

**TRANSCRIPT OF THE LOUISIANA PUBLIC SERVICE COMMISSION BUSINESS
AND EXECUTIVE OPEN SESSION HELD ON MAY 19, 2025 IN LAFAYETTE,
LOUISIANA. PRESENT WERE: CHAIRMAN MIKE FRANCIS, VICE CHAIRMAN
ERIC SKRMETTA, COMMISSIONER DAVANTE LEWIS, COMMISSIONER JEAN-
PAUL COUSSAN, AND COMMISSIONER FOSTER CAMPBELL.**

Exhibit	Docket	Description	Page
1		Announcements	4-7
2	T-37136	Cantium vs. Rosefield Fourchon Operating, LLC.	48-51
3	T-37358	Louisiana Public Service Commission vs. Move Precision LLC.	51-52
4	R-31106	Louisiana Public Service Commission vs. Move Precision LLC.	52-71
5	R-35462	Louisiana Public Service Commission, ex parte.	71-138
6	S-37562	Jefferson Davis Electric Cooperative, ex parte.	138-139
7	U-37425	Entergy Louisiana, LLC, ex parte.	139-145
8	U-37441	1803 Electric Cooperative, Inc., ex parte.	146-147

9		1) Reports 2) Resolutions 3) Discussions 4) ERSC/OMS business 5) Directives	7-47 148-150 5-7
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2 **BUSINESS AND EXECUTIVE OPEN SESSION HELD ON MAY 19, 2025**
3 **IN LAFAYETTE, LOUISIANA. PRESENT WERE: CHAIRMAN MIKE**
4 **FRANCIS, VICE CHAIRMAN ERIC SKRMETTA, COMMISSIONER**
5 **DAVANTE LEWIS, COMMISSIONER JEAN-PAUL COUSSAN, AND**
6 **COMMISSIONER FOSTER CAMPBELL.**

7 **CHAIRMAN MIKE FRANCIS:** Let's call the meeting to order. What we got?
8 This is May already, 2025. So welcome to Lafayette. Let's start out as we usually
9 do with recognizing our Creator, the God of this world. And, Commissioner Lewis,
10 would you lead us in the prayer?

11 **COMMISSIONER DAVANTE LEWIS:** Absolutely.

12 **[COMMISSIONER DAVANTE LEWIS LEADS IN PRAYER]**

13 **CHAIRMAN FRANCIS:** By the way, just in case, y'all, make sure your phones
14 are on. You don't want to miss a call. All right. Let's do the pledge, Commissioner
15 Skrmetta.

16 **VICE CHAIRMAN ERIC SKRMETTA:** Please join me in the Pledge of
17 Allegiance.

18 **[VICE CHAIRMAN ERIC SKRMETTA LEADS IN THE PLEDGE]**

19 **CHAIRMAN FRANCIS:** Well, we got four out of five of us here and I understand
20 Campbell's on the way and we got a special treat here today. It's a beautiful place
21 and I really like the set-up. I want to introduce the Mayor-President of Lafayette
22 Parish and she's just been here not too long. It's over a little over a year or so. And
23 I know a lot of us will remember some of her family members, but it's Monique

1 Blanco Boulet. I got that right? So, Monique, why don't you come up and give us
2 a little welcome speech?

3 **MAYOR-PRESIDENT MONIQUE BLANCO BOULET:** Well, so I want to
4 welcome all of you to Lafayette. I want to also welcome all of you. This is --
5 there's a lot of excitement you can feel in the air. You guys must have some really
6 good business. The Public Service Commission is close to my heart. It was part
7 of mama's path, by all means, and so I want to thank you for what you do. I want
8 to thank you for accepting Jean-Paul, one of our Lafayette assets, into the fold, and
9 I know you guys do really good work. And it is central to who we are as a state
10 and how we grow, the decisions you make, so thank you for what you do, for the
11 time you take. And for all of you, for what you bring to the table and how you
12 bring it, all of that is very important. Welcome to Lafayette. Hopefully you get to
13 get out, get some good lunch today. We've got great spots. If you need help, you
14 can go upstairs and my staff can help you. But Lafayette's a great place. We have
15 a lot of growth here, a lot of good things happening, a lot of excitement as well. So
16 we're happy to have you. Enjoy the facilities. It's really kind of cool seeing
17 somebody else's crowd fill this room. Happy it's not mine. But, again, welcome
18 and thank you for being here. I appreciate it.

19 **CHAIRMAN FRANCIS:** Okay. Commissioner Coussan.

20 **COMMISSIONER JEAN-PAUL COUSSAN:** Thank you, Mr. Chairman.
21 Madame Parish President, I know she's very humble, but Lafayette is one of the
22 fastest growing parishes in the state of Louisiana. It's under her leadership that
23 we're seeing at this point not just the growth, which is not just anecdotal, we're

1 seeing thousands of residents move here, but we're also seeing the infrastructure
2 improvements to kind of keep up with the growth. There's a lot of parishes around
3 the state that are suffering from that lack of foresight, which they're all trying to
4 play catch up right now. And we've had the good fortune of Monique, both being
5 the former executive at the Acadiana Planning Commission, but now in another
6 leadership position for our parish. So I wanted to thank her for helping to basically
7 make Lafayette one of the shining lights in the state of Louisiana and I have offered
8 your services to parish presidents around the state and to councilmembers around
9 the state who are looking for those ordinances that have helped us grow at the right
10 speed, with the right infrastructure, with the right water, gas, and electric utilities.
11 So thank you for your leadership and thank you for welcoming the crowd to
12 Lafayette.

13 **CHAIRMAN FRANCIS:** Monique, I might also add, you know, you have the
14 Lafayette Utility System, LUS, and you provide your own electricity service for
15 most of the parish. And I've checked you out and, you know, Louisiana has some
16 of the lowest rates and the best reliability in the country. And your rates and your
17 reliability are right there in step with everyone else, so congratulations on that. I
18 know you got some challenges in the future to grow that, just like you grow the
19 parish. And we got a lot of wise people in this room who know a lot about the
20 electricity business, so we would love to help you in any way we can to keep
21 Lafayette on top. And now with JP here, you got another hand. I think you'll enjoy
22 him and thanks again. Yeah.

23 **COMMISSIONER COUSSAN:** Thank you.

1 **CHAIRMAN FRANCIS:** Do we have some announcements, Kathryn?

2 **MS. KATHRYN BOWMAN:** The only announcement I have, Commissioner, is

3 that we're going move the report for SPP and SWEPCO to the front, but other than

4 that, no, sir.

5 **CHAIRMAN FRANCIS:** Yes. At the request of Commissioner Campbell, we

6 have some reports and we want to talk about the SPP, I guess, load shed up in

7 Shreveport. And so, Commissioner Campbell -- Commissioner Campbell,

8 welcome to the crew. Okay. Before we get into the -- that subject matter, we do

9 have a couple of announcements. Commissioner Lewis.

10 **COMMISSIONER LEWIS:** Thank you, Mr. Chairman. I just wanted to bring to

11 awareness once again this month about the LIHEAP program. We recently saw in

12 the budget bill that the president has requested Congress to zero out this program.

13 As we know, LIHEAP provides essential financial assistance helping low-income

14 households afford energy cost and preventing disconnections. In FY '23, Louisiana

15 served over 100,000 households, highlighting the urgent need for increased funding

16 to support our most vulnerable populations. We saw that heating assistance in our

17 cool months -- excuse me, in our warm months was around \$474, and for our

18 summer months, around \$380. These are crucial for families struggling to meet

19 their energy needs, and so I would encourage that all of us who work in this

20 industry, the utilities, us Commissioners, call upon our congressional delegation to

21 recognize the importance of LIHEAP and continue pushing our delegation to fund

22 this program. I think we should also talk about a new allocation of funds and I want

23 to thank the utilities that have participated. Entergy, for one, going to Congress and

1 talking about this program. And I encourage everyone else to please send a note
2 because we know how important LIHEAP is for our most vulnerable Louisianans.
3 So I just wanted to bring that to awareness, Mr. Chairman. Thank you.

4 **CHAIRMAN FRANCIS:** I want to thank Commissioner Coussan for a great party
5 last night. I think he -- we kind of had a tie between Toledo Bend and Lafayette so
6 we're really putting some pressure on Commissioner Lewis at our next time. Okay.
7 All right. We always enjoy going down to New Orleans area for Commissioner
8 Skrmetta and up to Natchitoches for Commissioner Campbell, so those days will
9 come. Is there any other announcements, Kathryn, anybody? [NONE HEARD]
10 Hearing none, I guess we'll move on to the reports, and so we need to call some
11 folks up.

12 **MS. BOWMAN:** Yes, sir. So we're going to move to Exhibit Number 9 and we're
13 going to start with the report from SPP, SWEPCO, and Staff regarding the 2025
14 load shed events. And I would just recommend that we start with SPP and
15 SWEPCO, but that's up to the Commission as to who we'd like to start with.

