

LOUISIANA PUBLIC SERVICE COMMISSION
MINUTES FROM JUNE 19, 2024
OPEN SESSION

MINUTES OF JUNE 19, 2024 OPEN SESSION OF THE LOUISIANA PUBLIC SERVICE COMMISSION HELD IN BATON ROUGE, LOUISIANA. PRESENT WERE CHAIRMAN MIKE FRANCIS, VICE CHAIRMAN DAVANTE LEWIS, COMMISSIONER FOSTER CAMPBELL, COMMISSIONER ERIC SKRMETTA, COMMISSIONER CRAIG GREENE, AND EXECUTIVE SECRETARY BRANDON FREY.

Open Session of June 19, 2024, convening at 9:05 a.m., and adjourning at 12:15 p.m., at the Galvez Building, 602 North 5th Street, Baton Rouge, Louisiana, with the above-name members of the Commission and Executive Secretary Brandon Frey present.

<p>Ex. 1</p>	<p>Vice Chairman Lewis introduced Joshua Richard, the Youth Pastor from United Christian Faith Ministries, who lead the prayer. In celebration of Juneteenth, Vice Chairman Lewis invited the Ablaze Youth Ministry Choir to perform.</p> <p>Chairman Francis wished the fathers a Happy Father’s Day and read a poem in memory of his father.</p> <p>Commissioner Greene announced the passing of his friend and Acadian Chairman & CEO Richard Zuschlag.</p> <p>Commissioner Skrmetta announced that the Louisiana Advanced Nuclear Energy Strategic Framework Launch was held on June 17-18 in Metairie.</p> <p>Chairman Francis welcomed Tony Clark, former Commissioner on the Federal Energy Regulatory Commission.</p> <p>Executive Secretary Frey reminded everyone there will no Business and Executive meeting in July.</p> <p>A framed resolution for the family of Paul Zimmering was presented to his law partner, Noel Darce.</p>
<p>Ex. 2</p>	<p>T-37118 - Louisiana Public Service Commission vs. Nola Moving, LLC. In re: Alleged violation of La. R.S. 45:161 through 180.1, by engaging in activities related to moving household goods prior to complying with the requirements of La. R.S. 45:164 (E) and General Order dated March 16, 2021 and for failure to comply with the requirements of General Order dated April 3, 2008 as amended.</p> <p>In re: Discussion and possible vote on Recommendation of the Administrative Law Judge.</p> <p>On motion of Vice Chairman Lewis, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to accept the recommendation of the Administrative Law Judge issued on May 28, 2024.</p>
<p>Ex. 3</p>	<p>I-36503 - 1803 Electric Cooperative, Inc., ex parte In re: 2022 Request to Initiate Integrated Resource Planning process pursuant to the General Order (Corrected) dated April 18, 2012 (R-30021).</p> <p>In re: Discussion and possible vote on Staff Report and Recommendation</p>

	<p>After discussion, on motion of Commissioner Campbell, seconded by Vice Chairman Lewis, and unanimously adopted, the Commission voted to acknowledge that 1803’s Final IRP Report complies with the Commission’s IRP General Order.</p> <p>Present for Questions/Comments: Brian Hobbs – CEO of 1803 Electric Cooperative Kyle Marionneaux – Counsel for 1803 Electric Cooperative Patrick Maguire – ACES, consultant for 1803 Electric Cooperative Henry Morrow, Staff Consultant, Mitsubishi Electric Power Products, Inc.</p>
<p>Ex. 4</p>	<p>R-35462 - Louisiana Public Service Commission, ex parte. In re: Rulemaking to Research and Evaluate Customer-Centered Options for all Electric Customer Classes as well as Other Regulatory Environments.</p> <p>In re: Discussion and possible vote on Final Phase 1 Report with Final Recommendations and Proposed Final Rules.</p> <p>After discussion, on motion of Commissioner Greene, seconded by Chairman Francis, and unanimously adopted, the Commission voted to accept Staff’s Final Phase 1 Report with Final Recommendations and Proposed Final Rules filed into the record on June 7, 2024.</p> <p>Present for Questions/Comments: Tom Brice – Vice President, Regulatory & Finance, SWEPCO Larry Hand - Vice President for Regulatory & Public Affairs for Entergy Louisiana Brad Mittendorf - Louisiana Energy Users Group Randy Young – Louisiana Energy Users Group Lane Sisung –Staff Consultant, United Professionals Company Bo Staples – NextEra Energy Resources</p>
<p>Ex. 5</p>	<p>R-36263 - Louisiana Public Service Commission, ex parte. In re: Consideration of Whether the Commission Should Adopt Minimum Physical Capacity Threshold Requirements for Load Serving Entities.</p> <p>In re: Discussion and possible vote on Staff's Final Report and Recommendation of Final Rule.</p> <p>After discussion, Commissioner Greene made the following motion: I move to adopt Staff’s Proposed Rule with a modification. The definition of Applicable PRMR under the proposed rule should be modified to align it with the Planning Reserve Margin Requirement that is set by MISO and already separately defined in Staff’s proposed rule. As such, I move that the definition of “Applicable PRMR” be modified to state that the Applicable PRMR is “each Louisiana Load Serving Entity’s MISO PRMR.” In connection with this change, Staff should modify the rule and exhibit to the proposed rule such that the details of the calculation of Applicable PRMR are set out to include the Company’s peak load requirement, the planning reserve margin utilized, the coincident factor utilized, and the loss factor utilized.</p> <p>Commissioner Skrmetta made a substitute motion to further modify Staff’s Proposed Rule to change the LPSC Required Capacity percentage to 100% for each Applicable Planning Year. Commissioner Skrmetta’s substitute motion failed for lack of a second.</p> <p>On motion of Commissioner Greene, seconded by Chairman Francis, with Commissioner Campbell and Commissioner Skrmetta concurring, and Vice Chairman Lewis opposing, the</p>

