, where’s the high speed internet? So I’m glad that
you’re here today, I think you’ve done a good job. I know the risk is a factor, but
what’s the greatest risk here today is that you don’t get it. That’s the biggest risk
today, is that you don’t get it. And I appreciate the work you did, again, Luke, you
did a great job as a lawyer, answered tough questions, and I promise you, I wasn’t
easy on these folks because I was very skeptical. But I am satisfied it’ll work, I
hope it works and goes well and I hope the other co-ops in the state look at this
model and you get high-speed internet to your folks all over southwest Louisiana,
all over south Louisiana, everybody, if your board wants to do it. But I appreciate
what you’ve done and I move that we accept Staff recommendation.

COMMISSIONER FRANCIS: Churchwell, one last thing. I know a lot of good
folks from the Winnsboro area. I think poor is a state of mind, okay, and I don’t
think they think they’re poor. Okay. All right. Thank you.

MR. CHURCHWELL: Thank you, sir.

MS. BOWMAN: So we have a motion by Commissioner Campbell and I believe
there was a second by Commissioner Greene.

CHIARMAN BOISSIERE: Okay. First of all, I want to thank the Commissioners
for weighing in on this issue so much. I, myself, have been extremely concerned
about how this was going to go and I do remember, not so long ago, we were at this
Commission examining co-ops, their board practices, their practices towards things
such as insurance payments, and much of that came out of -- stemmed from a co-
op or one of the co-ops or some of the co-ops considering getting into broadband. Isn’t that interesting? And I think a lot of the comments that I heard today, a lot of the questions, a lot of the concerns have stemmed from that original event that brings us there today where many of those questions have been answered affirmatively and with great details to get the confidence of the Commission to move forward, which hadn’t happened before, which caused a much greater uproar and action by the Commission to really examine the board practices of our co-ops in Louisiana. I, as well as my fellow Commissioners, are very concerned about many of those things we discussed today and many of those things we discussed a couple of years ago when examining the boards of the co-ops. But at this point in time, as we sit here, we have all not only gone through that period, but we’ve gone through COVID, and for the last several years, if not decades, Commissioner Campbell for sure has been a champion. I know that I’ve worked extremely hard with him to get broadband in the rural areas of Louisiana, and I couldn’t be more supportive of activities to bring broadband to the people of Louisiana who don’t have it. Even going back several gubernatorial administrations, we’ve fought to try to get stimulus money and other things into Louisiana and we didn’t get a lot of support and -- just to get broadband. And with -- I’m glad Commissioner Campbell brought it up. It’s part of what I wanted to say as well, is that because of the COVID outbreak and the shutdown that we’ve experienced the last few years, if broadband wasn’t important before, we realize just how important it is now. As schools were closing, the only way students could get their lessons is by Zoom or computer, virtual classrooms, which require internet connections and broadband. In many
cases, physical contact has been limited so much that people couldn’t walk around and get through grocery stores safely, so things such as delivery, for all it’s worth, all these new tech companies and delivery companies like Amazon, even Walmart, and so many other stores deliver if you sign up and you can order your things online. Just highlighting once again how important broadband is to our daily lives. It’s not just for surfing or playing games on the internet, it affects our daily lives. Many of us couldn’t work, couldn’t go to work but for zoom calls and other different formants to have virtual meetings. Even at this Commission, we had several months of meetings virtually, online until we had a really weird incident.

SECRETARY FREY: We’re not talking about that.

CHIARMAN BOISSIERE: I’m not talking about that.

SECRETARY FREY: It never happened.

CHIARMAN BOISSIERE: I’m not talking about that.

COMMISSIONER GREENE: I will point out they had good internet service in order to do that.

MR. CHURCHWELL: They didn’t live in northeast Louisiana.

CHIARMAN BOISSIERE: No, they didn’t. No, probably not. But I will say this --

MR. CHURCHWELL: We’re exonerated.

CHIARMAN BOISSIERE: And we can highlight the daily activities of people, and I know how important that is, but we also got to realize that’s how business will -- people will conduct business from now on. Learning, businesses, hospitals, things we find extremely important to the daily life of the now and the future, and
so Louisiana can no longer be left behind. The people of Louisiana deserve this.

Now I’m from New Orleans. My district is New Orleans and Baton Rouge. We have broadband in my district. We have thorough coverage. We have competition, we have so much coverage. You can pick one provider or another if you’re unhappy. But I recognize that the rest of the state deserves it, too. It’s an economic tool, an education tool, a health tool, it’s a utility, and we need this. So here we are today with all the questions and the skepticism we may have had throughout those times, I want to thank Mr. Piontek as well as -- I’m sorry, say your name again, from the co-op.

MR. CHURCHWELL: Jeff Churchwell.

CHIARMAN BOISSIERE: Mr. Churchwell from Northeast, for their work in getting this project done. You are the first which means -- I heard the word guinea pig, but in some ways it means you’re the best because you’ve worked to get it done where others have not been as successful. And I don’t know if you’ve given a roadmap, but you’ve reached your destination, or you’re nearly there and we’re with you. And I hope others, be it co-ops or someone else, continue to give us the broadband coverage we need in these rural areas for Louisiana people to be able to enter the 21st century and be able to function in a world that requires broadband and internet service. And some of the risks that I heard, and I share, I really concerned about those as well. At some point, I believe the legal language has been put in place, be it guinea pig or not. It seems to be -- I’ve been satisfied by the things that I’ve heard and been told about this company, but at some point, we have to take the move forward in order to try to get this done. Either this manner or some other, but
we have to try, and I’m willing to take the risks which I think are minimal because of the guarantees in contracts that I’ve heard, and the confidence that I have in this group to get it done. And I hope that others will do the same in other areas that are struggling. So I say all that to say thank you and I appreciate you and you have my confidence and my vote here today.

MR. PIONTEK: Thank you, Chairman.

CHIARMAN BOISSIERE: Okay. Once again, somebody read back to me who did the motion and --

MS. BOWMAN: So motion by Commissioner Campbell and a second by Commissioner Greene.

CHIARMAN BOISSIERE: Great. So I’ll repeat that. Motion -- moved by Commissioner Campbell, second by Commissioner Greene. Any opposition?

[NONE HEARD] Hearing none, so ordered. Thank you, gentlemen.

MR. CHURCHWELL: Thank you.

MS. BOWMAN: Exhibit Number 7 is Docket Number U-36121. This is Deepwoods Utilities’ rate application for increase in water and sewer rates in Caddo Parish. It’s a discussion and possible vote pursuant to Rule 57 on Staff’s report and recommendation at the request of Commissioner Campbell. On July 22, 2021, Deepwoods Utilities filed an application with the Commission seeking an increase in its water and sewer rates. Notice of the application was published in the Commission’s Official Bulletin with no interventions received. Deepwoods currently provides water and sewer service to approximately 216 residential customers in Caddo Parish, and in its application indicated that its requested rate
increase is necessary as a result of increasing cost of operating expenses, salary, and cash reserve to be able to repair or replace any critical infrastructure when needed. And based on the proposed rates in its application, the company seeks a revenue increase of $57,552 per year. Following discovery on the company’s application, Staff filed its report and recommendation into the record on January 14, 2022 and subsequently filed an amended report on April 26, 2022 to correct an omission of a formula on Schedule A. The major terms of Staff’s amended report and recommendation are as follows: That the Commission authorize a return over operations and maintenance of 24.59 percent, and that to achieve that desired return, Staff recommends that the Commission approve rates which will generate additional revenues in the amount of $11,772 compared to the 2020 test year. Deepwoods shall also provide written notice to its customers of the increase in its rates for water and wastewater services no later than 15 days prior to implementing any such rates. Staff recommends that: 1) The Commission exercise its original and primary jurisdiction pursuant to Rule 57 to consider this matter; and 2) Accept Staff’s amended report and recommendation filed into the record on April 26, 2022. So this will need two votes. The first will be a vote to take the matter up under Rule 57.