16 **CHAIRMAN FRANCIS:** So let's --

17 **COMMISSIONER FOSTER CAMPBELL:** I got a directive. Get Brandon to
18 read it out.

19 **SECRETARY BRANDON FREY:** You want me to read it before we start,
20 Foster?

21 **COMMISSIONER CAMPBELL:** Yeah.

22 **SECRETARY FREY:** Okay. So well, I guess we'll call them up at this direction
23 from Foster. I direct that an after-action review of SWEPCO's outages on April 2

1 and 26, 2025 be performed in accordance with LPSC General Order Number R-
2 32786, Attachment A, Section III. In conducting this review, the Staff, assisted by
3 consultants and special counsels retained for SPP monitoring, shall review and
4 report on the following: 1) The causes, including the root cause of SWEPCO's
5 outages and SPP's load shed orders; 2) Recommendations for remedying any of the
6 causes identified; 3) Whether modification -- I'm sorry, whether notifications to and
7 communications with the Commission and customers regarding the outages were
8 in compliance with the General Order Number R-32786 and any other applicable
9 orders or requirements; 4) Recommendations for improvements to communication
10 protocols; 5) Whether any fines, penalties, or monetary damages are warranted
11 pursuant to Section VIII of Attachment A of the General Order Number R-32786
12 pursuant to any other provision of law. The Staff shall deliver it's after-action
13 report by July 9, 2025 and it should be placed on the agenda to be discussed at the
14 August 2025 B&E.

15 **COMMISSIONER CAMPBELL:** Mr. Chairman, that's a directive that I've got
16 to tell the Staff to check and do their work and get back with a report in August --
17 I mean, excuse me, in July. I'll make it available to everybody in August and we'll
18 talk about it. Everybody -- maybe everybody in this room doesn't realize, but little
19 town of Haughton, Louisiana, east of Bossier city about 10 miles. If you don't
20 know where that is, that's where Dak Prescott graduated from high school. He plays
21 for Dallas Cowboys now. But anyway, we were out electricity for about six or
22 seven hours -- seven hours and we wasn't notified like we should've been. And I
23 just want to check this out, look at it, because a lot of my constituents want to know

1 if there's any money that -- a lot of them have big restaurants and they were closed
2 down for the night. I could understand that, but what's the possibility of redeeming
3 any of that loss of revenue? So I would hope that we can get this done by July --
4 what was it, Brandon?

5 **SECRETARY FREY:** July 9.

6 **COMMISSIONER CAMPBELL:** July 9 and I'll make it available to all of y'all
7 and then we'll have it on the agenda in August, our August meeting. That's all I
8 got to say. Thank you.

9 **MS. BOWMAN:** So I guess we would start with SPP, first, representatives, if you
10 guys have questions for them. If you guys could come to the podium.

11 **CHAIRMAN FRANCIS:** Well, welcome to Lafayette, Louisiana. I see we got
12 one local, maybe two locals. I don't know if I understand.

13 **MS. BOWMAN:** And just before they get started, can we, for the record, just
14 confirm that there was no opposition to Commissioner Campbell's motion?

15 **CHAIRMAN FRANCIS:** What's that?

16 **MS. BOWMAN:** Or, excuse me, directive.

17 **CHAIRMAN FRANCIS:** Okay. Let's let them -- say who you are, where you
18 from, and where you going. All right.

19 **MR. ANDY EZELL:** Andy Ezell with the Ezell Law Firm, representing SPP.

20 **MR. PAUL SUSKIE:** Paul Suskie, executive vice president, general counsel of
21 SPP. Thank you for the invitation to be here.

22 **MR. ANTOINE LUCAS:** Antoine Lucas, executive vice president and chief
23 operating officer at Southwest Power Pool.

1 **CHAIRMAN FRANCIS:** Antoine, where you from?

2 **MR. LUCAS:** I am from beautiful Lake Providence, Louisiana.

3 **CHAIRMAN FRANCIS:** Lake Providence.

4 **MR. LUCAS:** Yes, sir.

5 **CHAIRMAN FRANCIS:** Well, that's in Commissioner Campbell's district, so

6 you ought to -- that's good. I'm glad to hear you have a local here to answer some

7 of these questions.

8 **MR. LUCAS:** I am. They call me a northerner. Folks down here call me a

9 northerner.

10 **CHAIRMAN FRANCIS:** Paul, you're from Little Rock?

11 **MR. SUSKIE:** Yes, sir. Little Rock, Arkansas, and 14 years ago, I sat in that seat

12 you sit in today for the Arkansas Public Service Commission.

13 **CHAIRMAN FRANCIS:** Well, I know you got a lot of experience and that's

14 what we need at the RTOs and I'm glad to see you have Andy. We're familiar with

15 Andy's work, represents the Commission on several different issues and glad to see

16 him here working with you, especially on something like an issue like this. So,

17 Commissioner Campbell, you got some questions?

18 **COMMISSIONER CAMPBELL:** Yeah. I have some questions for SPP, a good

19 many questions, so you don't have to answer them all back, but write them down

20 or something. How many people -- how many states does SPP serve?

21 **MR. SUSKIE:** So SPP serves our RTO market in all or parts of 14 states.

22 **COMMISSIONER CAMPBELL:** Fourteen.

1 **MR. SUSKIE:** It goes from the Canadian border down to Louisiana and Texas
2 and we are currently looking at expanding that market to four more states in the
3 Western interconnect.

4 **COMMISSIONER CAMPBELL:** How many customers is it? Do you have an
5 idea?

6 **MR. SUSKIE:** Eighteen million.

7 **COMMISSIONER CAMPBELL:** Eighteen million.

8 **MR. SUSKIE:** In the RTO program.

9 **COMMISSIONER CAMPBELL:** You have about 72,000 miles of transmission
10 line. How many substations do you have? 5,292; is that correct?

11 **MR. LUCAS:** That's correct.

12 **COMMISSIONER CAMPBELL:** How many generating plants are in the SPP
13 system?

14 **MR. LUCAS:** Think just shy of about a thousand.

15 **COMMISSIONER CAMPBELL:** You're close for Lake Providence, that's
16 good. A thousand, you missed it by seven, but that's all right. When do you tell
17 people to shed load? When do you call up someone and tell them to shed the load?

18 **MR. LUCAS:** Typically, we would make that decision and that communication
19 once we know that a load shed is imminent. We would provide that information
20 first internally, and then our internal communications folks would then begin their
21 processes to share that information.

22 **COMMISSIONER CAMPBELL:** You are aware that SPP has -- the last resort
23 twice in the last month, they've shed load in SWEPCO's area? Thirty thousand

1 customers without electricity. How is it that you had two of them in one month if
2 they're very seldom you have them?

3 **MR. LUCAS:** Yeah. So the first outage was driven primarily by outages to the
4 transmission system caused by weather, high and strong winds that took out a
5 number of transmission facilities in the area. With the loss of those transmission
6 facilities, it caused voltage to decrease to unsafe levels. And whenever that occurs,
7 you have to either find other ways to bring the voltage up, which could be utilizing
8 generators to do that, or shed load to match, to bring the voltage levels back up to
9 a stable level.

10 **COMMISSIONER CAMPBELL:** Go ahead. I'm sorry.

11 **MR. LUCAS:** That was the April 2. On April 26, we had a number of outages
12 still in that area, both transmission and generation as well. But we experienced
13 much higher than forecasted demand in the area as well as much higher flows of
14 energy along our seam with our neighbor within that area as well, which creates a
15 very similar condition, low voltage, that then requires measures to be taken to
16 increase the voltage in that area. In this case, load shed was the only real viable
17 option due to the time that it would take to either bring transmission lines back into
18 service or to bring additional generators online to be able to provide that voltage
19 support.

20 **COMMISSIONER CAMPBELL:** Have you ever had load shed two times in one
21 month, the same utility?

22 **MR. LUCAS:** I am not aware of that ever occurring.

1 **COMMISSIONER CAMPBELL:** That's not a good sound. Never happened
2 before?

3 **MR. LUCAS:** Not that I'm aware of. No, sir.

4 **COMMISSIONER CAMPBELL:** You got 14 states in the SPP, all the way from
5 North Dakota, all the way down to Louisiana, and this little area is at Haughton,
6 Louisiana and a little bit over in Shreveport. Thirty thousand people, and that's
7 never happened before. We had two of them outages the same day -- I mean, the
8 same month. Is that what you're telling me?

9 **MR. LUCAS:** That's correct.

10 **COMMISSIONER CAMPBELL:** Well, what are you doing to make sure that --
11 happen again? Excuse me.