	<p>Commission voted to accept Staff’s Final Report and Recommendation of Final Rule filed into the record on June 6, 2024 with Commissioner Greene’s amendment. The motion passed 4:1.</p> <p>Present for Questions/Comments: Larry Hand – Vice President for Regulatory & Public Affairs for Entergy Louisiana Jonathan Bourg – Staff Consultant, United Professionals Company Lane Sisung – Staff Consultant, United Professionals Company Randy Young – Louisiana Energy Users Group</p>
<p>Ex. 6</p>	<p>U-37193 - Entergy Louisiana, LLC, ex parte. In re: Application for approval of Magnolia Power, LLC Capacity Credits Purchase Agreement, including cost recovery.</p> <p>In re: Discussion and possible vote to retain an outside consultant.</p> <p>Commissioner Greene made a motion to accept the bid of United Professionals Company, which was seconded by Commissioner Skrmetta.</p> <p>Commissioner Campbell offered a substitute motion to accept the bid of London Economics International, which was seconded by Vice Chairman Lewis, with Chairman Francis, Commissioner Skrmetta, and Commissioner Greene opposing. The substitute motion failed 3:2.</p> <p>After discussion, on motion of Commissioner Greene, seconded by Commissioner Skrmetta, and unanimously adopted, the Commission voted to retain United Professionals Company with a bid of \$95,000 in fees and \$2,000 in expenses for a total not to exceed budget of \$97,000.</p>
<p>Ex. 7</p>	<p>U-36174 - Southwestern Electric Power Company, ex parte. In re: Application for Recovery of Certain Storm Damage Costs Incurred as a Result of Hurricane Laura and Delta and the February 2021 Winter Storm Event, related securitization financing, establishment of a storm reserve, and for recovery of storm damage costs associated with the June 2023 storms.</p> <p>In re: Discussion and possible vote on Uncontested Stipulated Settlement.</p> <p>Exhibit 13 on the May 22, 2024 Business and Executive Session.</p> <p>After discussion, on motion of Commissioner Skrmetta, seconded by Commissioner Greene, and unanimously adopted, the Commission voted to approve the issuance of a Financing Order, consistent with the terms of the Uncontested Stipulated Settlement filed into the record on April 24, 2024.</p> <p>Present for Questions/Comments: Tom Brice – Vice President, Regulatory & Finance, SWEPCO Bobby Gilliam – Counsel for SWEPCO Noel Darce – Outside Counsel for Staff, Stone Pigman</p>
<p>Ex. 8</p>	<p>Undocketed - State Universal Service Fund Administrator.</p> <p>In re: Discussion and possible vote to renew LaPorte, CPA & Business Advisors' services.</p> <p>On motion of Commissioner Skrmetta, seconded by Commissioner Greene, and unanimously adopted, the Commission voted to renew LaPorte’s services for an additional year, with the option to renew thereafter, under the same billing structure of \$10,000/month as previously approved.</p>