**COMMISSIONER GREENE:** Motion to take the matter up under Item -- or Rule 57.

**COMMISSIONER FRANCIS:** Second.

**CHIARMAN BOISSIERE:** Moved by Commissioner Greene, second by Commissioner Francis to take the item under Rule 57.
MS. BOWMAN: And I have a motion by Commissioner Campbell that I can read into the record.

CHIARMAN BOISSIERE: Yes. Will you read that, please?

MS. BOWMAN: I will. Motion on behalf of Commissioner Campbell says based on the review of jurisdictional water and wastewater rates in Caddo Parish, which are comparable to Deepwoods, I move to reject the Staff recommendation and instead adopt the following rates, which are more in line with the average rates in the area. That the flat rate for the first 2,000 gallons of water be increased to $12; that the per additional 1,000 gallons rate be increased to $2; and that the flat rate for wastewater customers be increased to $18.

COMMISSIONER CAMPBELL: I make that motion and this gentleman’s been a good operator. He hadn’t had a rate increase since 1995, so he does a good job, I have no complaints. So I would move that we accept these rates that I recommended.

COMMISSIONER GREENE: I’ll second.

CHIARMAN BOISSIERE: Moved by Commissioner Campbell, second by Commissioner Greene. Any opposition? [NONE HEARD] Hearing none, so ordered. Next item, please.

MS. BOWMAN: Exhibit Number 8 is Docket Number U-36124. This is CenterPoint Energy Resources doing business as CenterPoint Energy Entex’s application for renewal of a rate stabilization plan rider. It’s a discussion and possible vote pursuant to Rule 57 on Staff’s report and recommendation, so this item will also need two votes. On July 30, 2021, CenterPoint Energy Resources
1 Corp. doing business as CenterPoint Energy Entex filed an application with the
2 Commission for approval of a renewal in its rate stabilization plan rider for a three-
3 year term. Notice of Entex’s application was published in the Commission’s
4 Official Bulletin with no interventions received. Entex’s RSP was initially
5 authorized by Commission Order U-26720 in Subdocket A, and has subsequently
6 been amended by Order Numbers U-32998 and 34669. The Commission’s most
7 recent earnings review of Entex and most recently approved RSP was adopted
8 pursuant to Order Number U-35739, and established a three-year term of Entex’s
9 RSP, which extends through the test year ending June 30, 2022. Entex’s current
10 RSP allows the company to earn a midpoint ROE and requires a resetting of rates
11 in the event that the test period earnings fall outside of the prescribed bandwidth.
12 After thoroughly reviewing the company’s application and responses to data
13 requests, Staff filed its recommendation on February 25, 2022, finding that Entex’s
14 request to renew its RSP is in the public interest, subject to certain conditions. And
15 on March 23, 2022, Entex filed correspondence into the record of the matter
16 indicating that it has no opposition to Staff’s recommendation. As there are no
17 unresolved issues, Staff recommends that the Commission: 1) Exercise its original
18 and primary jurisdiction under Rule 57 to consider the Staff report and
19 recommendation; and 2) Approve that report and recommendation filed into the
20 record on February 25, 2022.
21 
22 **COMMISSIONER GREENE:** I motion to take the item up under Rule 57.
23 
24 **COMMISSIONER SKRMETTA:** Second.
CHIARMAN BOISSIERE: Moved by Commissioner Greene, second by Commissioner Skrmetta to take the item up under Rule 57.

COMMISSIONER FRANCIS: I make a motion that we accept the Staff recommendation.

COMMISSIONER GREENE: Second.

CHIARMAN BOISSIERE: Moved by Commissioner Francis, second by Commissioner Greene to accept Staff’s recommendation. No opposition? [NONE HEARD] Next item.

MS. BOWMAN: Exhibit Number 9 is the sister docket. It’s Docket Number U-36126. This is CenterPoint doing business as Energy Arkla, and it’s a application for a renewal of rate stabilization plan rider. It’s a discussion and possible vote pursuant to Rule 57 on Staff’s report and recommendation, so this will also need two votes. Energy Arkla filed its application with the Commission for approval of renewal of its rate stabilization plan rider for a three-year term and the notice was published in the Commission’s Bulletin with no interventions being received. Arkla’s RSP was initially authorized by Order Number U-27676 and it has subsequently been amended by Order Numbers U-32996 and U-34667. The most recent earnings review of Arkla was adopted pursuant to U-35740 and established a three-year term of Arkla’s current RSP, extending through the company’s test year ending June 30, 2022. Arkla’s current RSP allows the company to earn a midpoint ROE and requires a resetting of rates in the event that the test period earnings fall outside of the prescribed bandwidth. After thoroughly reviewing the company’s application and responses to the data requests, Staff filed its
recommendation on February 25, 2022, finding that Arkla’s request to renew its RSP is in the public interest, subject to certain conditions. On March 23, 2022, Arkla filed correspondence into the record on the matter indicating it had no opposition to Staff’s recommendation. As there are no unresolved issues, Staff recommends that the Commission: 1) Exercise original and primary jurisdiction under Rule 57 to consider the Staff report and recommendation, and 2) Approve the report and recommendation filed into the record on February 25, 2022.

COMMISSIONER GREENE: Motion to take the item up under Rule 57.

COMMISSIONER SKRMETTA: Second.

CHAIRMAN BOISSIERE: Moved by Commissioner Greene, second by Commissioner Skrmetta to take it under 57.

COMMISSIONER GREENE: Motion to accept Staff recommendation.

COMMISSIONER FRANCIS: Second.

CHAIRMAN BOISSIERE: Moved by Commissioner Greene, second by Commissioner Francis to take the item under -- I mean to accept Staff recommendation. Do we have any discussion on this one?

COMMISSIONER SKRMETTA: One thing, Mr. Chairman, I’d like to ask Francisca Comeaux to come up, please.

CHAIRMAN BOISSIERE: Okay. Are you going to steal my thunder?

COMMISSIONER SKRMETTA: I’m not. I’m just bringing her up. You can go thunder away.

CHAIRMAN BOISSIERE: Go ahead.

COMMISSIONER SKRMETTA: We’ll put this in the Chairman’s hands.
CHAIRMAN BOISSIERE: No, no, no. Please, please. It’s okay.

COMMISSIONER GREENE: I’ll take over.

COMMISSIONER SKRMETTA: We just wanted to wish you aloha.