12 **MR. LUCAS:** Yeah. Well, what's unique in that area, it's what we call a load
13 pocket and what that basically means is that it's an area that has more demand than
14 can be met by importing energy or reliability support from other areas. It means
15 that it requires some support from local assets, so that makes it more of a local type
16 of a issue or a challenge. What we have been facing I think industry-wide is higher
17 demand on transmission systems that create more stress on those systems and it
18 requires us to really focus on maintaining the facilities that we have to be able to
19 meet those challenges. We primarily take measures during what we call the
20 shoulder months, the non-peak periods of the year to perform maintenance on those
21 transmission and generating facilities to get them in tip-top shape before we go into
22 peak periods like the summer. Okay. So that's really what makes that area unique
23 and susceptible to those types of issues. What we have been focused on since the

1 event to try and address that is to focus on ways that we may be able to spread those
2 outages out over a longer time period to be able to ensure more of those assets are
3 in service in the event that we face the kind of conditions that we saw on these two
4 occasions. Now, I must say, when we do that, something we have to be really
5 careful about is the consideration that when we spread those outages, that means
6 that more facilities may be out of service at the beginning of a shoulder period, so
7 let's say right after the winter ends, and then also potentially at the end of the
8 shoulder period. So for spring, that's right before summer begins, and the closer
9 you get to those edges, you can create some additional risk that you may have a
10 cold snap early spring, or you may have a heat wave late spring. But that's one
11 measure that we plan to put in place is to create more conservative operations there.
12 Also, to keep some generation -- additional generation online within those pockets
13 that can act as a mitigating support resource in the event we see these types of
14 conditions in the future. That does have some cost implications, but it does improve
15 reliability. So great deal of focus on balancing affordability and reliability and
16 using those tools to support us there.

17 **COMMISSIONER CAMPBELL:** Do you consider intentionally shutting off
18 power to residents and businesses to be an acceptable way to manage transmission
19 grid?

20 **MR. LUCAS:** So we never want to have to shed load. In the event that we do
21 shed load, it is to avoid larger and more significant outages that could impact more
22 customers. Specifically in the situation of voltage instability, that has the potential
23 to damage grid assets and that could cause much longer outage times. So we try to

1 be -- we try to minimize the amount of impact on customers and sometimes that
2 puts us in a position to reduce service for a smaller set of customers to prevent
3 widescale reliability issues.

4 **COMMISSIONER CAMPBELL:** How many other states do you have? This
5 occur a lot in the 14 states that you have? How many times this occur?

6 **MR. SUSKIE:** I will say it's rare, but I will say this spring, about the same time
7 as these two outages, we had a outage in New Mexico. They have the same
8 situation, they have a load pocket, and they are butted in this unique location. Like
9 Louisiana, New Mexico had transmission on outage for maintenance, they had
10 generation on outage for maintenance, and they had a load shed as well. So it's not
11 just unique to Louisiana, it's a national challenge that we'll try to find ways to
12 mitigate that risk while at the same time preserving the integrity of the nation's
13 electric grid. Would like to emphasize something that Antoine pointed out, you do
14 limited load shed to stop broad load shed. In 1965, 30 million Americans lost
15 electricity in the Northeast because of a cascading event that wasn't stopped locally
16 for short times. I wasn't alive then, so I don't recall, but I will say I do remember
17 2003, the New England blackout. Fifty million Americans were out of power that
18 cascaded, it went into Canada. Some Canadian customers didn't have power for
19 two weeks and some in the United States for two days. So part of it is it's the last
20 step that we have to take under national standards, but to ensure that it does not
21 cascade and get much worse.

1 **COMMISSIONER CAMPBELL:** Are you -- you're not -- you shouldering the
2 responsibility of this or you want to shift it a little bit to SWEPCO? Sounds like
3 you want to put SWEPCO [CROSSTALK].

4 **MR. SUSKIE:** Yeah. I don't think there's responsibility of anybody particularly
5 or any deal, this is a number of factors. It's load forecast, it is outages that you have
6 to take to maintain the facility so you can keep the lights on in the summer. It's a
7 combination of issues that lead to this, not just one or two issues. It's very complex.

8 **COMMISSIONER CAMPBELL:** So would you say shedding load twice in the
9 same community or north Louisiana, would you say that's real rare, very rare?

10 **MR. SUSKIE:** Yeah. If you look at history, yes, that's rare.

11 **COMMISSIONER CAMPBELL:** Well, that doesn't make those people happy
12 up there and I'm not trying to pick you, I'm just telling you. I got a lot of phone
13 calls, a lot of people were hot. I can't say this is a -- two of the outages, it's the only
14 time in the history that this has happened to the SPP; that what you're telling me?

15 **MR. SUSKIE:** Yeah. To my knowledge, this is the first time we've had a localized
16 load shed twice in one area in a month, I'll say.

17 **COMMISSIONER CAMPBELL:** Telling my constituents that is not satisfying
18 them and they want some results and I want some results, too. I would like
19 SWEPCO to come up here.

20 **CHAIRMAN FRANCIS:** All right. SWEPCO. Wait a minute. Wait, I think we
21 have some other questions for these, if you don't mind, Commissioner Campbell.
22 I think Commissioner Skrmetta is next.

1 **VICE CHAIRMAN SKRMETTA:** Yeah. Excuse me. Sorry, I got a little bit of
2 a bronchitis thing going here so I might cough a little bit. You know, nobody argues
3 that the grid should not be protected, number one. I think that said, but I think you
4 would both agree, Antoine and Paul, I think both of you would agree that a lot has
5 changed since 1960. I think that utilities and co-ops -- investor-owned utilities and
6 co-ops have developed a lot of technology that internally protects their system and
7 so it balances that interrelationship between RTOs and utilities so the risk
8 associated with cascade events is diminished. I know there was a cascade event in
9 southern California which was a differential more based on the actual units going
10 out than the transmission grid going out. So I would say that my concerns about,
11 particularly in this case on this RTO, is the weather predictive capacity of SPP, in
12 that the differential as I understand it, you want to talk about weather, but it was
13 really temperature on this last event and there was a six degree temperature
14 variation that drove this blackout. I don't like to call it load shedding. That's like
15 calling, you know, an airplane crash an event. You know, it's -- you know, the
16 words mean things but -- so a six-degree temperature variation caused this as part
17 of the causation because I know it's a multiple event issue. The other issue is
18 effective resource planning because it's my understanding, and we'll talk to
19 SWEPCO about this, but SWEPCO, as I understand it, notified SPP I think three
20 months in advance of they're going to take units out for maintenance. So it's
21 scheduled maintenance, not emergency outages that they took out, so SPP is aware
22 of this thing. So, you know, the proper resource planning of what they're going to
23 replace that with I think is a factor in the adequacy of power that was going to be

1 there to replace those baseload power systems and what it would rely on. And I
2 think that it's pretty clear that the reliability of those units were a lot of passive
3 power that was subject to hyper-variability that was a problem. So my concerns
4 about this is that when utilities were in a pre-RTO world and they did not adequately
5 plan or adequately manage and caused a system blackout, the Commission was in
6 a position to where if we found that they didn't do things right, we could fine their
7 stockholders and we could return credits to the ratepayers. But we're in a position
8 where we can't do that to you because the relationship is between you and the
9 utilities. But what I do think we have a problem is, and I think this is a significant
10 problem, not just for you, but for all RTOs, is that I think, for a better a way of
11 putting it, you don't have any skin in the game. And that is you have the flexibility
12 to have a narrow predictive pattern of you're going to try and predict the weather
13 and not have a -- I would call it a significant variability in what you think the
14 weather is going to do so you can meet the needs of what those weather patterns
15 might be, whether it be a six degree or a ten degree, or relying on what could
16 happen, and having a buffer on that to make sure you have adequate power. And
17 then on the other aspect is on the actual components of power necessary to serve
18 the load that's coming out of the system. So allowing SWEPCO, who notifies you
19 that they want to take powers out and they're going to take it apart and it's going to
20 be laying all over the garage when you need it, to tell them they're going to take it
21 out, to tell them, well, why don't you just take one unit out, and then six months
22 later take another unit out so we don't have to rely on passive power systems to
23 replace this power? Shows me that there is a laissez-faire approach to what you're

1 going to try and put in your adequacy of power to replace the resources necessary
2 to do this. And again, it's because you don't have skin in the game because I can
3 tell you, as a Commissioner who was here before RTOs, that the utilities always
4 worked extra hard to make sure nothing went out and we had very few blackouts
5 because they knew that if they were going to do it, they were going to get -- they're
6 going to get hit, but you don't get hit. And so, you know, I think that it is absolutely
7 imperative that, you know, these failures to perform, to me, adequately, in
8 Louisiana law we would call it a -- that you did not or you impeded in the cause of
9 the contract, that you're not meeting your obligations because your interpretation
10 of it is you're too narrow in your weather predictability, you're too non-attentive to
11 your resource planning. And to be perfectly honest, I think that this Commission
12 should look at a path to require the utilities that if they don't meet -- meaning RTOs
13 of any kind, if they don't meet a certain standard of providing for accurate patterns
14 of predictability and accurate planning of resource profile, that the utilities should
15 reduce the amount of money they pay you. And I remember Foster was talking
16 about y'all having the Taj Mahal, and knee-deep carpets, and foot-long shrimp, and
17 all this. But the reality is you get paid and you could call it that you're non-profit,
18 but you are earning and you earn a lot of money from this. But you should earn
19 money on the basis of knowing that if you don't do your job, that you're going to
20 get your -- you're going to get your revenue stream trimmed. May not have to pay
21 us back, but you're going to get less money for failure. So for me, predictive models
22 need to be ones that expand the risk parameter, that we need to know what could
23 happen and put in a buffer to make sure we predict -- provide for that. And resource

1 planning has to be to provide for adequate baseload power and risk needs to be
2 based on that and making sure that we balance the passive power issue with what
3 needs to be reduced by proper planning. So, you know, this Commission should
4 actually look at, and I think the Staff needs to come back and talk to me and they
5 can talk to Commissioner Campbell, anybody else, about what we can work on with
6 our utilities to make the RTOs perform like we used to require the utilities to do
7 and to make them on a performance-based mechanism because otherwise to do so
8 is tantamount to unjust enrichment. You shouldn't get paid for something and then
9 do the collective oops. There should be a trimming of your revenue stream.
10 Anyway, that's it.

