TRANSCRIPT OF THE LOUISIANA PUBLIC SERVICE COMMISSION BUSINESS AND EXECUTIVE OPEN SESSION HELD ON OCTOBER 23, 2025 IN NEW ORLEANS, LOUISIANA. PRESENT WERE: CHAIRMAN MIKE FRANCIS, VICE CHAIRMAN ERIC SKRMETTA, COMMISSIONER DAVANTE LEWIS, COMMISSIONER JEAN-PAUL COUSSAN, AND COMMISSIONER FOSTER CAMPBELL.

TRANSCRIPT OF THE LOUISIANA PUBLIC SERVICE COMMISSION BUSINESS AND EXECUTIVE OPEN SESSION HELD ON OCTOBER 23, 2025 IN NEW ORLEANS, LOUISIANA. PRESENT WERE: CHAIRMAN MIKE FRANCIS, VICE CHAIRMAN ERIC SKRMETTA, COMMISSIONER DAVANTE LEWIS, COMMISSIONER JEAN-PAUL COUSSAN, AND COMMISSIONER FOSTER CAMPBELL.

CHAIRMAN MIKE FRANCIS: Good morning, everyone. Welcome to downtown New Orleans. Well, y'all have been waiting to come to downtown New Orleans, so many of you, especially those in north Louisiana, probably Commissioner Campbell, but we're meeting at the pleasure of our Commissioner Eric Skrmetta. This is his choice to come here. You know, once a year, each Commissioner gets to have a meeting in their area. We just enjoyed Commissioner Lewis down in Plaquemine and that was a good one. Enjoyed it. And I guess we'll be going to Natchitoches for Christmas, Commissioner Campbell?

COMMISSIONER FOSTER CAMPBELL: Probably.

CHAIRMAN FRANCIS: Okay. And we'll see. I'm debating whether to go back to Toledo Bend or somewhere else -- someone is going to get mad at me if I don't move some of them around somewhere else. Anyhow, welcome back. I think Jean-Paul Coussan is in traffic. He ought to be here in just a minute. So this is our October meeting of the Business and Executive Committee -- Public Service Commission. Let's all stand up and we'll start with the most important thing, that's recognizing Our Creator in prayer. Mr. Lewis, would you lead the prayer?

COMMISSIONER LEWIS: Yes, Mr. Chairman.

[COMMISSIONER DAVANTE LEWIS LEADS IN PRAYER]

CHAIRMAN FRANCIS: Amen. Commissioner Skrmetta, do the pledge, please.

[VICE CHAIRMAN ERIC SKRMETTA LEADS IN THE PLEDGE]

CHAIRMAN FRANCIS: All right. Y'all can have a seat. And we've got some announcement from the -- Commissioner Campbell. You got an announcement?

COMMISSIONER CAMPBELL: Well, I got a little history I want to talk to you about. I want to tell you an experience I had in the Senate. There was a bill about 20 years ago, maybe 15 years ago, to move this building to Baton Rouge. It made a lot of sense. They had free parking up there and I asked someone that was working out here, I said, could you give me a place in the United States where you'd spend $40 million and have six parking places? I should have had six here, we spent 40 million on this building. We all had a big hullabaloo about it. What happened was it never got moved. Although it passed the Senate big, big, big. Robert Barham from Oak Ridge had the bill. Everybody I knew was voting for it. And it passed the Senate, but it got in the House, it got in trouble. There was a bill called Coke on Catalyst. That's what the oil companies have after they refine oil, to make it short, and we were going to put a tax on it. It was a tax at one time. They found it unconstitutional. We was going to put a tax on it. Today, it's tax free. And they use it every day making products that we use. But anyway, long story made short, we had a big hullabaloo about it. We had a big fight. But it wound up getting vetoed by Governor Foster. And so now we have this building that costs $40 million and you have no parking places, but a few. You could've had the building up in Baton Rouge free, other than construction costs. Right by the Court of Appeals, you have a big lot up there. We had plenty room, but the politics down here were such that they didn't want to move it. I could understand that they didn't want to move it, but I didn't understand how we spent $40 million here, when we could've built the same building for a lot less money up there, and had plenty parking, and it would have been a more centralized location. Lawyers from north Louisiana, central Louisiana, and east Louisiana, west Louisiana can get to Baton Rouge a lot quicker than they could to New Orleans. But there was a justice down here at that particular time, didn't want to move. And he likes eating across the street, wherever that place was. I don't know. Across the street from this building. But anyway, that's what happened and a bill came up. Like I said, to put a tax on coke -- catalyst, coke on catalyst and one person that was against that was the governor's son who worked for Breazeale Sachse, I think. And so in the committee meeting, Jim Cox asked the governor, said, Governor, don't you think that's a little conflict of interest, your son working for this big law firm that's against this bill? And boy, Mike Foster went absolutely ballistic. Nobody's ever accused me. I said it ain't -- I'm not accusing you of anything. I just asked you a question. Is there a little conflict with your son representing this company that's against this proposal? But anyway, he didn't think it was. So the bill, we passed the bill in the Senate, and on the House floor, but it was vetoed by the governor, and we didn't have the votes to override it. But this building has a lot of history. I never understood why we spent $40 million on this building and it had six parking places. And that is true. If any of you tried to park this morning, good luck. I don't know where you parked. But anyway, that's Louisiana, and that was what happened about 20 years ago in the Senate, and none of my colleagues up here were there at that particular time. But it was a big argument, and a lot of people felt like this great building, and which it is great, and this institution, it should've been up in Baton Rouge, would've been more centrally located. That's all I got to say.

CHAIRMAN FRANCIS: Okay. Commissioner Skrmetta.

VICE CHAIRMAN ERIC SKRMETTA: Yeah. I just want to thank Justice Will Crain for arranging the opportunity for us to have this meeting here in the Supreme Court. It was very kind of him to do so, and just want to express personal thanks to Justice Crain for arranging it, so thank you.

CHAIRMAN FRANCIS: I'm sad to report that former Commissioner Louis Lambert passed away a few days ago. And I knew Louis, he was a great guy. Commissioner -- Secretary Frey, you have any comments about that?

SECRETARY BRANDON FREY: Yeah. And I just wanted to add I actually went to high school with Commissioner Senator Lambert's daughter. I had let her know that we would do something at the November meeting. I think we need to honor him via a resolution for his contributions to this body. But great guy. I got to work with him on a case. He was funny. I was actually the hearing examiner and every time I'd see him after that he called me Your Honor. So it pissed off a lot of other people, but I thought it was funny.

CHAIRMAN FRANCIS: I had a chance to see Commissioner Lambert in the Superdome. I guess it's been 8 or 10 years ago. And before that, I guess 40 years ago, I went to see Commissioner Lambert. I was trying to get one of those Rolls-Royce trucking permits that Commissioner Campbell talks about. And so I needed to get three votes to get that authority. And Janet Boles was opposing me at that time, and she was representing the vacuum trucks. Is Janet here? I thought I saw her.

MS. KATHRYN BOWMAN: She is.

CHAIRMAN FRANCIS: Yeah. She's back there. Okay. So that's what -- so Louis told me he was going to vote for me. So, boy, I thought I had three votes. I wasn't sure about a couple, and after Janet went down to see Louis, he voted against me, you know. But I squeaked by and got the three votes. And after that, Janet and I became good friends, you know. And I didn't insult the trucking industry. It was fun to have that big Rolls-Royce trucking permit, Commissioner Campbell. I really enjoyed it. So that's my Louis Lambert story. We got some more? Anybody else got something to say? Any announcements? Okay. Commissioner Lewis.

COMMISSIONER DAVANTE LEWIS: Thank you, Mr. Chairman. I wanted to recognize that this week is Career in Energy Week. And so I want to thank all of our utilities who have worked with the Center on Energy and Workforce Development on promoting jobs in the energy market and the field. As many of you know, workforce development in this space has been a number one priority of mine, and I will continue to work with all of you who promote the amazing careers that -- and the opportunities that exist in the energy market. And so I just wanted to celebrate that. October 20 through October 24 is Careers in Energy Week. And so we can continue to promote this in our primary, elementary, secondary, and college settings.

CHAIRMAN FRANCIS: Okay. Thank you. And, Ms. Kathryn Bowman.

MS. BOWMAN: Yes, sir.

CHAIRMAN FRANCIS: You have something?

MS. BOWMAN: Staff has a couple of announcements as well. One, for housekeeping, when you guys speak, if you could speak a little closer to the mic just to help for audio purposes. Second, I wanted to announce that the -- this year's Public Utility Section's annual meeting and CLE will be held at the Baton Rouge City Club on Thursday, December 4. So we ask that all attorneys please save that date and make sure that your section membership is current to receive registration information as that agenda information will be sent out soon. If you have any questions, you can reach out to either Ms. Carrie Tournillon or Jonathan McCartney on those questions. And then, a couple of housekeeping items for the agenda is that Exhibit 2 is pulled.

CHAIRMAN FRANCIS: Okay. Exhibit 2 is pulled.

MS. BOWMAN: Yes, sir.

CHAIRMAN FRANCIS: Is there any other announcements, anywhere? [NONE HEARD] If not, let's get started on Exhibit 3.

MS. BOWMAN: Exhibit Number 3 is Docket Number 37579. This is the Commission versus Tiger Airport Shuttle on an alleged violation of Order T-37409 and Louisiana Revised Statutes 45:161 through 180.1, as well as General Order dated April 25, 2012, by engaging in activities related to transporting passengers intrastate without Commission authority on or about May 12, 2025. It's a discussion and possible vote on a recommendation of the ALJ. Staff investigated Tiger Airport Shuttle on or about May 12 of this year and determined that it was continuing to advertise for services after entering into a stipulation agreeing not to advertise and to register with the Commission. Staff -- in that -- that stipulation was accepted in Docket Number T-37409. Staff issued a citation to Tiger Airport Shuttle on May 15 of this year, directing it to appear at a hearing on July 10. The citation was sent via FedEx to the address provided by Tiger Airport Shuttle in Docket Number T-37409, and the FedEx tracking showed that it was refused by the recipient on or about July 2. Tiger Airport Shuttle did not appear at the hearing and the ALJ's recommendation was issued September 9, 2025. Order Number T-37409 accepted a stipulation executed by Tiger Airport agreeing to cease engaging in activities related to Commission regulated transportation of passengers, including removing all advertising until it obtained an LPSC certificate. Tiger Airport Shuttle agreed to a $1,000 fine with 500 of that being suspended, which would become due if it violated any terms of the stipulation. Staff argued that the Tiger Airport Shuttle's advertising for passenger services between Baton Rouge and New Orleans on its website violated Order Number T-37409, and the Revised Statutes, and our passenger carrier order by holding out as a passenger carrier available for their services. Commission Staff sought that the carrier be found guilty, assessed the $500 suspended portion of the fine ordered in T-37409, and another additional $1,000 for its violation of the Revised Statutes and the Commission's General Order. The ALJ recommendation found that the Commission Staff proved its case; and therefore, based on the evidence at the hearing, the ALJ recommends the Commission issue an order finding that Tiger Airport Shuttle is guilty of violating Order T-37409 for failing to comply with the terms of the stipulation, that the company pay the $500 suspended portion of the fine ordered by Order T-37409, that the company is guilty of violating Revised Statutes 45:161 through 180.1 and the passenger carrier order as specified for engaging in activities related to transporting passengers without Commission authority. The company is also -- shall pay an additional $5,000 fine pursuant to Revised Statute 45:171 for its violation of Revised Statutes and Commission orders, that Tiger Airport Shuttle pay an additional $25 citation fee pursuant to the 2006 General Order, and that all fines and fees ordered herein be paid to the Commission within 30 days.

VICE CHAIRMAN SKRMETTA: Move to accept Staff recommendation.

COMMISSIONER LEWIS: Second.

CHAIRMAN FRANCIS: Move -- Staff recommendation by Commissioner Skrmetta. And the Chair will second that. Is there any discussion or objections? [NONE HEARD] Hearing none, it's passed. Number 4.