MS. FRANCISCA COMEAUX: Francisca Comeaux with CenterPoint. Aloha.

[INAUDIBLE] and goodbye.

COMMISSIONER SKRMETTA: Aloha. And wish -- and thank you for all your years of service and know you’re going to be coming back but -- you know, we know you’re leaving and going home, but we know you’re probably are going to at some point say yeah, I want to go back to work. So we’re just going to welcome you back, but want to thank you for everything you’ve done.

MS. COMEAUX: Thank you.

COMMISSIONER GREENE: Well done.

CHAIRMAN BOISSIERE: Commissioner Francis. Commissioner Francis, Commissioner Campbell any words?

COMMISSIONER CAMPBELL: You’re going home with your children?

That’s a --

CHAIRMAN BOISSIERE: That’s a job.

COMMISSIONER CAMPBELL: -- valuable to your kids and you. You won’t regret it. It’s a great thing. And thank God you got a husband that can afford you to go [INAUDIBLE].

COMMISSIONER SKRMETTA: Well, I wouldn’t say that.

COMMISSIONER CAMPBELL: That makes it a lot better when you can afford to go home, and your kids will be the beneficiary of that. No doubt about it.

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CHAIRMAN BOISSIERE: Francisca is a -- Francisca Comeaux is -- in case you haven’t figured it out, is leaving after this B&E, will soon to be leaving her position with the company representing CenterPoint in this one and her other position that she -- right now, and take a little sabbatical if you will, a little time off if you will. So we’ll be missing her around here in short, in case you hadn’t figured that out yet. And we just wanted to come up here and thank her for her service. I want to thank you for service. It’s always a pleasure to meet with you. You’ve always been -- the first time you worked over here at the Commission and then the second time you worked at the Commission.

COMMISSIONER SKRMETTA: And the third time.

CHAIRMAN BOISSIERE: There’s been three already? Okay. The third time. And you’ve always been respectful. You’ve always been prepared. You’ve always represented your company well, and you’ve always worked with the Commission as we always try to help the public and the people and the businesses of Louisiana survive through utility work. And you have been conscious and aware of the total landscape since you joined the Commission shortly after law school. I think you - - Mr. Shirley even learned a little bit from you over the course of time.

COMMISSIONER SKRMETTA: Yeah, you helped John Shirley over rough patches.

CHAIRMAN BOISSIERE: And we thank John Shirley for bringing her in to the fold at some point, and then -- long and short of it all, we just want to thank you and tell you how much we appreciate you and wish you well and good luck with those beautiful babies and everything else you decide to do. Commissioner Francis.
COMMISSIONER FRANCIS: I’ve just noticed someone real special is here today, is Secretary of the Wildlife and Fisheries is Jack Montoucet. Is that you back there, Jack? All right. Jack, come up here, come up front.

COMMISSIONER GREENE: He’s going to see how many fish you catch this afternoon, Mike.

COMMISSIONER FRANCIS: Yeah. Down in our country, we call him the alligator man, but we’re real proud of Jack and his service to the Wildlife and Fisheries. So just say a couple of words, Jack. Welcome to Toledo Bend.

MR. JACK MONTOUCET: Thank you so much, Mike. Mike’s one of my old constituents from my days in the legislature. So -- but I just wanted to come and show my face. I have a meeting here with the sheriff in a few minutes, but found out y’all were meeting here. Glad to have y’all over here. You know, I have a house here, not far from here. So I spend a lot of time here. I’ve been here for about 24 years.

COMMISSIONER FRANCIS: Wow.

MR. MONTOUCET: So Toledo Bend is special to me. And when I found out y’all were meeting, I said maybe I need to get in there and tell those guys, you know, we have limits on this lake. If you happen to catch one or two more that you didn’t count, just give me a call and we’ll see if we can’t work that out. Okay?

COMMISSIONER SKRMETTA: Better be talking to Mike.

MR. MONTOUCET: The fines aren’t too, too bad, okay, so.

COMMISSIONER GREENE: Does it matter if we caught it on the Texas side of the lake?
MR. MONTOUCET: No, it’s certainly a pleasure to be here. We have a -- you know, this is an awesome resource the state has here, one of the biggest lakes in the country, probably in the top five. And it’s certainly an awesome place to visit. We’ve got a lot of people that come here. We try to do a lot of things to enhance that, especially with the fisheries that we have here. Toledo Bend has been one of the great lakes when it comes to bass fishing and we’re going to continue working with the Sabine River Authority and the folks here to make sure that our Sportsman’s Paradise stays alive and well. So glad to have you guys, man. It’s nice to see y’all over here. Thank y’all so much.

COMMISSIONER FRANCIS: All right. Thank you for your public service. Thank you for putting those fish in the Mermentau River, too. That’s, you know, we’re looking forward to that.

MR. MONTOUCET: Don’t say that too loud because they’re going to be screaming for some here.

COMMISSIONER FRANCIS: Okay.

MR. MONTOUCET: Thank y’all, sir.

CHAIRMAN BOISSIERE: Did we finish the last one?

MS. BOWMAN: We did. We’re on to Exhibit Number 10.

CHAIRMAN BOISSIERE: Next. Okay. Let’s move on.

MS. BOWMAN: Which is a FERC Docket Number PL21-3-000. This is the FERC’s consideration of greenhouse gas emissions and natural gas infrastructure project reviews, and it’s a discussion and possible vote to retain Stone Pigman. And pursuant to discussions had with the Commission, Stone Pigman was directed to
submit a budget for monitoring and filing comments in FERC Docket Number PL21-3 concerning proposed policy on the approval for evaluating proposals for new natural gas pipeline and liquefied natural gas facilities. The FERC proceeding could affect Louisiana utilities that use natural gas to generate electricity and purchase natural gas from pipelines. While the scope for the entire docket is unknown at this time, Stone Pigman submitted a budget for the 2022 comment process in the amount of 47,000 in fees and 1,000 in expenses. Further, as this is an estimate, Stone Pigman agrees to provide updated estimates as necessary, including justification for any increases, subject to the Commission’s approval. Staff recommends that the Commission approve Stone Pigman’s budget in the amount of 47,000 in fees and 1,000 in expenses to assist the Commission in FERC Docket PL21-3.

COMMISSIONER GREENE: Motion to accept Staff recommendation.

COMMISSIONER FRANCIS: Second.

CHAIRMAN BOISSIERE: Moved by Commissioner Greene, second by Commissioner Francis. No opposition. Item is approved.

MS. BOWMAN: Moving on to Exhibit 11 is our reports, resolutions, and discussions. Under reports we do have one update, which is from Staff and Entergy Louisiana regarding Docket Number U-35991, and this was Exhibit 16 on March’s agenda.

COMMISSIONER GREENE: Can you give us an update -- yeah.

MR. ZIMMERING: Thank you, Commissioners. Good morning. Paul Zimmering again. Two months ago in New Orleans, the Commission approved the
revenue requirement and financing orders for Entergy Louisiana’s storm costs related to Hurricanes Laura, Delta, Zeta, and Ida and Winter Storm Uri. If you’ll recall, there was a glitch in the way the payments were going to be made such that the first year’s payments were going to be significantly higher than they would in subsequent years and you asked the Staff to go back and find a solution to this. We worked with Entergy. We reported to you last month that we found the solution, such that the costs on the bills would be, in fact, levelized, but we wanted to get all the parties to the docket to sign onto that. And I’m happy to report that we have reached agreement with all the parties. We’d like to thank ELL, the Alliance, Marathon, Walmart, and the LEUG and particularly thank the Commission for their indulgence in waiting on us to get this done.