11 **CHAIRMAN FRANCIS:** Ms. Bowman.

12 **MS. BOWMAN:** Yes, sir.

13 **CHAIRMAN FRANCIS:** Let me ask you this, is there a written procedure to
14 follow when we have a condition like this with a RTO for the Commission to follow
15 to investigate?

16 **MS. BOWMAN:** Yes, sir. We do have an order and that was part of the directive
17 that Commissioner Campbell --

18 **CHAIRMAN FRANCIS:** So we would -- all we need to do is just request that we
19 follow the -- and look into that procedure and get some --

20 **MS. BOWMAN:** Yes, sir. That would be a first step, which is part of the directive
21 that there was no opposition to earlier.

22 **CHAIRMAN FRANCIS:** Okay. Good. All right.

23 **MS. BOWMAN:** And it's called an after-action review.

1 **CHAIRMAN FRANCIS:** Good. Okay.

2 **MS. BOWMAN:** So Staff can start that immediately.

3 **CHAIRMAN FRANCIS:** Okay. I think the next thing would be to call SPP and

4 I got one final question. Wait.

5 **COMMISSIONER CAMPBELL:** I got a question, too.

6 **CHAIRMAN FRANCIS:** I want to ask Antoine that's his -- people in Lake

7 Providence; is that it? Okay.

8 **MR. LUCAS:** Yes, sir.

9 **CHAIRMAN FRANCIS:** I know that's in a different RTO, but if you had to call

10 home and tell your people you were raised around in Lake Providence what is an

11 RTO, what does a RTO do; can you explain that in two or three sentences?

12 **MR. LUCAS:** Sure.

13 **CHAIRMAN FRANCIS:** All right.

14 **MR. LUCAS:** Sure. So as a RTO, our essential focus is leveraging the collective

15 assets and resources of large group of utilities and others to be able to optimize

16 those resources to be able to provide enhanced reliability and affordability for

17 consumers. It's much cheaper for utilities to be able to serve their customers by

18 leveraging that larger group than they could do individually. So we create

19 economies of scale that produces value that helps keep cost down and keep systems

20 more reliable.

21 **CHAIRMAN FRANCIS:** All right. Thank you. Okay. I guess that's all we have.

22 **COMMISSIONER CAMPBELL:** I got a question I want to --

1 **CHAIRMAN FRANCIS:** Okay. Here we -- Campbell got another one.
2 Commissioner Campbell.

3 **COMMISSIONER CAMPBELL:** I'm the one that made the speech you was
4 talking about, about the deep carpet, and when I went up there to see you guys, I
5 never was so embarrassed by the facilities that you have and it's paid for by the
6 people. That's the most lavish working conditions I've ever seen in my life. I
7 expected, you know, white walls and things that pertain to, like, utility companies.
8 It's not -- your headquarters is not utility. It's better -- I've been in the Waldorf
9 Astoria, it's better than that. It's better than anything I've ever been in really and I
10 asked questions. You have directors sitting up there and your guys are all talking.
11 And we have to ask our Staff basically what it meant or what are you doing or how
12 do you want us to vote. I didn't feel comfortable at all about that, so I quit and
13 appointed him. And I thought it was wasteful, and I'm not trying to pick on you. I
14 just thought the whole atmosphere was anti-consumer and pro-utility company and
15 management. That's just how I felt. But anyway, you're talking about the -- this
16 study that we have will answer a lot of questions. Brandon, the study that we have
17 will ought to answer a lot of Skrmetta's questions?

18 **SECRETARY FREY:** Yes, I think so. I think a lot of the questions --

19 **COMMISSIONER CAMPBELL:** And you're going to have it in July and you'll
20 have it and hopefully it will get to the bottom of it. I'm not mad at you, I'm just --
21 it's just hard to tell people what happened. The lights went out and a guy owned a
22 big restaurant and said what am I supposed to do about all my business; what do I
23 tell him? Small businesses, as you know, restaurants are hardly keeping business

1 anyway. It's a very touchy industry. This guy has got a great restaurant and he
2 was out of electricity on a Saturday night, spring night, Saturday night, when people
3 go out to eat, and he lost a lot of business. So hopefully, the study that we're doing
4 will come up with some answers and I'll have it by the middle of next month and
5 I'll pass it out to everybody, let you look at it, and see if we can figure out what
6 exactly is going wrong.

7 **CHAIRMAN FRANCIS:** Okay. Commissioner Lewis has some questions for
8 you.

9 **COMMISSIONER LEWIS:** Thank you, Mr. Chairman, and thank you both for
10 being here. I know we've covered it, so I'm not going to belabor it. Can you
11 identify for me exactly how your forecasting model works and what were you
12 looking at? I know recently, your chief -- your CEO has said this has been a
13 difficult 2025 and so I'm curious how you plan to adjust your forecasting models
14 knowing that you've had now these two events, especially here in Louisiana, but
15 could happen elsewhere in the market.

16 **MR. LUCAS:** So I'll speak to the first event, which for our forecasting, it -- that
17 issue wasn't related to forecasting. It was just a really powerful storm that took out
18 infrastructure. In the second event, as I think Commissioner Skrmetta pointed out,
19 we saw higher temperatures than what was forecasted in our models that we then
20 kind of correlate to forecast what the impact of that higher temperature would be
21 on consumption in the area, so the demand, how much it would increase. We saw
22 a increase of 300 megawatts above forecast because of that temperature change.
23 You know, five to six degrees may not sound like a lot, but that's a significant

1 change or increase in demand. That 300 megawatts represents about a 17%
2 increase in the demand in the pocket for that area. We do continue to work to try
3 and refine and predict the weather as much as possible, but that's not the best
4 solution. The best solution and the long-term solution is we need more
5 infrastructure in that area. That's what's going to provide the support and the
6 resilience that consumers need to avoid this situation. It takes a very long time to
7 build that infrastructure. I mean, load can grow in a matter of days, months, weeks,
8 maybe a couple years, but it takes several years to get infrastructure in place. So
9 what do we do in the interim? In the interim, that's where we focus on these
10 operational approaches like the conservative operations that I discussed earlier and
11 also Commissioner Skrmetta mentioned. We will focus on more conservative
12 operations to try to spread the risk a little bit over a wider window instead of more
13 aggressively pursuing those lower demand periods. That's going to be one of the
14 biggest solutions. And then another is when I talk about reducing those outages,
15 that's transmission and generation. On the generation side, we will keep more
16 generation online as an insurance policy of sorts and try to manage the cost
17 associated with that as best we can.

18 **COMMISSIONER LEWIS:** No, thank you. And that was actually a segue into
19 my kind of next question that I was interested about since this was -- at what point
20 do you notify or what point in your forecasting models did you see a need to
21 potentially put some of these generation facilities back online? I mean, was that
22 any part of -- or was it just too far gone in that period at that point?

1 **MR. LUCAS:** Yeah. We noticed -- we identified the need within the operating
2 day, April 26, when we saw the issue. Unfortunately, we could not bring
3 transmission facilities back online within the time frame needed or additional
4 generation. Most of this generation has long lead times, it takes time to get the
5 units turned on and able to perform and that is what limited our options and required
6 us to shed load. And, Commissioner Skrmetta, when I say load shed versus
7 blackout, we don't intend to use that term lightly. We just try to differentiate a
8 managed or controlled outage as compared to a uncontrolled outage, which is what
9 we typically refer to as a blackout.

10 **VICE CHAIRMAN SKRMETTA:** Well, I understand that, but the public doesn't
11 think too much of it.

12 **MR. LUCAS:** Right.