MS. BOWMAN: Exhibit Number 4 is Docket Number I-37725. It's Cleco Power's 2025 request to initiate an interim integrated resource planning process pursuant to Order Number U-36923 and General Order corrected, dated August 28, 2024, which is Docket R-36262. This is a discussion and possible vote to retain United Professionals Company. At the March 2023 B&E, UPC was obtained to assist Commission Staff in Cleco's rate proceeding, which was in Docket U-36923, and in June of 2024, the Commission approved a stipulated settlement in that docket, which included a commitment from Cleco to initiate an updated integrated resource planning process for the purposes of performing a comprehensive evaluation of potential planning options for Madison 3. The Commission's General

Order on retaining consultants states that no formal RFP is required when the matters arise out of or substantially related by common factual or legal issues. As UPC assisted in the negotiation of that stipulation settlement in Cleco's rate case, and UPC is familiar with and has assisted the Commission in integrated resource plans, it is Staff's opinion that no formal RFP is required at the upcoming request is substantially related to UPC's scope of work in Docket Number U-36923. Based on Staff solicitation, UPC provided a proposal of 75,000 in fees and 1,500 in expenses. Staff recommends that the Commission retain UPC for 75 in fees and 1,500 in expenses for a total budget not to exceed of 76,500.

VICE CHAIRMAN SKRMETTA: Move to accept Staff recommendation.

CHAIRMAN FRANCIS: Moved by Commissioner Skrmetta. Second by the Chair. Any discussion or comment?

COMMISSIONER LEWIS: Just one.

CHAIRMAN FRANCIS: Okay.

COMMISSIONER LEWIS: Question for Staff. I know that this was part of their rate case and that we're on the cycle of the traditional IRPs. We will kind of handle these separately, but then integrate them if need be?

MS. BOWMAN: Yes, sir.

COMMISSIONER LEWIS: Okay. Thank you.

CHAIRMAN FRANCIS: Okay. Is there any other discussion? [NONE HEARD] Hearing none, it's passed. Number 5.

MS. BOWMAN: Exhibit Number 5 is Docket Number 37126. This is Riverside Transportation's application to file an amended tariff for Common Carrier

Certificate Number 6247-A pursuant to General Order dated October 2, 2012. It's a discussion and possible vote on Staff's report and recommendation. Riverside Transportation filed this request with the Commission to amend its common -- tariff for Common Carrier Certificate Number 6247-A pursuant to the General Order dated October 2, 2012. Riverside provides charter services with hourly rates dependent on the vehicle chosen. Riverside is headquartered in Baton Rouge and is currently utilizing a tariff approved in Order S-32710 dated September 19, 2023. That order provided Riverside an approximately 49% increase in its tariff rates. Notice of this request was published in the Commission's Official Bulletin and no interventions were received. And based on Audit Staff's review of the documentation provided by the company in support of its request, Staff filed its report and recommendation on January 28 of this year into the record. Wherein, Staff recommended that Riverside be authorized to implement an increase in existing tariff rates of approximately 10% on average, and authorized to include an additional luxury vehicle option of executive limousine bus and mini coach at the requested rates, as well as an increase in gratuity from 15% to 20%. On February 10 of this year, Riverside filed acceptance of Staff's report and recommendation into the record. Staff recommends that the Commission accept Staff's report and recommendation filed into the record on January 28, 2025 and an order be issued in the proceeding effective immediately.

VICE CHAIRMAN SKRMETTA: Move to accept the Staff recommendation.

CHAIRMAN FRANCIS: Move to accept by Commissioner Skrmetta. Second by the Chair. Any discussion or objections? [NONE HEARD] Hearing none, it passed. Six.

MS. BOWMAN: Exhibit Number 6 is Docket Number S-37599. This is SLECA's request for a letter of non-opposition for approval to enter into a loan agreement. It's a discussion and possible vote on Staff report and recommendation. On June 6 of this year, SLECA filed the instant application per the Commission's General Order dated November 12, 1996. The request sought Commission authorization to enter into a loan agreement with the National Rural Utilities Cooperative Financial Corporation to repay the full balance of SLECA's current working line of capital, which would free up access to the capital for current operational needs. The request was published in the Commission's Official Bulletin with no interventions. SLECA is seeking to enter into this loan agreement with an aggregate commitment of $6 billion in order to clear out the current total of its working line of credit to allow the cooperative to better meet its current debt obligations while allowing for a better utilization of its operating line of credit. SLECA expects the interest rate to be consistent with CFC long term rates, and dependent on fixed or variable options. It indicated in its request that they expect to utilize the variable rate that provides the most favorable option if the request is approved and the draft loan agreement indicated by the cooperative could extend repayment up to 40 years, if needed. Staff generally agrees with SLECA's responses to the 18 points in the Commission's General Order, and points out that there would be no immediate rate impact as SLECA customers are currently served under a tariff with a formula rate plan which undergoes an annual review; and therefore, any additional long-term debt would not immediately impact customers' rates. On September 30, 2025, Staff filed its report and recommendation on the company's request concurring that the transaction is in the public interest and will have no immediate adverse effects on SLECA's members. Staff recommends that the Commission express its non-opposition to the request subject to the standard conditions for a loan. Therefore, Staff recommends that the Commission accept Staff's report and recommendation filed into the record on September 30, 2025.

CHAIRMAN FRANCIS: Chair recommends that we accept Staff's recommendation.

COMMISSIONER LEWIS: Second.

CHAIRMAN FRANCIS: Seconded by Commissioner Lewis. Any discussion or opposition? [NONE HEARD] Hearing none, it's passed. Seven.

MS. BOWMAN: Exhibit Number 7 is Docket Number S-37716. It's Delta North Louisiana Gas Company and Delta South Louisiana Gas Company's request for a letter of non-op to enter into certain credit facilities, issue guarantees, and grant security interests in the respective assets. It's a discussion and possible vote on Staff's report and recommendation. On August 25 of this year, Delta -- both Deltas, filed this application pursuant to the Commission's General Order dated March 18, 1994, seeking authorization for the companies to enter into certain credit facilities and issuing guarantees and granting security interest in their respective assets in connection with those facilities. The financing to be incurred by each of the companies is expected to consist of senior secured term loans in an aggregate principal amount of approximately $65 million. The funds will be used to repay outstanding existing indebtedness of the companies and for general corporate purposes, including working capital needs, capital expenditures, and other purposes as permitted. The request was published in the Commission's Official Bulletin and no interventions were received. Staff conducted a thorough review of Delta's application along with the supporting documentation and the requested financing is structured as interest only, thus, with no scheduled repayment of principal during the term of the notes, allowing the opportunity for Delta to take advantage of refinancing the principal if more favorable terms arise. The request strengthens Delta's financial foundation, improving their ability to plan and manage capital investments, and help insulate customers from market volatility. Staff also reviewed Delta's responses to the 18-point analysis. Staff concurs that the transaction is in the public interest and will have no adverse effect on the terms of service for Delta North and Delta South customers, and Staff recommends that the Commission express its non-opposition subject to the standard conditions of loans. So Staff recommends that the Commission accept the corrected Staff report and recommendation filed into the record on October 9, 2025.

CHAIRMAN FRANCIS: Okay. I would, as Chairman, in lieu of the past performance of the Staff in this -- or I would approve this correction. Is there a second?

VICE CHAIRMAN SKRMETTA: Second.

CHAIRMAN FRANCIS: Got a second from Commissioner Skrmetta. Is there any discussion or opposition? [NONE HEARD] Hearing none, it's passed.

MS. BOWMAN: Exhibit Number 8 is Docket Number 35639. This is Quentin Henry versus Greater Ouachita Water Company regarding a complaint of customers against Greater Ouachita. It's a discussion and possible vote on the final recommendation of the ALJ. Greater Ouachita is a private non-profit water and wastewater utility serving the customers in Ouachita Parish. The docket was initiated after the completion of an investigative audit by the Commission and the filing of a civil suit in West Monroe, Louisiana. The complainants sought an order from the Commission requiring refunds of all amounts paid by the complainants to Greater Ouachita for water service from January of 2017 through January of 2019. They alleged that Greater Ouachita violated some of the Commission's water and wastewater regulations for failure to read meters, timely issue bills, timely -- and make timely corrections. On February 20, 2025, following several years of litigation, a hearing was scheduled for August 14 and 15 of this year. Two days before the hearing, the complainants sought to have the matter dismissed without prejudice, indicating a preference to proceed in state court. That motion was denied. When the hearing was convened on August 14, the complainants failed to appear. However, Greater Ouachita and Commission Staff did appear and an evidentiary hearing was convened. In accordance with Rules 56 of the Commission's Rules of Practice and Procedure, after considering the testimony and evidence presented at the hearing, the ALJ issued a proposed recommendation on August 27, 2025. That recommendation concluded that the proceeding should be dismissed with prejudice as a result of the complainants' failure to meet their burden of proof. Greater Ouachita filed an exception on September 11 seeking a clarification regarding a procedural detail. Neither Commission Staff nor the complainants filed any exceptions to the proposed recommendation or opposition of Greater Ouachita's clarification. And on September 29, 2025, the ALJ issued a final recommendation incorporating Greater Ouachita's requested clarification. The ALJ recommends that this matter be dismissed with prejudice.

VICE CHAIRMAN SKRMETTA: Move to -- move to confirm the ALJ recommendation.

CHAIRMAN FRANCIS: Move to accept the ALJ by Commissioner Skrmetta. The Chair would second that. Is there any other discussion? [NONE HEARD] Hearing none, that's passed. Number 9.

VICE CHAIRMAN SKRMETTA: Yes.

MS. BOWMAN: Exhibit Number 9 is Docket Number U-36339. This is SLECA's request for interim and final emergency relief. It's a discussion and possible vote on an unopposed motion to modify Order Number U-36639-A. The Commission's Order 366 -- 36339-A, dated May 22, 2023, established SLECA's current FRP with a three-year term for test years '23, '24, and '25, and provides that any rate changes shall become effective for bills rendered on or after the first billing cycle for the month of October of the filing year. In Docket Number U-37210, SLECA and Staff agreed to move SLECA's storm rider into base rates, including an under-recovery balance of approximately $2.1 million, which made the storm rider subject to SLECA's FRP, and caused an under-recovery in storm rider revenues. SLECA calculated its computations regarding -- related to the incorporation of the storm rider into its base rates on a 12-month period rather than a 9-month period. Staff's report and recommendation, however, anticipated only a 9-month implementation for the storm rider, which skewed the results of SLECA's filed annual test year 2024 report. To resolve this issue, SLECA requests that the Commission amend the FRP rider established in Order Number U-36339-A to authorize the cooperative to implement FRP rate adjustments resulting from this proceeding on or after the first billing cycle of January 2026 for both the second and third annual reviews of its current FRP. Staff has no opposition to this motion. Staff recommends that the Commission accept the unopposed motion to modify Order Number U-36639-A, filed into the record on September 15, 2025.

VICE CHAIRMAN SKRMETTA: Move to accept Staff recommendation.

COMMISSIONER LEWIS: Second.

CHAIRMAN FRANCIS: Commissioner Skrmetta moved to accept Staff recommendation. Seconded by Commissioner Lewis. Any objection or discussion? [NONE HEARD] Hearing none, it's passed. Number 10.

MS. BOWMAN: Exhibit Number 10 is Docket Number U-36697. This is Entergy's application for approval of an alternative market-based mechanism process seeking to secure up to 3,000 megawatts of solar resources including certification of those resources, expansion of the Geaux Green Option Rider, and approval of a new renewable tariff. It's a discussion and possible vote on Entergy's certification filing for the Bogalusa West Solar Facility. On March 13, 2023, Entergy filed an application for approval of an alternative market-based mechanism process seeking to secure up to 3,000 megawatts of solar resources, including certification of those resources. After extensive negotiations, the parties entered into a stipulated settlement, which was considered and approved by this Commission and memorialized in Order Number U-36697, corrected. As part of that order, the Commission approved terms of a settlement which governed the implementation of an alternative streamlined procurement process to secure up to 3,000 megawatts of additional solar resources and certification of those resources. Consistent with that process, on July 31 of this year, Entergy filed certification filing for the Bogalusa facility, which is a 200-megawatt AC solar photovoltaic power facility located in Washington Parish. In furtherance of this request, Entergy provided details of how that facility complies with the breakeven parameters and viability parameters established in Commission Order U-36697, corrected. And the filing further explained how Entergy anticipated allowing the requested program -- excuse me, allocating the requested program between their Commission approved optional Green Tariff Riders. Staff filed the affidavit of R. Lane Sisung on September 16 of this year pursuant to the review procedure established in Commission Order U-36697, corrected, detailing its review of Entergy's request for the certification of the facilities, and confirming that Entergy has met both the breakeven parameter and viability parameter established by Order U-36697, and Staff recommends that the Commission certify the Bogalusa West Solar Facility. So as there are no unresolved issues, Staff recommends that the Commission accept the certification filing, filed on July 31, 2025, and that that order be effective immediately.