<p>Ex. 9</p>	<p>1) Reports 2) Resolutions 3) Discussions</p> <p>-Discussion and possible vote to ratify the invitation to the LPSC to participate in the Frontier’s Consortium.</p> <p>After discussion, on motion of Commissioner Skrmetta, seconded by Vice Chairman Lewis, and unanimously adopted, the Commissioner voted to ratify the Commission’s participation in the Frontier’s Consortium.</p> <p>4) ERSC/OMS/SPP</p> <p>-Discussion and possible vote to ratify interventions of the Louisiana Public Service Commission in RTO-related or other Federal Energy Regulatory Proceedings.</p> <p>After discussion, on motion of Commissioner Skrmetta, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to ratify the interventions in Dockets ER24-1905, ER24-1948, ER24-1949, ER24-1950, ER24-2026, and ER-24-2046.</p> <p>After discussion, on motion Commissioner Skrmetta, seconded by Commissioner Greene, with Chairman Francis and Commissioner Campbell concurring, and Vice Chairman Lewis opposing, the Commission voted to ratify the interventions in D.C. Cir. No. 24-1120, <i>et al</i> and FERC RM21-17. The motion passed 4:1.</p> <p>-Discussion and possible vote to ratify vote cast by Chairman Francis acting as the Commission’s representative on the Regional State Committee of the Southwest Power Pool.</p> <p>On motion of Commissioner Skrmetta, seconded by Vice Chairman Lewis, with Commissioner Campbell and Commissioner Greene concurring, and Chairman Francis abstaining, the Commission voted to ratify Chairman Francis’ vote taken on June 10, 2024.</p> <p>5) Directives</p> <p>-Directive to Staff to open a Service Quality Investigation on SWEPCO as a result of recent frequent storm related outages.</p> <p>At the request of Commissioner Campbell.</p> <p>Commissioner Campbell’s directive was as follows: Since the beginning of this year, SWEPCO’s service territory has experienced numerous system-wide outages. In fact, since April, no less than five weather-related events have resulted in peak outages of 17,000 or greater per event. Given these frequent outages, and the impacts they are having on SWEPCO’s customers, I direct staff to open a service quality investigation into SWEPCO, focusing on these outage events, the underlying causes, as well as SWEPCO’s vegetation management practices and historical spending for vegetation management and distribution maintenance. Staff shall also review SWEPCO’s SAIDI and SAIFI reports, as well as those of its neighboring electric service providers. Finally, I further direct Staff to solicit a bid from UPC to assist with this investigation. UPC is currently retained to review SWEPCO’s FRP filings and in those filings, SWEPCO has specifically requested to retain additional revenues from over collections for vegetation management and resilience work.</p> <p>There was no opposition to the directive.</p>
<p>Ex. 10</p>	<p>U-36923 - Cleco Power LLC, ex parte. In re: Request for: 1) implementation of change in rates with an effective date of July 1, 2024; and 2) extension of existing Formula Rate Plan.</p> <p>In re: Discussion and Possible vote on an Uncontested Stipulated Settlement</p>

	<p>At the request of Chairman Francis.</p> <p>After discussion, on motion of Commissioner Skrmetta, seconded by Chairman Francis, with Commissioner Campbell and Commissioner Greene concurring, and Vice Chairman Lewis opposing, the Commission voted to approve the Uncontested Stipulated Settlement filed into the record on May 31, 2024. The motion passed 4:1.</p> <p>Present for Questions/Comments: Mark Kleehammer – General Counsel & Chief Regulatory Officer for Cleco Power Pat Patrick – Outside Counsel for Staff, Patrick Miller Jonathan Bourg – Staff Consultant, United Professionals Company</p>
<p>Ex. 11</p>	<p>U-37155 - Southwestern Electric Power Company, ex parte. In re: Formula Rate Plan Annual Report for Test Years 2022 and 2023. (This matter is being republished to provide notice of SWEPCO’s request to utilize over collected funds on vegetation management)</p> <p>In re: Discussion and possible vote pursuant to Rule 57 on SWEPCO's return of overcollections.</p> <p>At the request of Commissioner Campbell.</p> <p>On motion of Commissioner Skrmetta, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to assert its original and primary jurisdiction and take the matter up pursuant to Rule 57.</p> <p>After discussion, on motion of Commissioner Campbell, seconded by Vice Chairman Lewis, and unanimously adopted, the Commission voted to accept the proposed plan for SWEPCO to issue refunds to ratepayers over the months of July, August, and September 2024 for overcollections.</p>
<p>Ex. 12</p>	<p>U-37213 - Cleco Power LLC, ex parte. Request for a Commission Financing Order authorizing Cleco Power to finance, through a securitization financing transaction, the retirement costs associated with the Dolet Hills Power Station and the associated mines, as well as to establish an energy transition reserve.</p> <p>In re: Discussion and possible vote to expand the scope of United Professionals Company.</p> <p>At the request of Chairman Francis.</p> <p>On motion of Vice Chairman Lewis, seconded by Commissioner Skrmetta, and unanimously adopted, the Commission voted to authorize the scope expansion of United Professionals Company, including a budget increase of \$70,000 in fees and \$1,000 in expenses for a total additional not to exceed budget of \$71,000.</p>

On motion of Commissioner Skrmetta, seconded by Commissioner Greene, and unanimously adopted, the Commission voted to adjourn.

MEETING ADJOURNED

The next Business and Executive Session will be held on Wednesday, August 14, 2024 at 9:00 a.m. in Baton Rouge, Louisiana.