13 **COMMISSIONER LEWIS:** And that -- thank you for that and I guess this is
14 really where I've been concerned is basically transmission capacity, I mean, across
15 the grid. And so what are you looking at in terms of transmission capacity? I mean,
16 that seems to be part of what we're talking about here and not only here in the state,
17 but across the RTO. I mean, I'm just curious to see where you go with that.

18 **MR. LUCAS:** Yeah. So right now, in our long-term transmission planning
19 process, we are conducting evaluation of that northwest Arkansas area. We call it
20 a target area for the study focused on what new infrastructure may be beneficial to
21 address some of those needs. We do expect that we will identify transmission
22 reinforcements to support the area. However, we don't make those decisions
23 unilaterally or independently. Those decisions are voted on among our members

1 to move that forward and then we work with our member utilities to then deliver
2 those projects should they be approved.

3 **MR. SUSKIE:** Commissioner, I'd like to add that last year, SPP Board approved
4 the largest portfolio transmission in the history of the region of \$7.7 billion. It's
5 costly, but that's the realization of the amount of load growth we are seeing as a
6 nation and we are seeing in our footprint so that we can plan for these situations
7 moving forward.

8 **COMMISSIONER LEWIS:** Thank you. And finally, I'm curious because as we
9 talk about, I mean, load shed, I mean, I think this is a problem we're going to all
10 face and there are some intermediate remedies potentially. I mean, we just talked
11 about transmission capacity. I know later on we'll talk about energy efficiency here
12 which can be a tool as well as demand response. But I'm curious on how you are
13 handling maybe distributed battery storage as a potential option as well in your
14 process. How do you accredit it? I'm just very curious about are we making it
15 advantageous for IPPs to develop other sources to ensure grid stability?

16 **MR. LUCAS:** So we, as the RTO, we don't do the resource planning. We don't
17 get to dictate in any way what type of resources are brought to our grid or our
18 system. What we do try to do is create a path for those resources to be able to be
19 brought to market by our utilities and other market participants. That usually takes
20 the form of us establishing policy that helps them understand the cost and benefits
21 that they may see of that in the market or for other reliability requirements and
22 measures that they have, so that when they do that planning and work with their
23 states or governing bodies, that they have clarity of what they're actually -- what

1 the value of that will be to the RTO. So we're not directly involved in that, but we
2 do our best to support our members' evaluation as best we can.

3 **COMMISSIONER LEWIS:** Thank you. Thank you, Mr. Chairman.

4 **CHAIRMAN FRANCIS:** I'll make one point, you just got a new leader, I think
5 you call it a president; isn't that right? But the last president who just retired,
6 Barbara Sugg, graduate of Comeaux High School, Lafayette, Louisiana, so. And
7 you're from Lake Providence, so we are serviced locally with people who know
8 our values and our problems and how aggravated we get when we have a load shed,
9 so. And I appreciate that and I've enjoyed working with SPP and we'll look forward
10 to see what kind of answers we come up with to keep that from happening. Okay.
11 Now, we want to get to SPP. You have somebody -- I meant, sorry, with SWEPCO.
12 Anybody with SWEPCO here?

13 **COMMISSIONER CAMPBELL:** I got one more question. I have one more
14 question.

15 **CHAIRMAN FRANCIS:** Oh, I'm sorry. One more.

16 **COMMISSIONER CAMPBELL:** How much does SWEPCO pay y'all to belong
17 to your organization? What's the -- SWEPCO doesn't pay anything. How much
18 does the people pay you to belong to this organization that you say saves money?
19 And I'm not arguing with you, I just would like to get it sort of straight. About how
20 much money do we pay?

21 **MR. SUSKIE:** Yeah. I don't know off the top of my head what it is. It is the
22 minimal -- the minimis is a \$6,000 a year membership fee, but the real cost, so it
23 would be in the millions, would be our Schedule 1A fee for the services we provide

1 all across the board and that's based upon how much consumption they have as a
2 part of the footprint. So I'd hate that for SWEPCO --

3 **COMMISSIONER CAMPBELL:** Would you have any idea -- I'm a SWEPCO
4 customer, nobody else in here is, maybe one or two. I'm asking for me. How much
5 does SWEPCO pay you to belong to your organization?

6 **MR. SUSKIE:** I don't know that off the top of my head. I do know AEP, which
7 is two companies, are about 12% of our budget.

8 **COMMISSIONER CAMPBELL:** Twelve percent?

9 **MR. SUSKIE:** They could be more. I'd defer to -- I can get that exact number to
10 you if you would like.

11 **COMMISSIONER CAMPBELL:** Well, I'd certainly like it. Well, could you
12 give me an estimate, a range? Like when they teach you in statistics. A range from
13 what --

14 **MR. SUSKIE:** I would say AEP would probably be between about 25 and 30
15 million would be my guess. Now, that's all the AEP companies, one of them is
16 SWEPCO.

17 **COMMISSIONER CAMPBELL:** Yeah. Well, I'm talking about SWEPCO, not
18 AEP.

19 **MR. SUSKIE:** Yeah. They may be half of that. I'd defer to SWEPCO on what
20 percentage. They may have the exact numbers, just don't have that available today.

21 **COMMISSIONER CAMPBELL:** Well, it's a lot of money that we're paying
22 you guys to operate and I'm not -- I'm just telling you, as a politician, it's hard to
23 answer all these questions, you know. And I can tell them to go up to AEP and

1 look at their operation, but I wouldn't want to do that because it's lavish. But you
2 didn't do it and so -- but you work there. It's too lavish for what you do, but
3 anyway, that costs money and winds up costing people money -- the customers
4 money. That's all I have to ask, but I would like to know how much SWEPCO
5 pays you.

6 **MR. SUSKIE:** We can get that exact number for you.

7 **COMMISSIONER CAMPBELL:** Here's the problem, they're the only one who
8 had a problem in the United States that you're in charge of, 14 states, and they had
9 it two times in one month. And you got 18 million customers, that's how many
10 million that you told me. Eighteen million and we're talking about 30,000. That's
11 like one-hundredth of one percent or something like that. It's crazy, but anyway,
12 you need to look at this situation. How in the world did this happen in this miniscule
13 little community of Haughton, Louisiana and Shreveport and south Bossier? How
14 did that happen? How'd it slip through? Was it because of the weather? You say
15 weather was a little bit hotter than we thought. I'm like Mr. Skrmetta, you might
16 ought have a little better planning and you can't always tell what the weather is
17 going be at, especially in Louisiana. But anyway, I represent the people and they
18 want to know more about your operation and I want to know how much SWEPCO
19 is paying you to provide these services. And I think that's all valid questions, but
20 I'd appreciate a answer. Thank you.

21 **MR. SUSKIE:** Thank you.

1 **CHAIRMAN FRANCIS:** Have we got somebody with SWEPCO here?
2 SWEPCO? SWEPCO? Yeah, here they come. Okay. Brett, you came after all.
3 Good. Just give us your name and tell us what you do.
4 **MR. BRETT MATTISON:** I'm Brett Mattison. I'm the president of SWEPCO.
5 **MS. MELISSA GAGE:** Melissa Gage, vice president of regulatory and finance
6 for SWEPCO.
7 **MR. BOBBY GILLIAM:** And Bobby Gilliam, counsel for SWEPCO.
8 **COMMISSIONER CAMPBELL:** I got some questions.
9 **CHAIRMAN FRANCIS:** Okay. Let me -- I just got one. Brett, did you turn the
10 electricity off or did SPP turn it off?
11 **MR. MATTISON:** Well, we were ordered by SPP to turn it off.
12 **CHAIRMAN FRANCIS:** Okay.
13 **MR. MATTISON:** A hundred and forty megawatts.
14 **CHAIRMAN FRANCIS:** You answered my question. Okay. Commissioner
15 Campbell.
16 **COMMISSIONER CAMPBELL:** Thanks for coming today. I appreciate it. You
17 didn't turn the electricity off because you wanted to, SPP told you to and you have
18 to follow their rules; that's correct?
19 **MR. MATTISON:** Yes, sir.
20 **COMMISSIONER CAMPBELL:** Does it trouble you? And it's got to. This is
21 the second time in a month that you've had to do that, shed load, correct?
22 **MR. MATTISON:** That's right.

1 **COMMISSIONER CAMPBELL:** And we just heard from SPP that that has
2 never happened before where two little communities have been hit in one month.
3 How do I tell the people out of Haughton or south Bossier that that's never going
4 to happen again?

5 **MR. MATTISON:** Well, I don't know that you can say it will never happen again,
6 but I think the beginning of your question you asked does it concern me. It
7 absolutely does. I don't ever want to turn anybody's power off and I've been around
8 this business my whole life. And like you heard SPP say, it's never happened twice
9 in one month. Although the reasons were different, it did happen twice in one
10 month, on the 2nd of April and the 26th of April.