COMMISSIONER LEWIS: Move to accept Staff's recommendation.

CHAIRMAN FRANCIS: Commissioner Lewis moved to accept the Staff recommendation. Can we get a second? Second by Commissioner Campbell. Is there any objection or any discussion on this? [NONE HEARD] Hearing none, it's in the books. Eleven.

MS. BOWMAN: Exhibit Number 11 is Docket Number U-37583. This is SLECA's formula rate plan annual report for test year 2024. It's a discussion and possible vote on a joint report and draft order. On May 12 of this year, SLECA filed its annual report for the 2024 test year pursuant to the provisions of Commission Order U-36339-A, which was -- which approved the request for the interim and final emergency rate relief. Notice of the company's annual report was published in the Commission's Official Bulletin, and no interventions were filed. The cooperative's filing is based on the 12 months ending December 31, 2024 and reports that there should be a reduction in revenue of approximately $1.1 million based upon the adjusted test year results. After Commission Staff's review of the cooperative's application and responses to the Staff's formal data requests, Staff is in agreement with the cooperative's adjustment and believes a reduction in revenue is warranted. Therefore, Staff recommends that SLECA be authorized to reset its rates to allow the cooperative to achieve a TIER within the allowable Commission range, and that reset will allow a revenue reduction in the amount of $1,186,100. Upon review of Staff's recommendation, SLECA indicated that it accepted that report and recommendation and filed notice to that effect August 22 of this year, and upon the parties' agreement, Staff and SLECA filed a joint report and draft order into the record on September 15 of this year. Staff recommends that the

Commission accept that draft report and draft -- excuse me, that joint report and draft order filed into the record on September 15, 2025.

VICE CHAIRMAN SKRMETTA: Move to accept Staff recommendation.

CHAIRMAN FRANCIS: Moved by Commissioner Skrmetta. Seconded by the Chair. Is there any discussion or objection? [NONE HEARD] Hearing none, it's in the books.

VICE CHAIRMAN SKRMETTA: Mr. Chairman, I suggest that on the next item, Number 12, that we move it to the end of the agenda to allow for Commissioner Coussan to be here for the discussion.

CHAIRMAN FRANCIS: I think that's a good suggestion. Is there any objection to that? Hopefully Jean-Paul will be here.

VICE CHAIRMAN SKRMETTA: In fact, if Staff could make an inquiry through text, or whatever, to see about his updated arrival.

CHAIRMAN FRANCIS: Okay. So that would put us -- so we're moving 12 to the end?

VICE CHAIRMAN SKRMETTA: Yes, sir.

CHAIRMAN FRANCIS: So we'll go to 13?

MS. BOWMAN: Yes, sir. So Exhibit Number 13 is Docket Number U-37735. It's Entergy's application to terminate the River Bend deregulated asset plan, return those assets to rate base, and other associated relief. It's a discussion and possible vote to hire an outside consultant. On September 23 of this year, Entergy filed the instant application, which if approved, would terminate the deregulated asset plan at River Bend Nuclear Station. Based on that filing, Staff issued RFP 25-11 and received two qualifying bids. The first was from United Professionals Company of 87,000 in fees, and 2,500 in expenses for a total budget not to exceed of 89,500. And the second was from Henderson Ridge Consulting of 189,800 in fees and 3,400 in expenses for a total budget not to exceed of 193,200. Staff makes no recommendation as both are qualified.

VICE CHAIRMAN SKRMETTA: Move to accept the bid of United Professionals.

CHAIRMAN FRANCIS: Move to accept United Professionals' bid by Commissioner Skrmetta, and I'll second that. The Chair seconds it. So is there any other discussion or objection? [NONE HEARD] Hearing none, UPC has the job. Fourteen.

MS. BOWMAN: Exhibit 14 is our reports, resolutions, discussions. We have two ratifications this month. The first is a discussion and possible vote to ratify a vote taken by Vice Chairman Skrmetta acting as the Commission's representative on the Board of Directors of the Organization of MISO States. And on September 11, 2025, the OMS sought approval to seek rehearing in FERC Docket Number EL25-90, which is a complaint proceeding brought by Consumers Energy Company against MISO seeking to allocate costs of an operating coal plant in Michigan past its planned retirement date due to a DOE order requiring it to continue to operate. OMS rehearing asked FERC to reverse its cost allocation approval until after a MISO stakeholder process and analysis of whether the allocations are roughly commensurate with the benefits. At the recommendation of Staff, the Commission voted against the OMS rehearing request, which if granted, would allow the possibility of cost allocations to MISO South. Staff recommends that the Commission ratify Commissioner Skrmetta's vote taken as the representative of the Organization of MISO States.

VICE CHAIRMAN SKRMETTA: Skrmetta will abstain.

CHAIRMAN FRANCIS: I make a motion that we accept Staff's recommendation. Second by Commissioner Coussan. Any discussion or objection? [NONE HEARD] All right. It's going to be a four to one vote. Four to --

VICE CHAIRMAN SKRMETTA: Four to nothing.

CHAIRMAN FRANCIS: -- to nothing, good. All right. Good. All right. Next one, please.

MS. BOWMAN: The second ratification is a discussion and possible vote to ratify interventions of the Commission in RTO-related or other FERC-related proceedings. Interventions were filed on the Commission's behalf for the purpose of monitoring issues related to MISO and/or SPP or other FERC proceedings in FERC Docket Numbers ER25-3307, ER25-2890, ER25-2899, and ER25-3465. Staff recommends that the Commission ratify these actions taken in ER25-3307, 25-2899, and ER25-3465, and I'm missing one, and ER25-2890.

VICE CHAIRMAN SKRMETTA: Move to ratify.

CHAIRMAN FRANCIS: There's a move to ratify by Commissioner Skrmetta. Second by the Chair. Any discussion or objections? [NONE HEARD] Hearing none, it's in the books.

MS. BOWMAN: And lastly under Exhibit 14 is a directive by the Chair. It's a directive to Staff regarding a vegetation management pilot program. And I'm assuming you'd like me to read that into the record?

CHAIRMAN FRANCIS: Yes, please.

MS. BOWMAN: Vegetation related outages are a major contributor to distribution level customer interruptions in Louisiana, not only during thunderstorms, winter storms, and tropical storms, but also during droughts. These conditions stress vegetation in the vicinity of powerlines and can have significant impacts to the electric grid when we experience weather events. The Commission has historically recognized and supported sustained vegetation management, as such management can assist in providing reliability benefits, help reduce storm damage, and in return, accelerate storm recovery. I desire, and by this directive, want to not only maintain those current levels of vegetation spending, but also promote additional incremental vegetation management by all electric utilities while maintaining some of the lowest rates in the country. And therefore, I direct Staff to open a rulemaking to create a vegetation management pilot program for jurisdictional electric utilities, with the focus on the distribution system. This pilot shall be voluntary and for a period of 18 months with review thereafter on whether the pilot was successful and should continue. I leave the specific requirements up to Staff, but ask that Staff incorporate set requirements for the spending level, type of vegetation management allowed, and customer protection, so that the utility does not have a blank check for spending. This is a short-term voluntary pilot, so we should keep it simple and ensure minimum impact on customer bills. I further direct Staff to use best efforts to have the pilot in place in early 2026, so that we can see the benefits of enhanced vegetation management before the start of the peak of the 2026 Hurricane Season.

CHAIRMAN FRANCIS: I want to thank my attorneys for helping me write that. And, you know, in my short time here at the Commission, I've watched these hurricanes blow our poles down, and pain and agony getting things back up. Now, we're strengthening our grid. We're spending a lot of money. Our utility bills are going up a little bit, because of reliability. And I think one thing that's becoming apparent is it's not only hurricanes blowing our poles out, it's the darn trees falling on our lines and our vegetation. And I think a lot of times we try to trim our vegetation budget a little bit to make our numbers match and it's a -- I think it's a big mistake. And so I'm glad to see that we're going to -- we're going to spend some more money cleaning up the vegetation. And I think it's going to pay off because the lights are not going to go out. Because every time the lights go out, it costs us a lot of money. So that's my view. And anybody else got anything to say about vegetation?

VICE CHAIRMAN SKRMETTA: I will add -- obviously no opposition, but as a coincidental issue, been -- we're organizing an educational panel. Who knew that Tulane University has a vegetation management institute? Which I found out about about a month ago. And they've asked us to come up with an idea. So as a educational panel, the investor-owned utilities plus Mr. Sisung have agreed to participate in a panel at Tulane University on vegetation management issues through the vegetation management institute at Tulane. And we're putting that together, and when the actual final date is arrived at, we'll certainly circulate the date in case anyone's interested in attending.

CHAIRMAN FRANCIS: All right. Anybody else have anything to say about veg control? All right. Do we need to vote on that?

MS. BOWMAN: No, sir. As long as there's no opposition.

CHAIRMAN FRANCIS: Okay. Is there any opposition? Okay. [NONE HEARD] Hearing none, it's in the books.

MS. BOWMAN: So we will then --

VICE CHAIRMAN SKRMETTA: Mr. Chairman, I'm okay waiting for the Executive Session if we want to move back to the MISO matter now.

CHAIRMAN FRANCIS: All right. Let's move back to the MISO --

VICE CHAIRMAN SKRMETTA: Or to the outage issue, it's not just MISO.

CHAIRMAN FRANCIS: -- unless there's any objection. [NONE HEARD] Let's go back to MISO then. What number was that?

MS. BOWMAN: Twelve.

VICE CHAIRMAN SKRMETTA: Twelve.

CHAIRMAN FRANCIS: Twelve. Okay. Go back to Number 12.

MS. BOWMAN: Exhibit Number 12 is Docket Number U-37608. It's the Commission's after-action review of Cleco Power and Entergy Louisiana's May 25, 2025 outages pursuant to General Order dated April 13, 2017 in Docket Number R-32786. It's a discussion and possible vote on Staff's after-action report. At the Commission's June 2025 B&E, Staff was directed to complete this after-action review of the load shed event pursuant to Commission General Order dated April

13, 2027 and deliver its findings at a B&E. After several rounds of data requests to Entergy, Cleco, and MISO, and informal data requests to the electric cooperatives, Staff filed its after-action report on October 10 of this year with the following findings: The root cause was MISO's declaration of a TSE due to a temporary IROL, and that IROL was driven by a combination of factors including limited transfer capabilities, lack of available generation, and the pre-defined parameters of MISO's unique temporary IROL designation. The amount of the planned generation outages for the Amite South load zone was not problematic, but when combined with the amount of forced outages and forced derates, total generator outages in that area exceeded 50% of all generation. MISO's unique, real-time temporary IROL action call based on a post-contingent risk forces planning and operations exceedance mitigation window with little to no warning and limits effective targeting, coordination, and transparency. Based on these findings, Staff makes the following recommendations in its after-action report: To reassess the current thresholds for committing additional generation to manage anticipated voltage and reliability risks; to reform MISO's temporary IROL procedures, which recommends -- which we recommend a two-stage redesigning of that temporary IROL construct; that Staff should include the Commission's inability to hold RTOs accountable for load shed events that they cause; and its assessment of the cost and benefits of jurisdictional utilities memberships in the RTOs. Staff recommends that the Commission consider providing more detail as to what type of reporting is required under Section VI.2.d of the Commission's General Order dated April 13, 2017. The Commission should develop and adopt notification and communication requirements for RTOs and Commission jurisdictional utilities during the TSEs and localized emergencies that are similar to the notification and communication requirements during energy emergency alerts. Staff supports the recommendations by MISO in its response to Staff's discovery requests and its post-event report to improve communications, and Staff also supports Entergy's recommended actions that provided -- that it provided in its post-event report to improve public and internal communications. Staff recommends that the Commission accept the after-action report, including recommendations contained therein, filed in the record on October 10, 2025. And we do have two yellow cards from MISO representatives.