CHAIRMAN BOISSIERE: Thank you for your work on this one. Commissioner Greene.

CHAIRMAN GREENE: Well done. Good job.

MR. ZIMMERING: Thank you.

CHAIRMAN BOISSIERE: Thank you, sir. Next one, please.

MS. BOWMAN: I want to go back to Exhibit Number 9, which is CenterPoint’s Arkla’s application for renewal. I just want to clarify that we did have a motion by Commissioner Greene and a second by Commissioner Skrmetta for Rule 57, and then we had a motion by Commissioner Greene and a second by Commissioner Francis to accept Staff’s report and recommendation, but I don’t believe we actually made sure there was no opposition. So I just want to clarify that for the record.

CHAIRMAN BOISSIERE: You are absolutely right. We started the discussion.
COMMISSIONER SKRMETTA: Do we need to call the vote?

CHAIRMAN BOISSIERE: So did we have any opposition? I don’t think we had -- yeah, I think -- I think we didn’t have any opposition, but if you need me to read it again, I’ll do that.

MS. BOWMAN: No. I just want to -- because I know we called Francisca --

CHAIRMAN BOISSIERE: I understand.

MS. BOWMAN: -- so I just wanted to make sure everyone was --

CHAIRMAN BOISSIERE: How would you like us to correct it?

MS. BOWMAN: No opposition. Perfect.

CHAIRMAN BOISSIERE: No opposition. Of course. Okay.

MS. BOWMAN: Moving back to Exhibit Number 11, under discussions there’s a discussion regarding General Order dated November 16, 1972 and late fees charged by jurisdictional utilities, and this was at the request of Commissioner Campbell. And this was Exhibit 16 last month.

CHAIRMAN BOISSIERE: Late fees, utility late fees.

COMMISSIONER CAMPBELL: Yeah. What about that? What are we doing? I want to look at that.

MS. BOWMAN: Okay. So we have a General Order dated 1972 that has that all the utilities should charge no more than 5 percent. All utilities charge various amounts. It’s not a set 5 percent rate.

COMMISSIONER CAMPBELL: Yeah.

MS. BOWMAN: I just wasn’t sure if you wanted -- if you wanted to just discuss that or did you want us to look at the order.
COMMISSIONER CAMPBELL: Yeah. I would like to discuss it because we’ve had some problems with late fees on some -- I think they ought to sort of be uniform, basically, late fees. I don't know. Different companies do different things. Some of them are extremely high. Could we look at that?

SECRETARY FREY: Sure.

COMMISSIONER CAMPBELL: For next month and see about what we’re doing with late fees. Some of them are, I think, out of line.

SECRETARY FREY: It’s -- briefly on that, we have an order. It’s an old order. It goes back to the ‘70s that capped it at 5 percent. But to your point, not every utility charges 5 percent, so we can look into that, see who charges what.

COMMISSIONER CAMPBELL: Yeah. I’ve had several complaints. Some -- I mean, I forget exactly but some of them seem extremely high. Some companies, they’re doing different things. Look like we ought to have some kind of uniform rule what you can charge on late fees because of all the problems we’ve had in the state, we’ve had people with late being able to pay the bill and then they get hit with a big late fee. It just makes it worse. But I don't know, maybe it’s in line but I’d like to look at it. I’d like to see what these companies are charging and see if we can’t come up with something reasonable and tell them this is what you can charge and this is what you can’t charge.

CHAIRMAN BOISSIERE: Brandon -- I’m sorry, Secretary Frey, would you feel it’s better to open a docket or what is the best mechanism to help Commissioner Campbell achieve his goals on this one?
SECRETARY FREY: I think what we can do, initially, is kind of survey where we are and then based on what we see there, if we do want to ultimately change it, yes, we’ll have to open a docket because it’s a general order so we’ll have to modify that, but.

CHAIRMAN BOISSIERE: Well, if you would let me to interject on this a little further, how about if you and I and Commissioner Campbell discuss this over the next 30 days and we readdress it in the next B&E and come up with a course of action?


CHAIRMAN BOISSIERE: All right. Great job.

COMMISSIONER CAMPBELL: It might not be that big a deal, but what I’ve heard, some of them are extremely high. And I’d like to know what companies charge for late fees and how they really handle that, you know, because I think they all have a different rate, a way of handling it, and since I have three companies in my area, SWEPCO, Cleco, and Entergy plus three co-ops, I’d like to sort of know what’s going on.

COMMISSIONER SKRMETTA: See if they conform to the general order in the first place.

CHAIRMAN BOISSIERE: Right. Right. All right. Well, let’s move on to the next one, please.

MS. BOWMAN: So still under Exhibit Number 11, there’s a intervention ratification. It’s a discussion and possible vote to ratify LPSC interventions in RTO or ERSC related FERC proceedings. This matter is on the agenda for ratification.
pursuant to the scope of work approved in connection with the retention of Stone
Pigman and United Professionals Company at the February 2021 Business and
Executive Session for MISO, SPP, and ERSC participation. Interventions were
filed on behalf of the Commission in FERC Docket ER22-1493 on April 19, 2022.
This intervention was filed for the purpose of monitoring issues related to MISO
and/or SPP and/or filed at FERC by a regulated utility which impacts joint
regulators. Staff recommends that the Commission ratify and/or authorize this
intervention.

COMMISSIONER SKRMETTA: Move to ratify.

CHAIRMAN BOISSIERE: Moved by Commissioner Skrmetta.

COMMISSIONER GREENE: Can I second or is it OMS?

COMMISSIONER SKRMETTA: No, it’s not OMS.

MS. BOWMAN: No, you can second.

COMMISSIONER GREENE: I’ll second.


MS. BOWMAN: Still under Exhibit Number 11, there’s an OMS ratification. It’s a discussion and possible vote to ratify the vote taken by Commissioner Greene acting at the Commission’s representative on the Board of Directors of the Organization of MISO States. And Staff followed the protocol set forth in Special Order 17-2019 to consult with the executive secretary and the chairman and to make a recommendation to Commissioner Greene prior to the votes. The protocols also
require the Commission ratify any votes taken at a following B&E. The vote to be ratified is summarized as follows: OMS held its monthly board meeting on April 14, 2022 and there was one business action item for the April meeting, which was a vote on proposed comments for filing in FERC Docket AD22-5 which was dynamic line rating notice of inquiry. Dynamic line rating requires the installation of monitoring equipment to transmission lines and towers to measure in real time the thermal capabilities of transmission in order to allow for the more efficient use of existing transmission resources. The proposed OMS comments support the use of DLR where it would be economically beneficial where congestion is a consistent problem but not as a blanket requirement. The comments point out that the costs of the DLR equipment will fall on retail rates even though the benefits will may be realized by others as well. At the recommendation of Commission Staff, Commissioner Greene voted to support the comments. And Staff recommends that the Commission ratify Commissioner Greene’s vote taken on April 14, 2022 as the Commission’s representative to the OMS Board of Directors.