11 **COMMISSIONER CAMPBELL:** Is SWEPCO doing everything they can to
12 make sure that never happens again?

13 **MR. MATTISON:** Well, one thing I'd like to --

14 **COMMISSIONER CAMPBELL:** I understand if you have a tornado or
15 something that's out of your control, a act of God that's out of your control, but I'm
16 talking about something in your control. Are you doing everything you can to make
17 sure that never happens again?

18 **MR. MATTISON:** Absolutely. One thing I'd like to mention and Commission
19 Chair Francis asked about the new SPP president and CEO, it's Lanny Nickell.
20 And so as soon as this happened, I reached out to him. He came down to my office
21 and he and I had a one-on-one discussion about this. And you heard Antoine talk
22 about five to six degrees. So the day that the April 26 load event happened -- load
23 shed event happened, we had units that would have been available although we're

1 in a day-ahead market so they had come offline. And it was actually in November
2 that we put in a request to be able to have other units that -- Commissioner Skrmetta
3 talked about parts laying out in the garage, that were actually down for
4 maintenance. They'd been approved since November. So when I was talking to
5 Mr. Nickell, we talked about being less aggressive on a load forecasting knowing
6 when we have our maintenance scheduled for our utility generators down and be
7 more conservative so that we're not on the edge. I believe it was -- Antoine
8 mentioned that, you know, there's generation that they saw was available, but you
9 can't just turn it on with a light switch, especially with a gas unit. It may take 14,
10 18 hours to heat all the metal up in the boiler system before you can actually bring
11 it on. So to answer your question, a suggestion I've got, Commissioner Campbell,
12 is that when we think that it's going to be tight, we should have a unit that's
13 designated as a must-run unit because Commissioner Skrmetta used the word
14 passive voltage and so that's exactly what was needed for reliability. We needed
15 VARs on the system, reactive voltage, to support from a reliability perspective.
16 That's something that we need to do that's different than what we do today.

17 **COMMISSIONER CAMPBELL:** Let me ask you something. What do you tell
18 the customers? Did you call them up or did y'all -- y'all have a way to communicate
19 with them because I've been communicating. Did y'all give them a notice you were
20 going to have load shed?

21 **MR. MATTISON:** Well, there was no notice in this load shed event because it
22 was classified as an emergency load shed event. So when we get the call, we have
23 our dispatchers that use SCADA, which actually is just an electronic means to take

1 breakers offline in substations, and said we need to drop immediately 140
2 megawatts of load, so that's what was done. Then once that happens, then you kind
3 of back up and go, okay, what's going on here, try to figure it out. And then we
4 begin to message our customers. And I know you and I were in constant
5 communication through this whole process as well as William Bradford that's back
6 here. We communicated with you through the event.

7 **COMMISSIONER CAMPBELL:** Did you ever contact these people or -- you
8 know, I know I never got contacted other than by you, but I'm in a little different
9 situation.

10 **MR. MATTISON:** Yes. We began to put out messaging to our customers.

11 **COMMISSIONER CAMPBELL:** You did?

12 **MR. MATTISON:** Yes, sir.

13 **COMMISSIONER CAMPBELL:** When did you put them out?

14 **MR. MATTISON:** I believe that subject to check, I would say between 5:00 and
15 6:00 we began sending messages out when we realized the length of time that this
16 was going to take place. Some were off two hours, some were off six to seven
17 hours, different circuits.

18 **COMMISSIONER CAMPBELL:** Five o'clock is when you sent it out?

19 **MR. MATTISON:** I said somewhere between 5:00 and 6:00 I think is when the
20 first --

21 **COMMISSIONER CAMPBELL:** Okay.

22 **MR. MATTISON:** We call them a One Voice. I think that's when it may have
23 come out.

1 **COMMISSIONER CAMPBELL:** Well, it went off -- or what time do you think
2 it went off? What time?

3 **MR. MATTISON:** Between 3:30 and 4:00 on that Saturday, P.M.

4 **COMMISSIONER CAMPBELL:** So you were letting people know about 5:00
5 or 6:00?

6 **MR. MATTISON:** Yes, sir. This is William Bradford. He's our external affairs
7 --

8 **MR. WILLIAM BRADFORD:** Good morning, Commissioner. From our
9 records, we had the first EONS alert go out at 5:15. We had a first One Voice at
10 5:41. We had a first media alert go out at 5:44. We had emails on the reliability
11 and outage sent at 6:45. We had a website alert and posted in conjunction with the
12 media post. We sent a second One Voice at 8:55. We had a second direct to
13 customer email on 4/27 at 3:00 P.M. We had a second media at 9:07 P.M. on
14 Saturday. We had a third One Voice Sunday at 12:15. We had a third media alert
15 at 12:19 P.M. We had social media posts on April 26, the day of the event, at 6:18
16 P.M., 8:55 P.M.; on the following day at 2:32 P.M.; on April 28 at 5:04 P.M.

17 **COMMISSIONER CAMPBELL:** What did you do for the second outage?

18 **MR. BRADFORD:** This was in relation to the second outage.

19 **COMMISSIONER CAMPBELL:** That is the second one?

20 **MR. MATTISON:** This was April 26.

21 **MR. BRADFORD:** Yes, sir.

22 **COMMISSIONER CAMPBELL:** What about the -- okay.

1 **MR. BRADFORD:** I will have to -- I can get you the schedule for the first outage
2 as well.

3 **COMMISSIONER CAMPBELL:** Okay.

4 **MR. BRADFORD:** But it will be very similar.

5 **COMMISSIONER CAMPBELL:** The first outage --

6 **MR. BRADFORD:** As soon as we have the information that we can relay to the
7 customers --

8 **COMMISSIONER CAMPBELL:** Did you do the same thing for the first outage?

9 **MR. BRADFORD:** Yes, sir. We send the same schedule of alerts.

10 **COMMISSIONER CAMPBELL:** Okay.

11 **MR. BRADFORD:** Yes, sir.

12 **COMMISSIONER CAMPBELL:** Do you feel like the Southwest Power Pool,
13 and it's sort of a loaded question, is doing what they need to do or could we move
14 to another -- MISO or something else? Because some of your district touches over
15 there. [INAUDIBLE] they join MISO and SPP. Would that be any kind of way --
16 would you get any better service if you went to MISO?

17 **MS. GAGE:** This part is me. Commissioner Campbell, I don't know that we've
18 investigated moving to MISO and whether or not that would be better.

19 **MS. BOWMAN:** Melissa, move the -- thank you.

20 **MS. GAGE:** Oh, sorry, Kathryn. I would say, I think we should do the after-action
21 report, SPP hasn't finished their report on this event, and see if what they're
22 proposing to do going forward is going to solve our issue, and if we feel comfortable

1 that we're going to be able to provide the reliable service to customers that we want
2 to.

3 **COMMISSIONER CAMPBELL:** You're satisfied with SPP?

4 **MS. GAGE:** Well, I'm not satisfied with what has happened in the month of April,
5 no, sir. But I think that they are committing to make changes that will improve our
6 ability to serve.

7 **COMMISSIONER CAMPBELL:** Well, there's a lot of people that join you,
8 they're not satisfied either. And how do you have two outages in one month is
9 unbelievable and no other place in the United States has that. And you're just a
10 little tiny spot from here all the way to Minot, North Dakota. That's a long ways.
11 That's 1,800 miles. Hard for me to tell people, well, we belong to a system. Why
12 do you belong to it? Well, we provide this energy cheaper and everybody pools it
13 together. And well, if everybody pools it together, why wasn't there a little extra
14 to help Haughton? It's a pretty good question. Now, why wasn't there?

15 **MS. GAGE:** No. I think changes need to be made to improve the process,
16 certainly.

17 **COMMISSIONER CAMPBELL:** Do you think -- is there any way -- I didn't get
18 to ask SPP this, but I do -- they were sort of blaming you. I'm telling you what I
19 heard. SPP was sort of blaming you guys for the fault. I'm not, I don't know who
20 is to blame. But is there any way you can reimburse these people for the trouble
21 they had and the money they lost? Or have y'all thought about that? Is there
22 anything on the horizon? All you have to do is give them credit on their bill. That's

1 a easy function for your guys. Has anybody talked about that or are all the big
2 chiefs not interested in doing that? What's the deal there?

3 **MS. GAGE:** Well, and I can let Bobby speak to this also, but I mean our tariff is
4 approved by you all and I think most utilities maybe across the country that -- we
5 do not -- we are not liable for damages for interruptions for service. And that's
6 important for the financial health of the utility and there may be other constructs
7 through which, you know, you can -- you regulate us and you regulate our rates,
8 but we're not liable for those damages and that's specifically in our tariff.

9 **COMMISSIONER CAMPBELL:** If the electricity was off a couple -- three days,
10 just say it was, and a lot of people -- business was interrupted, y'all wouldn't owe
11 anything? You couldn't be sued? I know you can always be sued, but y'all
12 wouldn't step up and say, hey, these are good customers of ours and we want to --
13 we want to do something to try to help out?