VICE CHAIRMAN SKRMETTA: And I would like to hear from Staff representatives on this, which I think is Mr. Sisung, and I'm not sure who else.

MS. BOWMAN: And Ms. Shelton.

VICE CHAIRMAN SKRMETTA: Ms. Shelton?

MR. LANE SISUNG: Good morning, Commissioners.

CHAIRMAN FRANCIS: Good morning.

MR. SISUNG: Lane Sisung. United Professionals Company. Consultant to the LPSC.

MS. DANA SHELTON: And Dana Shelton from the law firm of Stone Pigman. Counsel to Louisiana Commission Staff.

MR. SISUNG: I'll start just by giving an overview of what our after-action report indicated. A clever way of sort of summing all this up, it was a perfect storm without a storm. You really had a convergence. You had multiple factors that all combined to create a very treacherous situation that resulted in a load shed. The primary causes for this -- the root cause for the load shed event was that there was a temporary IROL, interconnected reliability operating limit. It's a NERC defined -- it's a NERC requirement that if you declare an IROL, you have to fix it within 30 minutes or shed load, and that was the root cause, and I'll get into in a little bit what caused the calling of that IROL. But in addition, the factors that led to that being called were really threefold. One is you had a lot of generation that was out during that period, planned and forced. Now, the forced outages were, you know, equal opportunity outages. It was not limited to regulated or non-regulated generation, and it wasn't really -- it wasn't really all concentrated in just one of the regulated or one of the non-regulated. There was a lot of forced outages for generation during that time period. And when -- that is a reality of the electrical system. Planned and forced outages happen all the time. There are mechanical units that need to be brought down and fixed when things happen. It was a unfortunate reality that at this particular time, there was so much generation as outage. We are only able to look at the regulated generators, because we don't have jurisdiction over the non-regulated generators. From our initial review, we do not find any imprudent maintenance. We didn't find any operator action that caused these outages. It was just an unfortunate event that all these outages were occurring at the same time. I think the second contributing cause would have been that there was a major 500 kV, which for the Entergy system is the largest transmission line to date that they use to transport power, that was out -- that was importing power from the west, and it got taken out by a storm. It was on planned -- well, it was on an unplanned outage, but it had a planned completion date. It was not behind time on its completion date. They were working towards getting it back in service. They actually got it back in service a few days before the original plan. So it was once again, an unfortunate event that you had a weather event take out a transmission line that really restricted the importability into the load pocket. And I guess I've been remiss in not discussing that this load shed event occurred in a load pocket. Load pocket by definition meaning sort of an isolated amount of load. Usually geographical barriers are what establish load pockets and that's certainly what is in Amite South. So when you have a lot of generation out and you have a very limited import capability from transmission, you're in a precarious position. And then what happened on that day is that the operating rooms of MISO and Entergy had a lot of conservations on what to do about this precarious situation. I think it's very important to note that there was a -- although there was a load shed event, there was not -- there's been a lot of talk and I'm going to get into the detail of overloads on transmission lines. There was not immediate overloads of transmission lines. The load shed was not called to relieve a overload that was actually happening. It was called based on what's called a post-contingent study. So what this study did is it looked and said if another line goes out -- here we are. We're sitting here. We're in this precarious position. We have limited import capability, small generation. If another line goes out, this line is projected to get overloaded to a certain percentage. And therefore, we want to make sure that we are proactive in how we deal with reliability and we're going to address that in some way. And so that is the third part of this report that we've issued. And MISO has a unique procedure. It's a written procedure that is unique to MISO and it's called a temporary IROL. It's not defined by NERC specifically. It's how MISO has decided to address these events. The temporary IROL occurs if that post-contingent study shows that a particular line is overloaded by 125% or more and that that leads to a certain -- in that if it can't be fixed, it would lead to a certain amount of cascading outages. They ran their study. That's what the study said. That's what the process said. So according to the process, according to the study, they -- the other thing is the minute that they run that study, they have 15 minutes, so -- let me step back a second. You have the threshold, 125%, and then if you project that it's going to generate a particular amount of cascading outages, you would have to call -- you would have to call for the load shed. The way the process works, when they make that first call of the 125%, it starts a NERC 30-minute clock. That is a NERC criteria. So they made that first call and said we've got a problem here. They got 30 minutes to address the situation they called. Well, the process that's created has a 15-minute additional study. So they went through their additional 15 minutes of study. By the time they got to Entergy and Cleco to alert them that there was a load shed, there was a very small -- less than 15 minutes for both of them. And for Cleco, it was a very small amount of time for them to be able to react. And that was what led to some of the lack of communication, lack of ability to let the public know. And so there's that element of that process that we have looked at. So that was sort of the three contributing factors and then for each one we have recommendations, so I'll circle back. For the first one, for the generation outages, not -- this one, there was only one unit that wasn't committed. And it would -- it had a very small generation shift factor, but when you're in this situation, every little bit counts. But since this event's happened, there have been other events that have happened where units that could assist situations where stress is on the system haven't been committed. And Staff would really encourage MISO to relook at the criteria they use in determining when they're going to commit noneconomic units. The MISO process starts with an economic dispatch. They look for the cheapest generation -- which is a good thing, it saves customers money -- to dispatch to meet the load. But then there's a reliability unit commitment that sits on top of it, where MISO does studies to say, okay, well, we need specific -- we can't just do this because -- as economic -- because if we do, we'd be stressing reliability. And then they make additional commitments of units to bolster the reliability. In load pockets especially, there's something called a voltage and local reliability commitment, a VLR commitment. We'd really like to work with MISO to understand what those criteria are and if they need to be strengthened. We understand that when you commit units out of economic order, it costs money. But this is about reliability and we want to understand where that balance is and we want to work with them as Staff to make sure that we're comfortable with that balance. On the transmission outage side, Entergy is currently in front of this Commission with several applications for transmission projects to increase the import capability into Amite South. And we just encourage -- the Commission has only certified one of those. All the rest are in process and we're working with Entergy through that process, but we just encourage the continued prudent planning for transmission and for this Commission to consider only those prudent projects that make sense that -- from a cost perspective in increased reliability in serving load. Then on the third issue, I'll circle back to that temporary IROL. Staff has indicated to MISO that it has concerns with that procedure. That just by it's -- the way it's put together, just that 15-minute clock almost puts you in a NERC default just by the way the process is designed. But more importantly, if you look at that day and you look at all the communications that took place at that day, there were several opportunities for enhanced communication and maybe even enhanced actions. Calls for conservatism to the public to maybe turn down their A/C units or to do things. There was a long lead period time from about 10 A.M. to when it was actually called where that post-contingent study was steadily rising. And so from our perspective, we've proposed, subject to conversations with them, that that process be bifurcated into a two-stage process. When you reach one threshold, we're going to put out the alarm -- set off the alarm. You know, call the MG operating room, say we think we have a problem here. Let the public know, so that they're not caught blindsided like they were in this thing. And then there'd be a separate threshold of overload where that would be the time where you would call for the load shed. We think that that sort of approach makes more sense. We've proposed that as a solution. Since that time, we've attended MISO meetings, we've had several conversations with MISO. We're continuing to work with them. I don't think we're completely on the same page with how all this should, you know, go forward. But we are working together and continue to work together. So that would be our goal and our hope is to continue working with MISO to try to improve that process. And then I'll let Ms. Shelton talk about the communications parts of our report.

MS. SHELTON: Okay. Thank you. As the other major aspect of our after-action analysis was the communications piece. Everyone hates load sheds. They’re terrible. But if you have one, of course you want to make sure the public is given as much advanced notice as they can have. And that of course you all, the Commission, the Commissioners, are all given as much advanced notice as possible. So we looked at both the internal communications, that is the communications between MISO and the two impacted utilities, Entergy Louisiana and Cleco. And then we also looked at the external communications, and that is the communications from Entergy to the Commission, the Commissioners, and the public, and from Cleco to the Commission, the Commissioners, and the public. Unfortunately, we concluded that really the communications in both aspects, internal and external, were lacking in this -- with this load shed and we have some recommendations for improvement in the future. With respect to the internal communications, the inadequacies in the internal communications in large part drove the inability to really alert the public and to alert the Commission that this load shed was coming. On the internal communications, MISO and Entergy were in constant contact really in the days -- starting about three days before this situation. MISO started to issue alerts that there -- about this load pocket, the Amite South load pocket, about shortages in that area, about potential problems. Entergy responded to that by devising and coming up with a reconfiguration plan. When you talk to Entergy and then talk to MISO, you get slightly different stories about that reconfiguration plan. But the best that Staff can tell, that reconfiguration plan was approved by MISO and Entergy was informed that that reconfiguration plan would solve the problem that they were looking at in Amite South. So as far as Entergy was concerned, they had a plan and it would not result in a load shed. However, MISO says, well, that's -- that dealt with a post-contingent load shed situation. What we ended up calling was a pre-contingent load shed situation. But there was miscommunication between MISO and Entergy about that, about pre-contingent load shed still being a possibility. Therefore, Entergy was taken by surprise when it did get that load shed order. It got notified about 30 minutes before that there was a transmission system emergency, a TSE, you've heard that phrase used. And then shortly after that, about 20 minutes after that, it got a order to shed load, shed load right away. And when it got that order, it was vague. It said generally, Entergy, you need to shed load in the New Orleans area and in the Slidell area. Nothing more specific than that. No substations identified, no breakers. And was confusing -- rightly confusing to Entergy because Entergy doesn't have very much load in the Slidell area. So that made Entergy have to make phone calls, additional inquiries. What's happening? Why is this happening? And what -- can you give us any more detail about which load? The internal communications between MISO and Cleco were really nonexistent in those days coming up to the load shed. The first that Cleco heard of load shed was -- that that was a possibility was the load shed order that was given, and so they had to respond right away. They did not have an opportunity to make plans really at all. So given that, both Entergy and Cleco had a limited window then to notify the public. And the issue with the internal communications too, it's notification. It's allowing the utilities also to handle the load shed in the best possible way to really target those areas for load shed that will solve the problem while impacting the fewest customers and causing the least harm to customers. You're really compromised if you have to do it in a hurry and you don't have a lot of time to call on interruptible load for instance, to consider the use of load modifying resources. So those internal communications really need to improve and some of that, as Mr. Sisung just described, is really the result of that structural IROL process where the emergency is declared and you only -- then the way it's constructed within MISO, you only have 30 minutes to respond. So the structure creates this compressed timeframe and this emergency situation. So that needs to be improved and the way that MISO communicates with its member utilities needs to be improved. That will happen -- it has to happen through the stakeholder process and we are in contact with MISO and are participating in the stakeholder processes. That has already started. MISO is aware of this problem. They say they want to work with us to improve their IROL construct and to improve their communications in transmission system emergencies, TSEs. As far as the utilities' communication with the Commission and with the public, we would really like to see much more advanced notice and communication about these issues. But the internal communications will have to improve first. And as far as the protocols for communicating with the Commission and the public, the Commission's existing rules are subject to different interpretations and could use some additional clarification and really need to be more uniform so that all utilities, SWEPCO, ELL, Cleco, all know exactly what to do and can trigger those protocols and alert the right people in the medium that is most workable for the recipients of that information and that they alert the public in a uniform way. Staff plans to look at those rules, make necessary clarifications and modifications to close some of the holes that are currently in those rules, and give all stakeholders an opportunity to comment. We will solicit input from all of you and your Staffs and from the Executive Secretary about communications and notifications to the Commission to determine what are the best modes, the most desirable modes. So those are our really two avenues for addressing the issues we identified in the report, and that's all I have.

CHAIRMAN FRANCIS: Well, thank you, Ms. Shelton. I panned the audience. Nobody is asleep, so we're doing good. I got a -- I want a brief explanation on something. Can you briefly explain what reserve margin is? What it is and why we have it? Would you do that?