COMMISSIONER SKRMETTA: Move to ratify.

CHAIRMAN BOISSIERE: Motion by Commissioner Skrmetta and this one Commissioner Greene has to abstain.

COMMISSIONER CAMPBELL: Second.


MS. BOWMAN: So under Exhibit Number 11, there are two directives. The first is a directive to Staff regarding the cancellation of authority of regulated carriers
with multiple violations. This was at the request of Commissioner Skrmetta. This was Exhibit 18 on March’s agenda. And the directive is as follows: After reviewing the record of recent transportation citations, it appears that no Commission policy exists for when Staff should pursue the cancellation of a regulated carrier’s authority for certain violations. Therefore, when issuing citations to regulated common carriers, I direct Staff to seek cancellation of the carrier’s authority when that carrier has committed three violations of the Commission’s rules, regulations, or the relevant statutes in Title 45 within a three year period. Citations resulting from a regulated carrier’s failure to file an annual report, maintain insurance on file, obtain vehicle or driver stamps, or any other administrative citation would not be included in this three violation count.

COMMISSIONER GREENE: I have a comment and a question. So at this point -- and I think it’s directed to you, Justin; is that right, that y’all can cancel somebody whenever you want. Would this be helpful to provide y’all some guidance? And also would it be a possibility to have a database where people if they’re going to hire a company, they could Google or find out how many violations the potential company they might hire has had so that that could be public information?

MR. JUSTIN BELLO: Commissioner Greene, Justin Bello on behalf of Commission Staff. For the first question, the -- at this time, the Commission Staff can seek cancellation of a carrier for a single violation. This would, as you indicated, just give a little more clear guidance on when we would do that. As to the database, we do have, as you know, our public facing database, we do not have
a single document with the number of citations. That’s something that we can work on and report back to you.

COMMISSIONER GREENE: Do you think that this -- if someone had three violations and they were cancelled, could they come back a year later or, like, if they wanted to reapply for a -- for the licensure, could they?

MR. BELLO: Pursuant to the directive, there’s not a certain time within which they would have to come back, so. [INAUDIBLE]

COMMISSIONER GREENE: But they would lose it and have to go through the process of reapplication if they wanted it?

MR. BELLO: That’s correct.

COMMISSIONER GREENE: How many have we cancelled in the last five years?

MR. BELLO: For overcharging or any citations?

COMMISSIONER GREENE: Violations.

MR. BELLO: Violations like that, excluding failure to have insurance or annual reports, I haven’t -- any cases I’ve been involved with, I have not closed out any authority.

COMMISSIONER GREENE: So I know there’s a concern about how this could be overregulation but I think -- let me ask you this. If this rule were in place for the last five years, how many would have been cancelled?

MR. BELLO: I’d have to go back and look at that. I can’t tell you off the top of my head.
COMMISSIONER GREENE: I mean, do you find this rule necessary, that there are people that are four time offenders?

MR. BELLO: We do have companies that we see. We have, for example, towing companies and household good companies that are repeats, for lack of a better word. They do come up. Whether they hit three or not, I’d have to look at the numbers to tell you that.

COMMISSIONER GREENE: It seems like it would be helpful for people to know what the enforceable line to cross is.

MR. BELLO: Yes, sir.

CHAIRMAN BOISSIERE: Commissioner Campbell.

COMMISSIONER CAMPBELL: Don’t you charge them a fine for doing this?

MR. BELLO: That’s correct.

COMMISSIONER CAMPBELL: Y’all in the money business. You just charged one of my clients -- I mean, one of my constituents 25,000. So I mean, big deal if -- I mean, I understand somebody breaks -- why you take his license away from him because he has three violations, if they man pays you what you tell him to pay. How much -- don’t you charge him more for every time he has a violation?

MR. BELLO: That’s correct, Commissioner. As the citations -- or there’s more than one --

COMMISSIONER CAMPBELL: Well, help me a little bit. I do something wrong, I’m hauling something I shouldn’t be hauling, what’s the first fine? How much money?
MR. BELLO: Usually for a waste hauler, we do a 2,000 -- if they stipulate, if they settle with us, we do a $2,000 fine with half of that fine suspended per count.

COMMISSIONER CAMPBELL: So you can get -- $2,000 one violation, second one another 2,000 or do you --

MR. BELLO: It would depend on the scenario, but normally they do go higher; that's correct.

COMMISSIONER CAMPBELL: And then another 2,000. I'm not for this. I don't want to take somebody’s license because they’ve had three violations. Charge the hell out of them and let them pay it.

COMMISSIONER SKRMETTA: Well, then just to add into this, then it just encourages them to build in the fines into the cost of operation and just lets them promote violations. That’s the whole issue. The Staff came up with the concept of three violations. I’m okay with coming up with a rulemaking to find out what’s the critical point, but at some point, you got to not let people who are the constant violators continue to operate and do the job. Otherwise, they just build it in to their operations and then just consider it a cost of doing business to do the wrong thing.

COMMISSIONER CAMPBELL: I’m trying to understand what you’re saying.

COMMISSIONER SKRMETTA: Well, let me put it very clearly. If a guy knows that he can keep breaking the rules, get fined, and find ways to get those costs built in to doing it and he knows he can only get caught so many times and keep doing it, then there’s no incentive for him to stop breaking the rules because he can just keep going. But if he knows he’s going to lose his license if he breaks the rules, then he’s going to not do the thing that causes a violation in the first
places. That’s the problem, is that by not having a cut off point, you encourage
them to continue finding ways to continue the violation.

CHAIRMAN BOISSIERE: It’s --

COMMISSIONER SKRMETTA: If you go to traffic court and you constantly
are doing stuff, eventually the judge takes your license away from you. That’s just
the way it is. And they may suspend it. They can cancel it. They can do a bunch
of different stuff. What we’re doing here, is telling him, you want to go a hundred
miles an hour, go ahead. And here’s your fine. You want to keep going it, then the
guy goes, you mean, all I got to do is pay money and I can keep doing this. Well,
this is great. So they’ll just keep doing it, and eventually they don’t get caught. So
that’s the problem. So, you know, this is a Staff generated concept of what could
be the number, but if you want to open a rulemaking for it, that’s fine, but
eventually, you know, it’s sort of comical to think that there’s no end to allowing
violations. That’s the problem.

COMMISSIONER FRANCIS: Mr. Bello, this authority these people have that
we’re talking about, is that what they call that Rolex authority or that Cadillac
authority?

MR. BELLO: It could be, Commissioner. It could be.

COMMISSIONER FRANCIS: Okay. So they got plenty of money, you know,
I say we keep fining them, you know.

CHAIRMAN BOISSIERE: If it’s all right for me to jump in here, I’ll ask the
author, Commissioner Skrmetta, a few questions about it because I’m concerned
about it to some degree.
COMMISSIONER SKRMETTA: I’ll make it real simple since everybody thinks that what we should do is let violators keep violating, I’ll withdraw it.

CHAIRMAN BOISSIERE: No, I don’t -- first of all, that’s not my question.