14 **MR. GILLIAM:** Yeah. Commissioners, Bobby Gilliam, just very broad questions
15 and you get a legal question, you got to look at each case and each circumstance
16 and what happened and all of that. So we've all seen different kind of lawsuits and
17 cases. But here, we're dealing with this case and ordinary operations and then --
18 and scheduled maintenance. I want to emphasize, scheduled maintenance is not a
19 luxury. You have to do it, and if you didn't do it, you could fairly question how
20 we're operating.

21 **COMMISSIONER CAMPBELL:** Let me ask a question.

22 **MR. GILLIAM:** But we did have it.

23 **COMMISSIONER CAMPBELL:** Mr. Gilliam.

1 **MR. GILLIAM:** And it resulted, you know, the different circumstances, but it
2 resulted in the shedding event, so.

3 **COMMISSIONER CAMPBELL:** Does every company have times that they
4 have to do what you were talking about? The other utility companies out of the 18
5 that's in SEP -- SWP. Other utility companies, your sister companies, they all have
6 to take a couple months to do whatever you got to do?

7 **MR. GILLIAM:** They do, absolutely. You got to do it, and if you don't do it,
8 there would be much more serious problems. And you plan ahead and you do it in
9 shoulder months like in the fall before it gets cold, and in the spring before it gets
10 really hot. And what you don't want is, for example, something like this or a
11 breakdown to occur in August. It's 103 degrees outside and high humidity. That's
12 -- you know, you got to do the scheduled maintenance to prevent those kind of
13 outages.

14 **COMMISSIONER CAMPBELL:** What I don't want is any breakdowns, August,
15 January 1, or March 1. There's no good month to have a breakdown. But anyway,
16 thank you, Mr. Gilliam. Thank you. Appreciate you coming. Thanks a lot.

17 **MR. GILLIAM:** All right. Thank you.

18 **COMMISSIONER CAMPBELL:** And I think this study we got coming, and
19 we'll have it to you before July 4, we will tell you what we found out and then we'll
20 go from there. Thank you.

21 **CHAIRMAN FRANCIS:** Thank y'all for coming up.

22 **COMMISSIONER LEWIS:** Mr. Chairman, I got a few questions real quick.

23 **CHAIRMAN FRANCIS:** Oh, I'm sorry.

1 **COMMISSIONER LEWIS:** No, no. You're good. Thank you.

2 **CHAIRMAN FRANCIS:** Commissioner Lewis.

3 **COMMISSIONER LEWIS:** Thank you. Thank you, Mr. Chairman. Two

4 questions. What is your kind of -- what's your overall load right now in SWEPCO?

5 **MR. MATTISON:** So the role in the breakdown of SWEPCO?

6 **COMMISSIONER LEWIS:** No. What is your current load [CROSSTALK]?

7 **MR. MATTISON:** Oh, current load.

8 **COMMISSIONER LEWIS:** Yes.

9 **MR. MATTISON:** Our peak is getting close to 5,000 megawatts, summer peak.

10 **COMMISSIONER LEWIS:** And do you have a demand response tariff by

11 chance?

12 **MR. MATTISON:** Yes.

13 **MS. GAGE:** We do.

14 **MR. MATTISON:** We do.

15 **COMMISSIONER LEWIS:** You do?

16 **MS. GAGE:** Yes.

17 **COMMISSIONER LEWIS:** And so the reason I'm asking out of curiosity as we

18 are getting into what we see in these capacity crunches, I wanted to explore with

19 you what kind of conservative options did you use also for customers about

20 conserving energy. I appreciated Mr. Bradford's kind of timeline of the

21 communication, but I'm just curious, did that go into any of the deliberations,

22 discussions, or also part of the future planning processes at SWEPCO?

1 **MR. MATTISON:** Commissioner Lewis, we also have what's called curtailable
2 rates, so if you take someone that's a manufacturer and they're going to pay a
3 cheaper kilowatt hour charge, so that if we have a constraint situation and we have
4 time to be able to inform them, we can take them offline and actually curtail that
5 load. Which we've got several customers that are on a curtailable rate which is
6 helpful. Of course, demand response, energy efficiency, but I think we can't get
7 away from the nature of this one that it was an emergency and you had to do it
8 immediately so that you don't burn up equipment, etcetera.

9 **COMMISSIONER LEWIS:** Right, no, absolutely.

10 **MR. MATTISON:** Right.

11 **COMMISSIONER LEWIS:** And this is why I mentioned with SPP about
12 transmission capacity, but I would really like in your next IRP to really address
13 transmission. As you all know, I've been harping about that for two years. I think
14 this event showcases the need why we must take transmission planning seriously
15 in an IRP process. While we can't predict, of course, all of the weather and degree
16 temperature changes, but I think having adequate capacity is key right now in this
17 moment. And so I would encourage -- at least I'm going to be looking forward in
18 your next IRP process to hear your outlook on transmission and transmission
19 buildup and capacity in your region.

20 **MR. MATTISON:** Sure. It'll be comprehensive, and I agree with you, the
21 transmission infrastructure for high-voltage needs to be there as well as we really
22 need to look at the generator that's running when we have these maintenance type
23 situations that occur.

1 **COMMISSIONER LEWIS:** Great. Thank you.

2 **CHAIRMAN FRANCIS:** Okay. Is there anything else? Hearing none --

3 **COMMISSIONER CAMPBELL:** I got one question.

4 **MS. BOWMAN:** We do have one yellow card from the mayor of the town of

5 Haughton who would like to speak.

6 **CHAIRMAN FRANCIS:** Okay.

7 **COMMISSIONER CAMPBELL:** I got another question.

8 **CHAIRMAN FRANCIS:** Okay. Go ahead.

9 **COMMISSIONER CAMPBELL:** Is there any way -- Mr. President, this is for

10 you, is there any way you could've got some emergency power? Do y'all have any

11 of that kind of way that --

12 **MR. MATTISON:** Yeah. We do. We have emergency generators, large ones,

13 you know, 10, 20 megawatts that we can hook up to a substation. The problem is

14 with that, Commissioner, is it takes multiple hours to get those integrated and

15 hooked up together for a long-term outage, so by the time we could've got that and

16 put it into a substation that was out, the event would've been over because it may

17 take 8 to 10 hours to sometimes 12 or plus to get those interconnected.

18 **COMMISSIONER CAMPBELL:** So you didn't think it was worth it?

19 **MR. MATTISON:** No, that's not what I said. I said that --

20 **COMMISSIONER CAMPBELL:** That's what you're telling me though.

21 **MR. MATTISON:** No, sir. What I'm telling you is the time would've been past

22 the load shed event. If we'd have thought that it was going to go into a longer

1 period of time, we definitely would've done that. They're called mobile subs, we
2 would've dispatched those.

3 **COMMISSIONER CAMPBELL:** But you had a generator you could've hooked
4 up, but it takes time is what you're telling me.

5 **MR. MATTISON:** Well, it's actually a mobile substation on an 18-wheeler. We
6 have several of those.

7 **COMMISSIONER CAMPBELL:** What was the exact time, do you remember,
8 you were out? When you were out and when you went back?

9 **MR. MATTISON:** Well, it varied from circuit to circuit because whenever you
10 drop load like that and there's a lack of voltage and you heard it referenced to as a
11 load pocket, you can't bring it all back on at the same time. No pun intended, but
12 it would shock the system. It may not be able to handle it, so you'd throw breakers
13 so it would bring it on a little bit at a time. About every 20 minutes, we were
14 bringing on probably 20 to 25 megawatts at a time. And when it held, we'd bring
15 on the next batch, and when it held, we'd bring on the next batch until we had
16 everything back on. You don't bring it all back on at once.

17 **COMMISSIONER CAMPBELL:** Thank you.

18 **MR. MATTISON:** Yes, sir.

19 **CHAIRMAN FRANCIS:** Is that all? Kathryn, you have something?

20 **MS. BOWMAN:** Just the mayor of the town of Haughton signed in to speak.

21 **CHAIRMAN FRANCIS:** Okay. The mayor of Haughton is here.

22 **MS. BOWMAN:** Yes, sir.

23 **CHAIRMAN FRANCIS:** Y'all are through. Thank you.

1 **MR. MATTISON:** Okay.

2 **MR. GILLIAM:** Thank you, Commissioners.

3 **MS. BOWMAN:** And please just introduce yourself before speaking.

4 **CHAIRMAN FRANCIS:** Mayor, welcome to the Cajun country of Lafayette,
5 Louisiana.