MR. SISUNG: Sure. So every utility is required -- every load serving entity, which is generally a utility. It's our IOUs, Entergy, Cleco, SWEPCO. It's also our cooperatives. They're a load serving entity. If they have the obligation to serve load, they need to procure capacity, generation, that can serve their load. What the planning reserve margin requirement is, the PRM -- PRMR, is that if you have a hundred megawatts of load, you don't want to just have a hundred megawatts of generation. You want to have a little extra, you want to in -- because generators go out. They go out on planned outage, they go out on unplanned outage. So your PRMR, your planning reserve margin requirement is that extra percent of generation over and above the amount of load you have to serve to help you to address those periods of time when all of your generation isn't available. Now, that PRMR, the amount of that percentage can change dramatically depending on your situation. For instance, if ELL was their own local balancing authority, their own balancing authority, right? They weren't partnered with anybody else, they didn't have purchased power pool rights, they hadn't contracted with anybody, they weren't in an RTO, they weren't sharing power with anyone else, that margin is going to get very high because they have less generation to be able to rely on. So the way the planning reserve margins are set now is with our utilities within these RTOs is, it's done by pooling all of the generation of all of the load and that's able to bring a number that would otherwise be higher, down. And that is one of the savings that exists in RTOs is that capacity savings that is generated by a lower planning reserve margin.

CHAIRMAN FRANCIS: Now, the RTOs are the ones who set the margins; is that right?

MR. SISUNG: That's a --

CHAIRMAN FRANCIS: Make the rules, you know?

MR. SISUNG: I'm going to generally say that's right. There are rules and opportunities for states to opt out and set their own planning reserve margin. But if we're talking about MISO, they have their planning reserve auction, and there is a planning reserve margin that comes out of that planning reserve auction that all parties participate in. Louisiana -- I know of no state that has set their own reserve margin.

CHAIRMAN FRANCIS: I know the RTOs have, over the last -- especially the last couple of years, have raised their reserve margin.

MR. SISUNG: Yeah. The reserve margins have been increasing significantly as --

CHAIRMAN FRANCIS: Well, the purpose of a reserve margin is so if something breaks, we don't run out of electricity. Is that simply put?

MR. SISUNG: That's a simple -- simply put.

CHAIRMAN FRANCIS: So in the case of this outage, this load shed in this area, it's called a load pocket, right? Where we have the problems?

MR. SISUNG: Yes, sir.

CHAIRMAN FRANCIS: You can look at load pockets all over America, there's a reserve margin that governs that area and we have to have extra electricity available so that we don't have load shed; isn't that right?

MR. SISUNG: That is correct, and that is one of the recommendations in our report is that, you know, one of the things that this Commission really has to consider when they're looking at generation to serve a load pocket is whether that generation is located in the load pocket or not, because the planning reserve margin isn't load pocket specific, right? So I can be meeting my planning reserve margin with generators from, you know, Wisconsin or somewhere else. But can I get that generation actually into the load pocket? So when this Commission looks at certification requests and at the acquisition of particular generation to serve load, one of the things that we recommend is that the Commission really focus on is how are we protecting that load pocket?

CHAIRMAN FRANCIS: Okay. Now, you were talking about you cannot -- you don't know what a unregulated generator is doing. That's their private business, but the RTO knows what they're doing, right?

MR. SISUNG: Yeah. And I will say that there was -- the largest nonregulated generator in the state was very cooperative with Staff and with MISO, and they allowed us to get some information on what their outages were. But that was -- it's confidential to our review. We're not able to state that publicly.

CHAIRMAN FRANCIS: Well, don't they cooperate with the reserve margins that we need? In that case, the RTO needs to know. They look at all our workbooks and they know that we have this much reserve. And so in this case here, we had a 500 kV line down, which is a -- that means we got to have a reserve margin coming from somewhere else. And one of the things we noticed in our study was the utilities have a choice to keep a little extra electricity generation running in case this happens in these kind of times. But if we can slap their hand there, you shouldn't had that running, it's costing the ratepayers more. And it's a question of, you know, reliability costs. I think most people in Shreveport or New Orleans would've said you should've had another generator running there even when we didn't need it. And it might've added two cents to my bill, but I'd rather pay two cents then let the lights go out. And so that's my -- the little bit I've seen here. I'm sure some of the other Commissioners might have some comments on it, too. Any other guys? Commissioner Lewis. Yeah.

COMMISSIONER LEWIS: Thank you, Mr. Chairman. Lane, I want to go back to the temporary IROL that you were discussing. And so I know in the report you talk about a two-phase process basically because MISO has the 125% versus 150. Can you walk me back through where you saw the issues in MISO's current temporary IROL process?

MR. SISUNG: Well, sure. I mean, the process as it was executed and as it is defined in their procedures, I mean, the problem is that, you know, the second that it hit 125 -- 125%, their procedures required them to call a temporary IROL. So it's called, and now NERC rules say that once an IROL is called, you got 30 minutes to solve it, or you will be shedding load. So, I mean, walking you back through what actually happened, that is what happened is that you had this post -- I keep stressing a line was not actually overloading. It was if another line goes out, this line will overload, so it was a study. Okay. So it hits this 125. Thirty-minute clock stops, you have to shed load. From our report, you know, I can't find -- if you look back at the history of that day and that event, that 125 -- as you go towards that 125% criteria, starting I think as early as 10:00 or noon, you were at 110 and then you -- you know, then you come up to 115, and then you come -- and then you hit 125. So one observation we've made is, you know, if we're going to have this -- not a real overload, but this post-contingent overload, can we build in a more systematic way of looking at this? Because we're not addressing an immediate emergency. We're kind of trying to protect against an emergency. Now, as regards to the 125%, there has been a lot of talk about 125% versus 150% and there are certain -- NERC does not set 125%. NERC really doesn't set 150%. There are NERC references to 150% being an unacceptable threshold. So I will tell you that through the research we've done and discussion with the transmission engineers we have on staff, a line is not going to last very long at 150. So 150 is a big number to hit, which is why we propose, you know, as an example, at 125, set off the alarms, and then at 150, you know, that's the level where that transmission line would be lost pretty quick. Let's not get there. Let's go ahead and shed load. That was the thought process behind what we offered. Now, you know, we're looking forward to having conversations with them. Are we missing something? You know, is there something in this process that we're not thinking through? That's why it was just a recommendation and an offer to have that discussion.

COMMISSIONER LEWIS: No, no. Thank you. I know in some of the comments prior there were conversations about reconfiguration before or after the event. In this review, did you notice that that would substantially change any of the events that happened that day, or is that more of a kind of post-analysis of what we think could have happened?

MR. SISUNG: Well, that is sort of the -- one of the, I guess, disputed issues. I don't know if it's disputed or it's not anymore because there's different answers. But, you know, the day before this contingency was identified as a problem and Entergy proposed a reconfiguration plan. And when they first proposed it, MISO said, yeah, that'll lessen the amount of load that needs to be shed and that was when it was first proposed. As they -- the next -- as they went into the next day, midday there was a conversation between Entergy and MISO where MISO confirmed to Entergy that that reconfiguration plan would eliminate the need for a load shed, which is why, as Ms. Shelton said, Entergy when they got the notice said wait a minute, aren't we going to -- what about this reconfiguration plan? Why aren't you directing us to -- why are you directing us to shed load? Aren't we supposed to do this reconfiguration plan first? To which they said, no, our studies now show -- our updated studies show that that reconfiguration plan we all agreed on won't work anymore. So there were reconfiguration plans, there was an agreement at least at some point during the day that that would solve the problem, but when it came time that the threshold was reached and they re-ran the study and they implemented their reconfiguration plan, it caused problems somewhere else and that's why that wasn't implemented.

COMMISSIONER LEWIS: So that's pretty much where you're -- where, Dana, you're going kind of on some of the internal communications, especially if we are talking between the utility and the RTO about -- of course there's multiple studies going on when you're looking at the capacity market, right? And so, Dana, I would like you -- because you mentioned it briefly, but I -- and I know it was in your report about aligning the TSE with the EEA. Can you just kind of explain your rationale behind that or what you think that would help solve in the communication side of a potential load shed in the future?

MS. SHELTON: Right. Right now, the Commission has rules for energy emergencies, and it also has rules that the Staff thinks applies to transmission emergencies such as what occurred here. But we do acknowledge that those rules -- the definition of non-emergency event and emergency event is somewhat -- could be somewhat confusing to the reader. So there's been some dispute in both this load shed event and in the SWEPCO, SPP load shed about whether those rules really apply in a situation such as this. So there is a gap right now -- a perceived gap in the Commission’s rules regarding communications on transmission -- localized transmission system emergencies. So to remove any doubt, we recommend that the Commission close that loop and be very explicit about it and some of the rules that apply for this kind of transmission system emergency are vague, you know. The utility has to provide a full report in three days. Well, that -- what does that mean? I mean, that’s a legitimate question because a full report, that would be -- to really get to the root cause of something and to do a good job with it, three days is not enough time. But a preliminary report, it would be good, I mean, as soon as they can get it. So we’d like to tighten that up, you know, and have something kind of like what was presented in this case. Those after-action reports that were prepared by MISO and Entergy in this case were very helpful, as were the after-action reports in the SPP, SWEPCO matter. So if we could get some kind of requirement, you know, so everyone knows that’s what’s to be done. And kind of the day-of communications, the Staff would like to see those rules tightened up too, because right now, they’re being interpreted in all kinds of different ways for these transmission system emergencies. Some of the utilities call just the Commissioner in the area where the load shed is happening. Some call everyone. Some text. Some email. You know, it’s inconsistent, and so we need to have a uniform approach so that they all know. I think they all want to do what is required of them. We got to let them know exactly what that is and what everybody wants, what’s the best way of communicating.

COMMISSIONER LEWIS: No, no. I completely agree with you and look forward to kind of working, particularly, as this could become a bigger issue as we think about that. And, Lane, my last question, I know you mentioned it being a perfect storm with no storm. And I mean, I think some of the initial reports that we have where we were kind of picking certain generators that were the main reason, or generators that we could not identify as the main reason, and we saw that over 50% of the Amite South generation was offline due to a planned outage, and then of course the forced outages and derates. Can you just clarify once again -- and I think you did a pretty good job, but I know there was questions in the beginning phases right after that, we were looking at certain generators for a certain utility or generators that we couldn't identify -- what you discovered in part of the generation challenge during this load shed event?

MR. SISUNG: Yeah. As I said, look, forced generation -- forced outages of generation happen and they're, you know, I mean, publicly disclosed. You had a planned outage of a large nuclear unit, Waterford 3. You had an unplanned outage of River Bend. But you also had unplanned outages of equal amounts of those megawatts from some of the unregulated generators. So you really can't -- and as I said, from what we can tell from the regulated, there was -- it was just one of those things. It's what happens in generation. And with the unregulated, we're going to assume that's the case. And so it was just an unfortunate convergence of all these generators being out at the same time that you had the import -- the transmission line out. But I don't think there was any -- Staff cannot think of any action that we would direct that would have changed that situation. So that's kind of our ultimate conclusion is it's an observation, but not with an action item.

COMMISSIONER LEWIS: Not with an action item. Okay. Thank you.

MR. SISUNG: Other than the commitment. If there is a -- if you have that amount of forced generation, then -- and you have a generator that's not on, we would like to understand why it's not on in this load pocket. We want to make sure that reliability is first.

COMMISSIONER LEWIS: And so that kind of goes back to some of the comments the Chairman was making about looking more at what type of generation is on especially during the market for reliability measures, but I mean, I think that would kind of go back to looking at some of that transmission capacity requirements, whether it's the 125 or it's the 150. But I think that's a little bit more holistic conversation I think we should have MISO as well. Thank you, Mr. Chairman.

CHAIRMAN FRANCIS: Lane, quickly, unplanned outage, I think that was part of our problem. The transmission line and unplanned outage. The PSC knows about those we regulate if they're outage. But all the industrial generation, they work directly with the MISO -- MISO or the RTO. So the RTO knows if there was some unplanned outage, you know, so we could possibly get a call about an unplanned outage that we're really not monitoring that generator, right? And could cause us to have to do something. Have a load shed or we got to get some other generation going. How does -- how can we operate like that without knowing what all of our generators are doing all the time? I know that's the way we're working. Is that --

MR. SISUNG: Well, I mean --

CHAIRMAN FRANCIS: Is there a suggestion you might have in the future or [INAUDIBLE]?