COMMISSIONER SKRMETTA: Okay. Well, go ahead.

CHAIRMAN BOISSIERE: And second of all, that wasn’t my attitude about it.

COMMISSIONER SKRMETTA: That’s fine.

CHAIRMAN BOISSIERE: Okay. So I just want to be clear and you can hear the tone of my voice is very calm and understanding like everyone else wants to -- really who may be reacting to [INAUDIBLE] --

COMMISSIONER SKRMETTA: I got it.

CHAIRMAN BOISSIERE: What I -- no, really, let’s -- I really want to -- I’m asking you because I know there’s a reason you did it so I want to understand it better. First of all, I didn’t hear anybody say we want more people to violate. That’s not what’s going on here. I did hear that this was Staff generated. Did Staff generate this?

MR. BELLO: Commissioner, we worked with Commissioner Skrmetta’s office and we came up with the three -- three year three violation time frame.

CHAIRMAN BOISSIERE: So Staff asked Commissioner Skrmetta to do this?

COMMISSIONER SKRMETTA: No. We said it during an open meeting and I asked the Staff to come up with a plan --

CHAIRMAN BOISSIERE: Okay.

COMMISSIONER SKRMETTA: -- during the open meeting and they came up with a plan.
CHAIRMAN BOISSIERE: Okay. Well, I understand that. Okay. Let’s start off with the first question I think I heard, does the ALJs currently who would hear cases like this have the authority to take someone’s license now?

MR. BELLO: Yes.

CHAIRMAN BOISSIERE: Okay. So nobody thinks you can come here and violate forever and not have -- just like you mentioned, a traffic court judge, they don’t necessarily have a three strike rule. This is what it reminds me of, three strike rule. It also reminds me of mandatory minimums. It sounds like a lot of things we’ve done in criminal justice that have sometimes backfired or not been great criminal justice practices, so I just want clarity on it. If we have the authority to do it anyway, then why don’t we do it? And if we do create a rule like this, do we then limit the judge’s or the ALJ’s opinion or authority in forcing their hands to make decisions they otherwise didn’t have to make. If it can be solved by fines, just -- if the whole rule is just a directive, then there’s a lot of vagueness to it. For example, you mentioned there can be three violations on one stop. He could not have his insurance, maybe didn’t have proper authority or, you know, or damaged some goods for -- well, he -- somebody could lose a license on one -- moving one piece of furniture and completely out of business. And I don’t know that we ought to be in the business of putting people out, but at the same token, I don't think anybody heard me say I want people to violate rules. That’s not what this is. We have an ALJ system. We have a system of rules and fines already in place. I think maybe someone should talk to ALJs about being more -- considering the fines and the remedies or the consequences for breaking rules a little more seriously but by no
means do we want this to happen. I remember when I first came on the
Commission, we had a real problem with illegal movers, and it may still be
somewhat of a problem. And we jumped through a million ways to solve that. But
we -- where we could, we did remove people and we found other ways to get it
done. I just think that -- I don’t want to limit us by creating parameters that
sometimes better judgment has no room in. You’ve mentioned we’ve already
taking some people’s licenses in this past year, when Commissioner Greene was
asking questions. So we have the authority to do that if the violations seem to call
for it now. I’m only raising those issues because all I have is this one line here to
read and it just doesn’t fill those gaps enough for me.

COMMISSIONER SKRMETTA: Mr. Chairman.

CHAIRMAN BOISSIERE: Yes, sir.

COMMISSIONER SKRMETTA: I withdraw my directive, so we can end this.

CHAIRMAN BOISSIERE: It’s not a bad idea. I just think it needs --

COMMISSIONER SKRMETTA: I think it’s a terrible idea at this point because
clearly I don't think that it’s given -- being given fair consideration and
understanding, so I don’t want to promote a elongated argument when I don’t think
that there’s an understanding that we have habitual violators who are not being
looked at for removing their licenses either by the ALJ and they just are basically
saying we’ll just keep paying the fines and do what we do wrong and harming the
customers and consumers of the state and we’ll just not do it. So I’m just going to
pull the directive. If there’s -- there’s already opposition to it, we’re not going to
have a vote on it that’s going to pass, so I’m just going to pull it. You can open up
a rulemaking on it, you can do something else, or you can do it under your own
direction, but I’m just going to pull the directive.

COMMISSIONER FRANCIS: I second that.

COMMISSIONER SKRMETTA: There’s no second. I’ll just pull it.

CHAIRMAN BOISSIERE: All right. Well, at this point, the Chairman’s going
to jump in and say to Commissioner Skrmetta, the idea is not a bad idea, I just think
it needed more development and discussion. I’m not opposed to it necessarily. I
just think it deserved to be more developed and I had questions I needed to satisfy.
I didn’t expect you to pull it. I don't know that it would pass or fail if it were brought
to a vote. I just thought in a open meeting as we do at the Commission that we do
it. It is absolutely, 100 percent your prerogative to issue it as it is to pull it and I
respect that. But the discussion, and you’re right, it’s been raised and it’s necessary.
And so let’s continue to meet with Staff and see what we can do to help solve this.
If we need more rules, if we need more remedies, let’s put them in place because
our job here at the Commission is to help the public. We, through these things, as
far as movers, truckers, carriers -- is it, what, regulated carriers, that’s an important
part of what we do here. We talk about energy and power and water all the time
and broadband, but carriers is a big deal to us as well. We need to be able to have
clear rules and understandable rules for not only the public, for the businesses to
follow and that’s all I was trying to do here today. But let’s move on to the next
one.

MS. BOWMAN: We have --
CHAIRMAN BOISSIERE: That does not require a vote. I think that has been pulled or pulled by Commissioner Skrmetta. I hope you and I can continue to have this discussion. Let’s go to the next one, please.

MS. BOWMAN: We have one more directive under Exhibit Number 11. It’s a directive to Staff to open a rulemaking regarding notice provided in connection with rate filings. This is at the request of Commissioner Skrmetta. The directive is as follows: I direct Staff to open a rulemaking or expand the scope of any existing rulemaking to consider and propose draft rules that ensure notice of rate filings with the Commission is provided to local elected officials in the area in which the proposed rate would be implemented.

COMMISSIONER SKRMETTA: Secretary Frey can explain.

SECRETARY FREY: So Commissioners, we had a situation -- I’m going to try to be diplomatic and explain this -- happen where there was a rate case the Commission voted on using our practice and unfortunately, people on the outside don’t understand our practice and what all goes into setting rates, et cetera. But as I appreciate it, some local officials were upset enough that it resulted in legislation being filed that was very bad legislation. We -- myself, representatives of some of the companies, Commissioner Skrmetta met with the representatives and talked to it. And what came out in the discussion, the primary concern was people not being aware of when rate cases are filed, and even though we follow the requirements in the constitution and publish it in the official journals as well as on our website, this would give another level of notice, potentially. But it’s a rulemaking so it’s -- you know, ultimately, we have to vote on it, so that’s -- that’s the point of this directive.
COMMISSIONER CAMPBELL: Explain this to me. We going to have to -- on rate cases?

SECRETARY FREY: Yes.

COMMISSIONER CAMPBELL: You’re going to have to notify every public official?

SECRETARY FREY: It would -- well, that’s -- that would be the subject of the rule. We don’t have the rule yet. That’s going to be discussed in the rulemaking, what officials would be notified or not.

COMMISSIONER CAMPBELL: Well, that would be like when I was in the senate, I’d have to file every bill that I’m going to do with all the public officials, mayors and all that, you know, I mean. This is a body here that we have certain parameters. That’s what we do. Now, we’re going to have to -- our business we have to okay it with all the mayors and all the city councilmen and all the police jury members and all the school board members? That’s where we’re headed here?

SECRETARY FREY: No. I don’t think so. It’s ultimately going to be what we vote on in the rulemaking, assuming we go forward with it, but it’s -- the way I anticipated it would be the utilities themselves notify. But like we have a rulemaking open right now that the Commission has looked at in the past to consider requiring the utilities to notify every customer of a rulemaking.

COMMISSIONER CAMPBELL: Look, look, I understand about -- I voted for every open meeting law from 1976 on. I’m for that. But when you run for the Public Service Commission, there’s certain jobs you have to do here. I don’t know anything that we do -- everything’s in open. They can get on the -- look you up on
the internet. Lord knows I’ve put out more press releases than everybody up here put together, three times. I tell everybody what I’m doing. But I don’t want to have to -- I don’t think it’s our job to tell the police jury, the school board member, the city council member, the justice of the peace, the sheriff, the clerk, the tax assessor, the district attorney -- they don’t give a damn about all that, if we filed a -- they want you to do your job and if they don’t like it, it’s going to be in the paper. They can criticize you. But why in the world would I have to file all this? Then if I -- if the district attorney wants to -- he’s got to file all this stuff with me and then a judge got file all his court cases with me. I just -- I don't think it’s a good idea. I think it’s super duper government over reach.

COMMISSIONER SKRMETTA: Because it’s a directive, there’s opposition to it --

CHAIRMAN BOISSIERE: Okay. Let’s let it play out a little bit for here now. Thank you, Commissioner Campbell. Brandon, let -- Secretary Frey, let me ask you a question here. Can you briefly describe -- you mentioned legislation that came from this. What was that legislation trying to do?

SECRETARY FREY: The legislation, if -- and it’s my understanding that the author is not moving forward with the legislation, partially because of the meeting we had, but -- and, look, I put on my former executive counsel hat --

CHAIRMAN BOISSIERE: Absolutely.

SECRETARY FREY: I think -- I think anything -- and I’ve told this to them. I think anything that’s passed in Title 45 that purports to regulate the Commission is
unconstitutional. Do we want to go to court and sue them every time? We’ve done it a few times. That’s not the preference --

CHAIRMAN BOISSIERE: Well, tell me, generally, the language that the --

SECRETARY FREY: So this legislation --

COMMISSIONER CAMPBELL: And who was the guy, too, if you don’t mind.

SECRETARY FREY: It was Representative DuBuisson.

COMMISSIONER CAMPBELL: Who?

SECRETARY FREY: Representative DuBuisson.

COMMISSIONER CAMPBELL: Where is he from?

SECRETARY FREY: She is from St. Tammany Parish.

COMMISSIONER CAMPBELL: Saint where?

SECRETARY FREY: St. Tammany Parish. The legislation would require all public utilities and common carriers to file or to provide to all affected customers notices of any changes of rates, including the existing rates, the proposed rates, the rate schedule, the rationale, et cetera, which clearly was an issue, but we were able to say look, we -- once we had a meeting and explained what all we looked at, I think we alleviated a lot of those concerns but it was still some, so.

CHAIRMAN BOISSIERE: Okay. How was that supposed to happen, by publication in the newspaper or --

SECRETARY FREY: No. It would have been through -- it would have been a required notice that -- through mail, I think is what it said, yeah.

CHAIRMAN BOISSIERE: Through snail mail?
SECRETARY FREY: Yeah. The utilities would have to provide that, so if Entergy was applying to increase it rates, it would have to send a mailer to every customer is what the legislation would have required.

CHAIRMAN BOISSIERE: Okay. Okay. That seems a lot -- like a lot.

SECRETARY FREY: Agreed.

CHAIRMAN BOISSIERE: But there are other methods of notice --

SECRETARY FREY: Correct.

CHAIRMAN BOISSIERE: -- in the public record.

SECRETARY FREY: And that’s what -- I think we have an existing rulemaking open right now that the Commission adopt -- opened some time ago to look at other ways that we would require notice to be provided.

CHAIRMAN BOISSIERE: I’m not opposed to people being made aware. That’s not a problem.

SECRETARY FREY: Right.

CHAIRMAN BOISSIERE: It would have to -- I mean, depending on how serious. And I understand this is directed to open a rulemaking to determine what we should do.

SECRETARY FREY: Exactly. We may ultimately determine not to do anything.

CHAIRMAN BOISSIERE: Right. It might just be a line in a newspaper by the time it’s all done.

SECRETARY FREY: Correct. Correct.

CHAIRMAN BOISSIERE: Or an internet blast or something like that.

SECRETARY FREY: Right.
CHAIRMAN BOISSIERE: Or an email or something.

SECRETARY FREY: Right.

CHAIRMAN BOISSIERE: Which would be a lot easier to do to inform a lot of people. I’m not opposed to this. I just wanted to know where we were headed.

SECRETARY FREY: Sure, sure.

CHAIRMAN BOISSIERE: And people can speculate wildly up here, but I think in its final form might be very simple and reasonable.

COMMISSIONER GREENE: I have a question. If the elected officials are also customers aren’t they also getting notified anytime this also happens? And secondly, couldn’t this be a tweet and then it’s done?

SECRETARY FREY: We could look at all of that. To your first question though, are they being notified? They’re being notified to the extent that the constitution requires publication in the official journals or they go to our website. There’s no requirement that a customer be notified. Although, Commissioner Skrmetta did have a directive or a rule that was adopted that now when the Commission votes on a rate schedule, we require the companies or ask them to provide notice. So like for example, I’m a Baton Rouge Water customer. When we had that interim rate increase last month or the month before, I actually got a bill in the mail saying this is notifying you that we requested interim rates and were approved interim rates that will take effect on your next billing cycle. So we have that, but that’s the extent of the notice we have right now.

COMMISSIONER CAMPBELL: On this bill, this lady forgot -- on her legislation, she forgot something. She should -- to make her bill a little more juicy,
she should have said this rate increase was provided by the Public Service Commission of Louisiana, thank your Public Service Commissioner for this rate increase. That’s what she was trying to do. It’s crazy. This is the nuttiest thing I’ve heard in a long, long time. Absolutely nuts. You know what Earl Long said about this? He said he was against communism, he was against socialism, but that nutism was the worst ism of all. This is straight nutism.

COMMISSIONER SKRMETTA: Call a vote.

COMMISSIONER GREENE: I object.

COMMISSIONER SKRMETTA: No. It’s got to have a vote on it on this one.

COMMISSIONER GREENE: I object. Let’s go to roll call.

MS. BOWMAN: It’s a directive but it sounds like Commissioner Campbell is opposing the directive so there’s roll call vote. There needs to be a roll call vote.