MR. SISUNG: Well, from a proactive -- you know, how can we know real time, that's very difficult to do because we don't have regulatory authority.

CHAIRMAN FRANCIS: Okay. Yeah.

MR. SISUNG: But one of the remaining suggestions in the Max Gen rulemaking which we are working on finalizing right now, is that if a load serving entity contracts with an unregulated generator that they have -- at least have the ability in a post-event situation to get the information of whether that generator was operating or not operating, or contributing or not contributing. And that was in the first Max Gen rule, it got suspended by the Commission, and then it's now back up for reconsideration. And we're trying to put together a bunch of other pieces of that rule, but when it comes back to you, that will be a part of the recommendation of that rule.

CHAIRMAN FRANCIS: Commissioner Skrmetta.

VICE CHAIRMAN SKRMETTA: Yeah. Lane, should the Commission have full authority for control of liability for generation of the entire fleet in the state, whether regulated or not regulated, not so much as regulating the price of electricity, but for the regulatory perfecting of the reliability of the fleet in the state?

MR. SISUNG: I mean, you're asking -- let me make sure I understand the question. The question is should the Commission have the ability to at least regulate the reliability aspect of the currently unregulated generators? Was that the question?

VICE CHAIRMAN SKRMETTA: Yeah. Close enough.

MR. SISUNG: Yeah. I mean, ideally, I think that would be what we would like, but I just don't think from a wholesale FERC, state, federal, state-jurisdictional standpoint, that we would get that ability.

VICE CHAIRMAN SKRMETTA: But the ability of that is more to understand what's going on versus anything else, right? It's about, you know, information more than not telling them, you know, how to run their business, but to understand what they're business is doing, right?

MR. SISUNG: Yes. And that -- as we said, one of the ways we can get there, we still wouldn't be able to get there entirely, but one of the ways at least we could get there from a post-event standpoint would be to require that -- who you do regulate, the load-serving entities, to the extent that they contract with an unregulated generator, that they have access to that information.

VICE CHAIRMAN SKRMETTA: And that brings up another question about this aspect of the unregulated generators, but particularly I guess with the co-ops, I guess is a way of looking at this. Because there were issues associated with the cooperative contracts and my understanding is we still don't have full understanding of how the co-ops contract for electricity. Is that pretty much the case?

MR. SISUNG: There were certain generators who are contracted with the cooperatives that did not disclose their information.

VICE CHAIRMAN SKRMETTA: And why is that so? Why is that so?

MR. SISUNG: We asked MISO, MISO asked them, and they did not disclose.

VICE CHAIRMAN SKRMETTA: What authority does the Commission have over the cooperatives to require that information to be disclosed for the purpose of securing information?

MR. SISUNG: From the Max Gen rule perspective, when we bring it back -- as I said, it was in the original rule. It got suspended, but I think that that would be something for the Commission to consider when we bring the Max Gen rule back.

VICE CHAIRMAN SKRMETTA: When will that happen?

MR. SISUNG: Well, I think what's about to happen is all of this is going to get wrapped into that, so probably first quarter of next year.

VICE CHAIRMAN SKRMETTA: Okay. Because I think that's a significant priority because, you know, one of the things about, you know, reliability of a system is not people failing to disclose information that will help us provide for reliability of the system. You know, we understand that people have their own issues on how they run their game and all, but for us to understand how to make a system reliable, we're going to have to understand what happened and what [INAUDIBLE]. So I think for your next -- you know, your next meeting on that particular issue, I think it's going to have to be a critical element to make sure that any information that we're going to need, we're going to have to have access to. All right. I do have a couple more questions. When we were talking about this issue of MISO having a different percentage of 125 established versus 150%, the federal government establishes this 150% requirement; is that correct?

MR. SISUNG: It's not my understanding that that's a --

VICE CHAIRMAN SKRMETTA: NERC or --

MR. SISUNG: -- NERC requirement.

VICE CHAIRMAN SKRMETTA: It’s not a NERC requirement? I'm just trying to understand.

MR. SISUNG: No, no. So it’s my understanding that within the NERC regulations, it is -- 150% is identified as a threshold for different matters than what occurred here. So 150% is referred to as -- by NERC, within their rules. But not within regards to the IROL. NERC does not say that an IROL is 150% overload. That connection is not made.

VICE CHAIRMAN SKRMETTA: But NERC is a federal agency, right?

MR. SISUNG: NERC is a federal agency. Yes.

VICE CHAIRMAN SKRMETTA: Okay. So the established amount by MISO of the 125%, is that an amount that has to be perfected or established by the federal government for approval or is that something that MISO can just establish at will?

MR. SISUNG: It is MISO’s responsibility to define their IROL and to -- and that's what they’ve done with their process.

VICE CHAIRMAN SKRMETTA: Do they have to get that approved by someone?

MR. SISUNG: Not my understanding, no.

VICE CHAIRMAN SKRMETTA: So they can say it’s 105%. They can say it’s 101%. They can say it’s 125. It’s whatever they say it’s going to be, right?

MR. SISUNG: As it would be concocted through whatever procedures they have to establish their processes and procedures, yes.

VICE CHAIRMAN SKRMETTA: And it's not up to Entergy to, you know, oppose this. Entergy can't say what they believe is the correct amount for them to have that percentage be established at?

MR. SISUNG: Entergy cannot unilaterally impose a different percentage. Their contribution would be in the input of the stakeholder process which creates and defines these procedures.

VICE CHAIRMAN SKRMETTA: So stakeholder being against the 17 component states? Or 17 -- 16 plus 1.

MR. SISUNG: Yeah. I think all the transmission operators have input into this, have had input into this. I think probably the spotlight was not shown on this until this event, so we are hopeful that Entergy will really focus -- and Cleco will really focus on helping to get changes made to this.

VICE CHAIRMAN SKRMETTA: But input is not -- it's not -- is it fair dealing or is it just input?

MR. SISUNG: No, it is absolutely just input. If MISO decides it wants to do something different, they will do something different.

VICE CHAIRMAN SKRMETTA: So there's no fairness of contract available in that discussion? Entergy can't say what it appears to need, and MISO can just say thank you very much and not do it, correct?

MR. SISUNG: I would say that's an accurate statement.

VICE CHAIRMAN SKRMETTA: Okay. So the other one is MISO was aware of these transmission lines being out long before the actual event, correct?

MR. SISUNG: Yes.

VICE CHAIRMAN SKRMETTA: Like how long before do you -- I mean, it was several months; wasn't it?

MR. SISUNG: Yeah. Everyone was aware of those lines being out from the time the storm took them out.

VICE CHAIRMAN SKRMETTA: Right. Well, I mean -- but time-wise, was that -- it was like -- it was months; wasn't it?

MR. SISUNG: Months.

VICE CHAIRMAN SKRMETTA: So it wasn't something that was a emergency, happened the night before type thing?

MR. SISUNG: Correct.

VICE CHAIRMAN SKRMETTA: It was something that they could've been planned for over a period of time for establishing a reaction for serving the needs of the issue, right?

MR. SISUNG: Yes, it was a known.

VICE CHAIRMAN SKRMETTA: Okay. And I think that's, you know -- and I think where we're getting back to this issue is the issue of load pockets being sort of -- I guess, it's the amount availability of electricity in these particular zones. And like I said, New Orleans particularly because of its issues, since that's had the biggest impact, prior to 2017 had 862 megawatts of power. And when it reduced that amount of available power down to 120 megawatts, I believe is the local generator, because the City Council established that it did not want to allow a larger device to be put in place. So now New Orleans is highly reliant on transmission; is that correct?

MR. SISUNG: It is more reliant on transmission than it was prior to that decision, yes.

VICE CHAIRMAN SKRMETTA: Right. So basically in a differential of about, you know, 780 megawatts of power differential, correct? Something like that? Come on. You're better at this than me.

MR. SISUNG: Yeah. I think it was closer to 700, but yeah, sure.

VICE CHAIRMAN SKRMETTA: Yeah, yeah. Something like that, right? And so -- but we have the same problem in SWEPCO issue where SWEPCO needs generation, so it's supplanted with transmission. That's the way we have load pockets, right?

MR. SISUNG: Yes.

VICE CHAIRMAN SKRMETTA: Load pocket is a technical term meaning there's not enough generation in that area, so it has to be supplied with transmission from power from another area, correct?

MR. SISUNG: That's accurate.

VICE CHAIRMAN SKRMETTA: Okay. So one of the solutions we could do to improve the less frequency of these type of events is increase the amount of generation in these zones; isn't that correct?

MR. SISUNG: I think as unit -- yes. And I think as units are retiring and you're looking at replacement options, I think that that should be a consideration. I don't think it should be the only consideration, but I think it should be a primary consideration.

VICE CHAIRMAN SKRMETTA: Right. And the other -- one last thing, and I think it's more of a technical thing, is we talked about this and some -- I think it was Commissioner Lewis mentioned it -- is this issue in the marketplace between, you know, the price of available power that is prioritized going into the marketplace. And we talked about this before between you and myself and Staff. Is this priority of the cheapest power going in and a lot of times that cheapest power by nature of low fuel cost is renewable energy and how that is a difference between -- and this is a technical issue -- between capacity and energy, right? And so capacity is not always the most reliable form of energy because it's -- for the base load power issues, because we know that while it's cheaper by nature and we look at the issue of economics, it also is the least reliable form of energy because it's subject to variations in windspeed. We've seen wind drop off rapidly. In fact, that could've been an aspect of this. We know solar is subject to variations in wind, so -- and while it's a component of the market, should that be a question mark on how the markets operate on deliverability of power? And we talked about it -- Commissioner Francis mentioned that folks would be willing to pay a little bit more money for reliability of power, in which -- in spinning steel baseload power that making sure that we're not going to effectively put all our eggs in one basket because of price and reliability of power and balancing those interests and how markets should be really scrutinized to make sure that we're not going to not look at the fact about that because -- and I mean this in the nicest way possible -- a lack of concern over impacts of load shedding by RTOs because of the fact that it's really not something that will probably concern them as much as it would concern the Public Service Commission and the operators in the state because of their direct responsibility back to the public. So, you know, the concern from the Commission and from the public here is to ensure deliverability of electricity. So I would think that there has to be a real nuanced look at the marketplace to make it to where we balance these interests of how we look at that economics of deliverability of power against the capacity of energy that can be provided for. Because we did see that there was spinning steel in the region over this last almost load shedding event, and it was not looked at for use in the deliverability because they were still looking at the economics of delivering the other kind of energy that was out there, and we came very close to a third load shed event, which was avoided, but not because of transmission issues. It was all market related deliverability issues and frequency issues in the grid transmission. I think that's the issue for me is, you know, how do you feel like we should approach the market on understanding the difference between capacity and energy deliverability on, you know, looking at not just focusing on, you know, the full economics but looking on full balance of deliverable power?

MR. SISUNG: Yeah. So that is absolutely one of the recommendations of the report. One of the things we want to focus with MISO on is, you know, a lot of these steel in the ground generators, they don't start up when you flip the switch. So you have long leads on them. And so we want to -- and when a generator -- to get to your capacity, a generator has to be on and that's the commitment process. So MISO has a commitment process that starts with economics, and then adds a reliability component on top. We really want to start focusing on that reliability component that sits on top of it to make sure that we are more focused on reliability than economics.

VICE CHAIRMAN SKRMETTA: Right. But we were actually talking about these load shedding events, not nine minutes before, we were actually talking about it 48 hours before. And so we knew about -- not we, but I mean the collective universe on this issue. We knew what was going on 48 hours before, and there were -- you know, then it moved into this 24-hour cycle, and then it moved into what the public perceives as panic in nine minutes, right? So we should be able to understand at 48 hours, since we're a day-ahead market, to establish start spinning steel, right? To activate baseload power which would alleviate the need and issues for even questioning interruptible contracts, conservative issues, which neither of which were allowed to move forward into the marketplace, right? We didn't do either of those things. We've seen those in the past where we've gone, you know, request people to go to conservation, we've done interruptible contracts before, but none of that happened, and we still had two days to do it. And that shows, in my mind, it's poor workmanship, right? And it's not on any other reason from how the RTOs handle this, right? And so I think that's one of the things that I'd like the Staff to focus on as it moves forward, is to look at the critical element of you know what's coming, there was no surprise of transmission being out, it's a day ahead market, we know what we need, we know we don't need to focus on this -- the razor's edge of economics of deliverability of power, which is subject to frequency modulation, and we know what we have to do. And especially if we're at a critical element, the economics should take a backseat to deliverability. So that's the end of my questions.