CHAIRMAN BOISSIERE: I thought it was -- I thought it was just a plain directive.

COMMISSIONER SKRMETTA: It’s a directive.

SECRETARY FREY: It’s just a directive. Yeah, we’re not voting to make any rule change.

COMMISSIONER SKRMETTA: Right.

SECRETARY FREY: It’s just a directive for us to open up a rulemaking or look at the [INAUDIBLE] we’re making.

COMMISSIONER SKRMETTA: [INAUDIBLE] a vote one way or the other.

COMMISSIONER CAMPBELL: Is that it today?

COMMISSIONER SKRMETTA: No. We have another case.
CHAIRMAN BOISSIERE: You know, y’all been talking a lot up here about these items. All right.

COMMISSIONER SKRMETTA: It’s an opposition vote. Roll call.

CHAIRMAN BOISSIERE: Okay. So I guess we’re having a vote on this. We have opposition to this one?

COMMISSIONER GREENE: Yes.

CHAIRMAN BOISSIERE: Roll call. Everybody ready? This is -- do we have to read a in re or something, do we --

SECRETARY FREY: No. It’s --

MS. BOWMAN: We’ve already done it.

SECRETARY FREY: It’s a directive to --

CHAIRMAN BOISSIERE: Can you read the directive one more time so we can vote and know what we’re voting on?

SECRETARY FREY: I’ve got it. I direct Staff to open a rulemaking or expand the scope of any existing rulemaking, which we have confirmed we do have an existing one, to consider and propose draft rules that ensure notice of rate filings with the Commission provided to local elected officials in the areas in which the proposed rates would be implemented?

CHAIRMAN BOISSIERE: Commissioner Francis.

COMMISSIONER FRANCIS: I’m voting no on this idea, the idea of this directive.

CHAIRMAN BOISSIERE: All right. Commissioner Campbell.

COMMISSIONER CAMPBELL: No.
CHAIRMAN BOISSIERE: Commissioner Greene.

COMMISSIONER GREENE: No.

CHAIRMAN BOISSIERE: Commissioner Skrmetta.

COMMISSIONER SKRMETTA: Yes.

CHAIRMAN BOISSIERE: Chair votes no. Next item.

MS. BOWMAN: Exhibit Number 12 is Docket Number U-36318. It’s Louisiana Water Company’s application for an increase in rates, including interim rates, approval of formula rate plan, request for establishment of regulatory asset, and request for establishment of an emergency reserve fund. Discussion and possible vote on a interim rate increase pursuant to Rule 57. It’s at the request of Commissioner Francis. On June 13, 2018, Louisiana Water Company filed an application to increase its water and sewer rates including the request for interim rate relief. LAWCO’s request for interim rate relief is due to the increase in cost of power, chemicals, and lime sludge removal and its request for an interim rate increase of 4.31 percent to cover the increased cost. The proposed interim rate would mean that a typical residential customer bill using 4,950 gallons per month would increase by approximately $1.26. LAWCO has proposed to begin implementing the interim rate, if approved, immediately upon Commission approval and would continue to charge it until a final permanent rate is established in this proceeding. Upon Commission approval of permanent rates, the interim rate relief would be removed. Staff recommends that the Commission exercise its original and primary jurisdiction under Rule 57 to consider LAWCO’s request and while Staff makes no formal recommendation regarding interim rate increase, Staff
does note that pursuant to applicable law, any interim increase should be subject to refund and applicable bonding requirements. If LAWCO’s request is approved, Staff would recommend that: 1) LAWCO be required to file proof of the applicable bond requirements with the Commission; 2) LAWCO be required to file an updated tariff indicating the interim rate and its terms with the Utilities Division within 30 days of the order approving such interim rate. LAWCO cannot begin charging an interim rate until the proof of the applicable bond requirements and an updated tariff have been provided to and approved by Staff, and an interim rate shall be included in a separate line item charge on each customer’s bill. This will need two vote as it’s under Rule 57.

CHAIRMAN BOISSIERE: All right, guys, y’all ready. Commissioner Francis, do you want to --

MS. BOWMAN: So we need to --

COMMISSIONER GREENE: Motion to take the item up under Rule 57.

COMMISSIONER FRANCIS: Second.

CHAIRMAN BOISSIERE: Wait. Hold on. So we got a move by -- a motion by Commissioner Greene, second by Commissioner Francis to take the item up under Rule 57.

COMMISSIONER FRANCIS: And I make a motion that we accept Staff recommendation.

MS. BOWMAN: And I have a --

CHAIRMAN BOISSIERE: Moved by Commissioner Francis, second by Commissioner Campbell.
COMMISSIONER GREENE: She has a --

CHAIRMAN BOISSIERE: I’m sorry.

MS. BOWMAN: You’re okay.

COMMISSIONER FRANCIS: You want to read that?

MS. BOWMAN: Yes, sir. Would you like me to read that for you?

CHAIRMAN BOISSIERE: Wait. You have a further motion?

MS. BOWMAN: I have a motion for Commissioner Francis.

CHAIRMAN BOISSIERE: Well, I didn’t know that. Ain’t nobody told me that.

COMMISSIONER FRANCIS: [INAUDIBLE], please.

CHAIRMAN BOISSIERE: Please go ahead.

MS. BOWMAN: Commissioner Francis moves that we approve LAWCO’s request for interim rates allowing the 4.31 percent increase in the company’s retail rates effective May 1, 2022. The interim rate will increase the average customer’s monthly bill by $1.26 and remain in effect until the Commission’s full decision on the merits of LAWCO’s rate application. The approval of the increase is subject to LAWCO’s posting with the LPSC executive secretary and filing into the record of Docket U-36318, a letter of credit in the amount of $627,917 based on the 4.31 percent increase to ensure refund if necessary.

CHAIRMAN BOISSIERE: Okay. And so we keep the same -- still moved by Commissioner --

MS. BOWMAN: Francis.

CHAIRMAN BOISSIERE: -- Francis, second by Commissioner Campbell. Any opposition? [NONE HEARD] We are missing one Commissioner.
COMMISSIONER GREENE: No opposition though.

CHAIRMAN BOISSIERE: But no opposition. Commissioner Skrmetta is not among the voting either to agree or oppose, so --

COMMISSIONER FRANCIS: Mr. Chairman, I move that we adjourn and go fishing.

CHAIRMAN BOISSIERE: Hang on a second. So this item is passed. Motion by Commissioner Francis to adjourn, second by?

COMMISSIONER GREENE: Greene.

CHAIRMAN BOISSIERE: Greene. No opposition. Next meeting is in May.

What’s our date?

UNIDENTIFIED SPEAKER: Twenty-fifth.

CHAIRMAN BOISSIERE: May 25th. What’s our location?

MS. BOWMAN: Baton Rouge.

CHAIRMAN BOISSIERE: All right. Thank you, everybody. And everybody drive safely. See you in Baton Rouge and God’s speed.

(WHEREUPON THE MEETING WAS ADJOURNED)
I certify that the forgoing pages 1 through 84 are true and correct to the best of my knowledge of the Open Session of the Business and Executive Meeting held on April 27, 2022 in Many, Louisiana.

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