MR. SISUNG: That is Staff's focus.

CHAIRMAN FRANCIS: Okay. Lane and Dana, we have a reserve margin rule. It's a written, hard rule. Reserve margin. Where was the reserve when we had this outage? Why didn't the reserve kick in and keep the lights on?

MR. SISUNG: Well, as I said, you have a load pocket issue. And the reserve margin isn't load pocket specific. So the reserve margin sits over -- ELL has a -- it's, you know, MISO-wide has a reserve margin. Every single utility in MISO has the same reserve margin. So when you get into a load pocket in the way that we are, that's where you get these voltage and local reliability dispatches. So when you say where was the reserve? It was A) Outside the transmission. It wasn't able to be transmitted in because you had that downed 500 kV because that was from [INAUDIBLE]. That reserve also was within the planned outages and the unplanned outages. And so the problem was that within this one load pocket, you weren't able to access all that reserve margin that you're paying for.

CHAIRMAN FRANCIS: Well, we have -- you know, we have two RTOs in Louisiana. Southwest Power Pool and the MISO. That's 29 states in America. Some of the smartest eyeballs, you know, watching and looking at everything. I wonder how many load pockets are in those 29 states, and what are they doing to keep it from happening if it's outside the reserve margin rules, you know? I think it's something we need to ask. So we got a load pocket around Shreveport. We got one down around New Orleans. Are there any others in Louisiana that y'all know of?

MR. SISUNG: Well, I don't know if WOTAB is still technically a load pocket. It has been load pockets on the west side, the west of the Atchafalaya Basin --

CHAIRMAN FRANCIS: They don't like that name. That's called southwest Louisiana.

MR. SISUNG: Yeah. That's WOTAB is a load pocket. Inside of Amite South you have a more isolated load pocket of DSG, Downstream of Gypsy. You know, I did not know Shreveport was a load pocket until we had the load shed.

CHAIRMAN FRANCIS: [INAUDIBLE]

MR. SISUNG: I had never heard that before. I know that Michigan's upper peninsula -- most times load pockets are dictated by the geography.

CHAIRMAN FRANCIS: Yeah.

MR. SISUNG: You can't get the generation located and the transmission over the geography. And being on the -- you know, with the gulf to the south of us, the lake, the river, the areas I'm telling you about of our load pockets are largely driven by geography.

CHAIRMAN FRANCIS: Well, I agree with Commissioner Skrmetta. If your reserve margin is in solar panels, and your outage is at night, you're in a lot of trouble. You're not going to have no reserve margin. And I think the reserve margin is a great idea. It's been watched and created by our RTOs because they have the big picture. And so we got to figure out a way for the reserve margins to work everywhere. A load pocket or not. And I think that's a question I would think we need to answer the public for, you know?

MR. SISUNG: Understood. Yes, sir.

COMMISSIONER LEWIS: Mr. Chairman, really quick, I want to ask Lane one more question.

CHAIRMAN FRANCIS: Okay. All right.

COMMISSIONER LEWIS: Lane, I know you briefly mentioned it in your response to Commissioner Skrmetta, but I think -- would you not agree that we also need to still do some serious work on transmission planning, especially around these load pockets? I mean, if we look back at that day, we had negative price markets in Mississippi, which means there was adequate generation that could've been at a reasonable price that we could not access because of the inadequate transmission planning that I think we've done around some of these load pockets. And so while I completely agree with the generation questions, I just wanted to see your opinion. And I know you briefly said you felt like it was holistic, but is transmission planning not something we should be looking at more, especially as I go back to my talking in our integrated resource planning making sure that our utilities are also showcasing what they're talking about in transmission when we get to those processes as well?

MR. SISUNG: Right. So two responses. Part of the recommendation is continued, prudent transmission planning. This is a all solutions recommendation and we definitively call out continued, prudent planning to deliver power into Amite South. We have a load pocket and we need to prudently plan transmission to address that. I just do want to address the Mississippi power issue because I know that that was brought when it first happened. That is -- there is no doubt that that was a fact. The fact that that only happened in that one specific incident, I don't think in and of itself would dictate that you'd want to build a bunch of transmission to get power from Mississippi into Louisiana. You'd want to do a more holistic transmission planning to then just one event creating one price separator. If that price separation was happening monthly, seasonally, that was a consistent price separation, I think that would lead you towards looking at that particular as a transmission solution. But having said that, it is clear in the report that, you know, we're currently looking at five -- four or five projects to increase import capability into Amite South and we think that those efforts need to continue.

COMMISSIONER LEWIS: Okay. Thank you.

CHAIRMAN FRANCIS: All right. Sounds like it got quiet in here. Okay. I guess we're through. Are we through? Anybody else?

MS. BOWMAN: We do have -- sorry. We do have two representatives from MISO, Ms. Jennifer Curran and Todd Hillman, to answer any questions you guys may have as well.

CHAIRMAN FRANCIS: All right. Can we ask them the same questions?

MS. BOWMAN: You can.

MR. TODD HILLMAN: Good morning, Mr. Chairman, Commissioners. I'm Todd Hillman. I'm MISO's chief customer officer, and with me today are Ms. Jennifer Curran, senior vice president of planning operations, and Matt Loftus, MISO's senior corporate counsel. First, we would like to acknowledge your Staff's thorough work to compile this report. Recommendations made in it were on point and provided an excellent basis for MISO's plans for improvement in this area, many of which are already in flight. We look forward to continuing collaboration with your Staff. MISO strives to be an essential partner with the LPSC and the utilities it regulates to keep power flowing reliably and cost effectively to Louisiana customers. As a not-for-profit social welfare organization, MISO must demonstrate value and benefits to its members and their customers. And MISO has demonstrated significant value to customers in Louisiana as evidenced by our MISO South value benefits report. The Commission's decision to authorize Entergy and Cleco to join MISO more than 11 years ago have paved the way for large load growth and meaningful economic development in Louisiana, such as the recently approved Meta project in north Louisiana and other significant economic development opportunities. MISO does recognize that there is significant room for improvement and is concerned with how May 25 unfolded. We look for improvements in both our operations and communications areas. And as noted in the after-action report, Staff recommended that MISO revise its temporary IROL construct and improve communications. MISO has already initiated improvements and commits to refine and enhance those protocols. That includes the reviewing its temporary IROL construct and how we can more effectively communicate with our regulators and their impacted utilities. MISO greatly appreciates the working relationship it has with the LPSC, its Staff, and its members, and is committed to being the most reliable value creating RTO for Louisiana and its footprint. And with that, Mr. Chairman, we'd be happy to take any questions.

CHAIRMAN FRANCIS: I really appreciate you guys and ladies, gentlemen coming down. When I first got in this business eight years ago one of the things that I said, you know, I got to understand this MISO -- this RTO stuff because I think it's a great plan, and I think it works well. These are minor things I think we can straighten out.

MR. HILLMAN: Yes, sir.

CHAIRMAN FRANCIS: The reserve margins were one thing that interest me and I've watched you and SPP as y'all worked it up, you know, over the years. What is the reserve margin now in Louisiana? Or the region -- it'd be the MISO region.

MR. HILLMAN: Well, we can certainly get that to you, we actually break it down by zones and -- I mean, we get very specific on reserve margins. We can provide that information, too. We'd be happy to do that.

CHAIRMAN FRANCIS: Okay. All right.

MR. HILLMAN: But the point made is an accurate one. As generation retires, we're seeing the reserve margin increase. We're trying to meet that balance of that reliability and economics every minute of every day. And so that applies to that as well.

CHAIRMAN FRANCIS: That's the deal. Let's keep the price right, but don't let the lights go out.

MR. HILLMAN: Yes, sir.

CHAIRMAN FRANCIS: So that's good. Some of my fellow -- Commissioner Lewis?

COMMISSIONER LEWIS: Thank you. Thank you, Mr. Chairman. I'm going to start kind of back -- do you by chance have, or you can give back to the Commission, what the generation makeup is in Zone 9?

MR. HILLMAN: Oh, we can certainly provide that to you. It is primarily natural gas. I can tell you that.

COMMISSIONER LEWIS: So does the -- and so that's kind of what I noted when we got to some of that generation questions with Staff. That's what's my memory served me, is that Zone 9 is pretty much heavily more dispatchable generation than is renewable generation. So while there may be some issues there that we need to talk about in our accreditation or capacity, it probably wasn't the major factor that lead to this temporary IROL.

MR. HILLMAN: Yeah. Most of the outages and most of the generation in the footprint is natural gas, nuclear, things of that nature.

COMMISSIONER LEWIS: Thank you. And so I want to go back to the questions I was asking our Staff consultants about your 125% IROL threshold. Is my memory correct that this has been in place prior to most of the Louisiana utilities joining MISO; is that correct?

MS. JENNIFER CURRAN: That's correct.

COMMISSIONER LEWIS: And can you kind of walk me through the process or your rationale of the 125%? I know that you're doing stakeholder engagement, thinking about additional changes, looking at the after-action report, but I'm just kind of curious is that in your FERC tariff? How did that development of the 125% become a temporary IROL under MISO's procedures?

MS. CURRAN: Sure. So for the IROL overall, we did work to establish what that threshold is. As Mr. Sisung indicated, every entity has to develop that threshold. Our threshold of 125% overload of an emergency level of a line rating is fairly consistent for most IROLs with what other members do. Ultimately, I can say we picked 125 because we are trying to strike the balance between conservatism. Shedding load, interrupting customers is the last thing that anyone wants to do. At the same token, as we think about the requirement of ensuring that we impact the least amount of customers when those situations arrive, avoiding greater impacts, cascading outages, and the like. At some point as you get to, you know, 150 or so, you're very close to that edge. So it's really trying to strike that balance and we do review that every year with the various operators. And I agree that it is getting a lot more spotlight now. Fortunately, these kinds of events are rare. And so everybody is taking a look now to see if that 125 is still correct.

COMMISSIONER LEWIS: Thank you. And to some of the questions Commissioner Skrmetta asked, you do not have to get this approved by FERC or NERC, this is just an internal RTO decision; is that correct?

MS. CURRAN: Yes. That's largely correct. I would say there is probably a value we could pick where NERC might have an opinion on it and reflect that in how they access our compliance with their intent of the standards. But by in large, it's a MISO choice.

COMMISSIONER LEWIS: Okay. Thank you. I know that there's been significant talk we had about the load pockets here in Louisiana. And so I'm curious from the planning perspective, what is MISO looking at to improve the import capacity and capability within these load pockets? Are we primarily focused on transmission, generation, holistic, all of the above? From MISO's standpoint of recognizing now that we're in these load pockets, what from the planning stage are you looking at?

MR. HILLMAN: Yeah. So all of the above is a very accurate description. And I'll start, and then I'll give it to Jennifer. On the generation side, what we saw was with all of this economic development happening throughout the MISO footprint, but especially here in Louisiana, Arkansas, Mississippi, Texas, we instituted very quickly what we call the expedited resource addition study. And what that was is it's a prioritization to get this critical generation to the front. We are very pleased to say that we got that approved by FERC and we have 48 projects of which Louisiana is the largest party, largest state to have these expedited resource addition study projects. Mostly natural gas, but also some solar in that number. And so that was the first thing we did is to say, listen, generation can get on the quickest, it's something that is needed both from an economic development perspective, but also a reliability perspective. So that is in process now. We have projects that are prioritized from Louisiana in the first 10 projects. So that's the generation side, Jennifer can talk to you about the priorities on the transmission side.

MS. CURRAN: Yes. So of course we work always with our local utilities on identifying transmission needs and we've already spoken here today to the large amount of transmission that's already being planned in this region. But we are also undertaking a study really focused on the load pockets specifically to understand what the options might be for those combinations of generation and transmission to help increase reliability or reduce that risk in the footprint. A piece of that will include seeing if there's better information we can provide of how that risk might look different from a reserve margin perspective to help the utilities and the Commission understand what that risk is. But ultimately, we look forward to bringing, in partnership with our utilities, some combinations of generation and transmission for consideration.

COMMISSIONER LEWIS: I know we've had some struggles here in MISO South on long range transmission planning and especially Tranche 3. So is this MISO's kind of solution to some of that long-term transmission -- long-range transmission planning opportunities that I think needs to happen, especially here in MISO South?

MS. CURRAN: Correct. When we think about the opportunities from a regional perspective, or a sub-regional perspective for the south, they are a little different than our north and central footprint. And they are very much focused both on the reliability of these load pockets as well as the overall reliability and the ability to enable these large load additions that are coming on, so that'll really be our focus.

COMMISSIONER LEWIS: And really quickly on some of the communication portions that were mentioned by our Staff in the report. I know you are now doing kind of load pocket capacity advisories or transmission warnings; how do you think that will help be more efficient or more effective in the communications to this Commission in emergency conditions?

MS. CURRAN: So those are intended to be more helpful and having more line of sight into the situation that's happening. We don't always have line of sight, but as it has been noted here, and I agree, certainly in the May 25 situation, we did. And had we had some of these improved advisories, I think the Commission and the public could've been better informed leading up to the event of the risks that were occurring. I will say that things like the advisories and notifications that we put out at MISO are the beginning but not the end of that important communication, because there are communications intended for operators, but they're maybe different in additional things that Commissioners and the public need to know. And so we're continuing -- going to continue to work on improving those.

MR. HILLMAN: I'll just -- I'm sorry

COMMISSIONER LEWIS: No, please go ahead, Todd.

MR. HILLMAN: I would just add that we have a responsibility -- we know we have a responsibility to be as clear and specific as possible. That's also internally, as the Staff noted in their report with Entergy, Cleco, and all of our members here, and to improve that, and we've already started work with senior executives from those companies to start working on that internal communication with them. But our goal here is to maximize the solutions in those timeframes when it gets stressful, and minimize the impact.

COMMISSIONER LEWIS: Great. Thank you. I want to thank you for the action that you've taken post this. I know this was a serious event, and I didn't get a chance to thank our Staff who I know did a lot of work communicating with you, Entergy, Cleco, and others on this. This was a severe, unfortunate event, but I'm hopeful that the lessons learned here will prevent a catastrophic event like this in the future. Thank you, Mr. Chairman.

MR. HILLMAN: Thank you, Commissioner.

CHAIRMAN FRANCIS: Mr. Hillman, let me ask you this. Going back to these reserve margins. It seems like I've talked about that a lot. You're the ones who request a certain margin for us, and you're kind of the police force on that. Do you allow utilities to have solar for the reserve margin?

MR. HILLMAN: Yes, sir. So MISO's fuel agnostic. So any fuel that our members bring, we believe it's the responsibility of the members with their state commissions to determine resource adequacy within their states. And so for that, the solutions they come up with either integrated resource plans or their plans to work with their commissions. MISO's responsible not for the generation that's coming in, but what impact that generation will have on the MISO footprint. So we just tell you what the reserve margin got to be based on what's being brought to us.

CHAIRMAN FRANCIS: You call on reserve margin at night and the sun's not shining. Of course, you got batteries. So is that part of the formula? You say, okay, you're good on the margin because you got some batteries, you know?

MR. HILLMAN: Well, we're seeing some batteries come into MISO. They're relatively new in MISO --

CHAIRMAN FRANCIS: Yeah. We don't have --

MR. HILLMAN: But we're seeing a lot in our queue to come in. Yes, sir.

CHAIRMAN FRANCIS: I don't think we have batteries in Louisiana.

MR. HILLMAN: Yes, sir.

CHAIRMAN FRANCIS: Not very much, you know? But we're starting, you know? It's getting there. But, all right, that's all I had. Anybody else? If not, you folks are free to go. We thank you for coming.

MR. HILLMAN: Thank you.

COMMISSIONER CAMPBELL: Let me ask a question.

CHAIRMAN FRANCIS: Okay.

COMMISSIONER JEAN-PAUL COUSSAN: We got one more -- [INAUDIBLE] got a question.

CHAIRMAN FRANCIS: Go ahead.

COMMISSIONER CAMPBELL: I've heard a lot of talk, and I didn't hear anything about saying -- anybody talk about any refunds. We've talked, we've talked, and you've given me this reason and that reason, this reason. When we had an outage in Shreveport, a lot of people lost a lot of money. And so help me, God, I never heard one person today talk about a refund. Is that something y'all just deny or don't want to talk about? Or you think you don't owe it? For example, it happened on a Saturday night in Shreveport in the Spring when it getting out of cold weather, turning to Spring. A lot of people were going out to eat, and a lot of restaurants lost a lot of business. But I've heard all the this and that and the other, but not one time have I heard y'all come up and say, yeah, we think we need to refund. Y'all are against refunds?

MR. MATT LOFTUS: Commissioner Campbell, first of all, it's good to be back in front of you again. To respond to your question, certainly MISO appreciates that load shed events are serious, and as Ms. Curran said, it's nothing that anybody wants to have happened. We appreciate it's a -- it is an inconvenience for customers. With that being said, with respect to compensation for outages, MISO's tariff would not authorize that type of compensation for interruptions of service. And I believe that type of limitation of liability provision is similar to what you all approve for your jurisdictional utility tariffs as well.

COMMISSIONER CAMPBELL: Someone know what you're telling me? Or help me a little bit here.

VICE CHAIRMAN SKRMETTA: I think he said no.

COMMISSIONER COUSSAN: We don't know.

MR. LOFTUS: No. No. That's what --

COMMISSIONER CAMPBELL: I got the no --

VICE CHAIRMAN SKRMETTA: That was $400 a minute. No.

COMMISSIONER CAMPBELL: I got the no, but I got something to ask you.

MR. LOFTUS: Yes, sir.

COMMISSIONER CAMPBELL: No matter how big it is, and how much money people lost, you're still not going to give any kind of refund? That's what you told me, no?

MR. LOFTUS: Correct. We are not authorized. Yes, sir.

COMMISSIONER CAMPBELL: Some of these businesses, that's a difference in staying in -- staying out and getting any out. And your answer is no?

MR. LOFTUS: Yes. Yes. Commissioner, again, it's -- what is authorized under our tariff is not to provide compensation for interruptions of service.

COMMISSIONER CAMPBELL: What about a little guy in Shreveport that just went in business, has a restaurant, and Saturday night is his biggest deal. And then he calls me and says, look, what you going to do about this? Well, what do you want me to tell him? No?

MR. HILLMAN: Commissioner, we don't take this lightly, and as Ms. Curran mentioned, it is an absolute last resort to --

COMMISSIONER CAMPBELL: That's not. That's -- I hear what you're saying, but that doesn't suit, that's not good --

MR. HILLMAN: Understood, Commissioner.

COMMISSIONER CAMPBELL: -- language to tell somebody no after they suffered a severe lost and somebody says, well, one night, no big deal. But it is a big deal. So when my people call me up there in Shreveport, I should just tell them no, there's nothing we can do, right?

COMMISSIONER COUSSAN: I have a quick question for you, if you don't mind, Commissioner. I noticed after the load shed event, your advisory volume went way up. You know, it was a national story, you know. But those articles written about it in, you know, RTO Insider and it had a lot to do with not just Louisiana, but across all of MISO. And in some cases, you know, we're getting advisories on issues out of state, you know, but they're still coming across our desk. Has the threshold for those advisories changed? And therefore, are we seeing less advisories now, or have the conditions changed that just don't amount to the advisories? And I guess another question is, you know, were you trying to make a point in increasing the volume of advisories, making a point to either Louisiana, our regulated utilities, the Commission? And so I want to open up that conversation.

MR. HILLMAN: Sure. I think it was -- certainly it was a reaction to the events of May 25. And so were we sort of overcautious or overcompensating? Probably. And that's why we're going to really work to improve those communications going forward. The two-step process outlined by the Staff, we're going to have something very, very similar to that. What we need to do though is just work that through our stakeholder process very, very quickly and get some buy in on that. But we're already working with Staff on what that looks like. Hopefully that will then -- so you don't have so many of those alerts. But because these things are so very rare, I mean, we're talking about four hours out of 100,000 hours that MISO has served Louisiana. So --

COMMISSIONER COUSSAN: Well, the event's rare, but the advisories were not rare.

MR. HILLMAN: After the fact, they were not. You're correct.

COMMISSIONER COUSSAN: And it has an effect on the market. Doesn't it? When you put out these advisories and the entities that are affected by those advisories, it seems like it sends a negative signal to the market. Is that something that y'all are concerned with when we're seeing the volume of advisories and basically -- go ahead.

MR. HILLMAN: Well, that's the area we're going to work on, right? So we don't have so many of those. I think we've just seen the heightened level of importance of looking at these transmission related events. And so we're going to make those communications much clearer so that we're telling you when we are getting into a situation versus, hey, this is sort of the new normal where it's going to be at this level going forward. So, yes, we're very, very focused on that. We'll be working with Staff, we'll be working with the Entergy regional state committee to try and figure out the best way to approach that, both from an operator perspective, but also to you all as the Commission.

COMMISSIONER COUSSAN: Thank you.

MR. HILLMAN: Yes, sir.

CHAIRMAN FRANCIS: Thank you. Thank you for coming.

MR. HILLMAN: Thank you.

CHAIRMAN FRANCIS: Okay. Ms. Bowman?

MS. BOWMAN: Okay. So we are on Exhibit 12 and we will entertain a motion from the Commission to accept Staff's recommendation of the after-action report filed into the record.

VICE CHAIRMAN SKRMETTA: Second.

MS. BOWMAN: Who moved?

CHAIRMAN FRANCIS: Commissioner Coussan --

MS. BOWMAN: Thank you.

CHAIRMAN FRANCIS: -- moves, and Commissioner Skrmetta seconds. Any other conversation or additions to that? [NONE HEARD] Hearing none, it's done.

MS. BOWMAN: So the last agenda item is Exhibit Number 15, which is Docket Number 37136. It's Cantium versus Rosefield Fourchon Operating on a complaint against Rosefield for transportation and terminaling of crude oil as a common carrier without a tariff on file with the Commission at rates that are excessive and request that Rosefield pay reparations, refunds, and damages for charges above just and reasonable rates. And this is a possible Executive Session to discuss litigation strategies. So I will entertain a motion to enter an Executive Session.

VICE CHAIRMAN SKRMETTA: [INAUDIBLE]

CHAIRMAN FRANCIS: I'll make -- yes. Commissioner Skrmetta moves to go into Executive Session. I'll second that.

MS. BOWMAN: Okay. So we will ask everyone to leave the room.

[OFF THE RECORD]

[BACK ON THE RECORD]

VICE CHAIRMAN SKRMETTA: Skrmetta moves to come out of Executive Session.

COMMISSIONER LEWIS: Second.

CHAIRMAN FRANCIS: Seconded by Commissioner Lewis.

VICE CHAIRMAN SKRMETTA: Skrmetta moves to adjourn.

CHAIRMAN FRANCIS: And I'll second that. We're adjourned.

(WHEREUPON THE MEETING WAS ADJOURNED)

I certify that the foregoing pages 1 through 72 are true and correct to the best of my knowledge of the Open Session of the Business and Executive Meeting held on October 23, 2025 in New Orleans, Louisiana.

****

Rough Draft prepared by:

______________________	**November 3, 2025**
Key-anna Freeman,	**Date**
Court Reporter	
______________________	**November 3, 2025**
Clarisa Findley,	**Date**
Court Reporter	
______________________	**November 3, 2025**
Alicia Carter-Thomas,	**Date**
Court Reporter	

****

Proofed by:

______________________	**November 5, 2025**
Clarisa Findley,	**Date**
Court Reporter	

Finalized by:

______________________	**November 5, 2025**
Key-anna Freeman,	**Date**
Court Reporter	