6 **MR. HUNTER TIMMS:** Thank you, Mr. Chairman. Hunter Timms, I'm the
7 mayor of the town of Haughton. 118 West McKinley, Haughton, Louisiana. Mr.
8 Chairman, Commissioners, I appreciate y'all having me today and I sincerely
9 appreciate SWEPCO representatives and SPP representatives being here as well.
10 Also, the questions that you've asked, they resonated really deeply with me. Lot
11 of the same stuff I have. Actually, I have more questions now after sitting here,
12 than when I did yesterday or even on the drive down here. There certainly is a lack
13 of accountability that's taking place here. It's a finger-pointing situation, no doubt,
14 between SWEPCO and SPP. The one thing that really resonates with me that, just
15 for the record, I'd like to put out here for you gentleman to be able to follow up and
16 keep accountability for this is why are we here? Why did it ever happen? It's
17 preventative maintenance. That's been used as, in my opinion, a scare tactic. Well,
18 if you don't change the oil in your vehicle, the engine is going to lock up. Well,
19 we all understand that and I'm sure that translates probably fairly similarly to a
20 generator. I would imagine it's probably important to maintain it. Did we just start
21 maintaining them recently or have we been able to maintain these generators
22 without having these kind of outages take place? Why wasn't there a backup? I
23 don't understand that either. Believe Mr. Mattison said 14 to 18 hours to have a

1 backup on. I probably would've turned it on the day before and that's 24 hours.
2 So again, I don't understand the lack of contingency in a situation like this. When
3 I was in Iraq and I was a NCO and a sergeant, my guys carried 210 rounds. It's not
4 because I thought there was going to be 210 bad guys. It's because I wanted a
5 contingency and that was the Army standard to have that in place in case something
6 did happen. I do understand that a couple degrees obviously has a big effect. It's
7 not the same as what I experienced at my house with my little meter. I can
8 understand across the grid, that's massive, but it is April in Louisiana. I would
9 expect to see some contingencies in place for that for those kind of degrees varying
10 by 6, 7, 8, possibly 10. So my biggest concern is why are we here? In my opinion,
11 too, it's been utilized in the conversations that I've heard between SWEPCO and
12 SPP, if we didn't do this, we could have something catastrophic take place in July
13 or August or obviously somewhere may we have a heat index of 105. And
14 Commissioner Campbell said it right, well, we don't want it to ever happen. I
15 obviously whole-heartedly agree with that. So the basis of that is I still don't have
16 a clear understanding of who's responsible and I really don't have a clear
17 understanding of what precautions or provisions are being put in place to remedy
18 this because a gentleman from SPP said they're really -- and I won't quote him
19 directly, but something to the effect of there really isn't anybody with responsibility
20 here. I understand it might be complex, but there is responsibility to be held
21 somewhere in this situation. And so just as Commissioners, I would really
22 appreciate you seeking to find that responsibility and where the cards got dropped.
23 Some of the questions I do have, just for the record, so you gentlemen can hopefully

1 follow up with is did SWEPCO take multiple generators off at one time? It sounds
2 to me like they did. I don't -- obviously I don't have the knowledge of it was
3 multiples or it was a singular one. If it was multiples, could we have done a singular
4 one to prevent something like this? That would be a question of mine. Scheduling
5 maintenance during April for the region that we live in, I understand you have to
6 find those shoulder months, I totally understand that, that might be cutting it a little
7 bit too close especially without a contingency in place. My other biggest concern
8 here is why wasn't this blackout rolled across multiple customers? My
9 municipality was impacted on the 2nd and the 26th. I've gotten some conflicting
10 times. It's eight-plus hours total between them -- between those two outages that
11 took place, possibly into nine. Does SWEPCO not have the ability, and this is lay
12 term, me speaking here, within their grid to rotate that usage to achieve the 140
13 megawatt that was brought up? If so, why wasn't it done? I'm on here on behalf
14 of my citizens, my constituents. They're not worried about transmission lines and
15 kilowatts and things of that nature. They're worried about the chicken breast that
16 are threw out in the freezer that was 50% off because it was off for 6 hours. Not a
17 hour and a half, that would've been adequate to save these food items at stores and
18 homes, but six hours. Why was it not rotated? It was my understanding that that's
19 a standard that takes place in SWEPCO to try to offer relief to these customers, but
20 within weeks of each other, we experienced, at a minimum of eight hours, total
21 blackouts. That has real world consequences, specifically from a monetary value.
22 I have major concerns going into these summer months because I don't get a warm,
23 fuzzy feeling from any of the statements from SPP or SWEPCO. I personally seen

1 more finger pointing than anything else and I have these concerns. I've actually
2 taken steps with a local church of mine to establish a cooling center with generators
3 that I'm pulling off of infrastructure to back up when power goes out so that I can
4 cool this family life center we have. I mean, that took -- I started that immediately
5 whenever this last outage went because people will die in July heat like this and it's
6 going to be something terrible where we find them a couple weeks later, an elderly
7 person that didn't have that help and didn't have the resources. So I'm sincerely
8 concerned for my citizens whenever it comes to what is probably to come. And
9 then ultimately, an answer on what is the plan, and I feel that that falls into how we
10 got here. But what is the plan? My citizens are paying their SWEPCO bills on
11 time. I can assure you when I drive around nighttime all the lights are on, maybe
12 minus a few, but all the lights are on. Are they not reinvesting into the infrastructure
13 that would prevent these blackouts? I can assure you there's been some increases
14 in rates over the years. What is it -- where is the accountability? Where is that
15 dollars translating to for an infrastructure that gains us stability. I'm mind blown
16 by twice in a month, the 14-state region that SPP manages, they didn't seem to say
17 don't worry, this is a -- this happens across this 14-state region. It seems to be fairly
18 isolated to us and on a very condensed timeline. So I'm seeking your help. I can't
19 tell you how impressed I am with the questions that y'all have asked. Felt like you
20 were reading my mind at some points as I was sitting back there. I think a lot of
21 this I understand is a complicated business. Well, I don't understand because I'm
22 not in the business. I can imagine it's a complicated business. Some of this could
23 be put into lay terms to make a little bit more sense and cut some of the buzzwords

1 that are taking place with this and actually be able to reveal a root cause of what
2 took place here. And I think that's owed to the constituents, think it's owed to all
3 of our citizens that are affected by this. I'm speaking for a very small majority. I
4 think it was 32,000, I believe, that was impacted on the last one. Hey, I'm a small
5 town. It's about 5,000 or so that I'm representing today, but I can assure you my
6 neighbors to the south of me and to the north that were affected by this feel the
7 exact same way and have real losses of monetary value that have taken place and I
8 just really want to publicly state my appreciation for all of you gentlemen,
9 following up on this, and I look forward to hearing the report as well. And with
10 that, I just want to thank y'all for giving me an opportunity to be here, put some of
11 this stuff on the record. And again, thank y'all for all you do.

12 **CHAIRMAN FRANCIS:** Mayor, I'm the Louisiana representative on SPP and I'll
13 assure you I'm concerned about it. We do have a procedure to follow to get the
14 answers that you're looking for or hopefully most of them. And I think as a -- in
15 the real business world, time is everything. So I'd ask Kathryn, what do you think
16 -- when could we expect a final report on this instance?

17 **COMMISSIONER CAMPBELL:** July.

18 **SECRETARY FREY:** Yeah. Under the directive, it's July 9.

19 **CHAIRMAN FRANCIS:** So by July 9, we'd have a written report?

20 **SECRETARY FREY:** That's what the directive says, yes.

21 **CHAIRMAN FRANCIS:** I'd like to direct y'all to send, mail a copy to -- email a
22 copy to the mayor for one thing.

1 **SECRETARY FREY:** I'll make sure. I know Foster said he wanted to make sure
2 everybody got it, so we'll make sure that you're added to the list as well.
3 **MS. BOWMAN:** Yeah. We have his email.
4 **CHAIRMAN FRANCIS:** Okay. Okay. Mayor, thank you for coming.
5 **MR. TIMMS:** I appreciate it.
6 **COMMISSIONER COUSSAN:** Mr. Mayor.
7 **CHAIRMAN FRANCIS:** Jean-Paul Coussan.
8 **COMMISSIONER COUSSAN:** Thank you. So Haughton has about 5,000
9 people?
10 **MR. TIMMS:** Yes, sir.
11 **COMMISSIONER COUSSAN:** And you live there?
12 **MR. TIMMS:** I do.
13 **COMMISSIONER COUSSAN:** And send my regards to Representative Dodie
14 Horton. Sounds like between you and her, y'all have some outstanding
15 representation for your people, so thank you for coming down here today.
16 **MR. TIMMS:** Absolutely.
17 **COMMISSIONER COUSSAN:** And I know Representative Horton is over in
18 Baton Rouge working hard, too. So thank you.
19 **MR. TIMMS:** She sure is. Thank you, sir.
20 **CHAIRMAN FRANCIS:** Thank you, Mayor.
21 **MR. TIMMS:** Thank you, Commissioners.
22 **CHAIRMAN FRANCIS:** Appreciate it.

1 **COMMISSIONER LEWIS:** And, Mr. Chairman, really quick, I want to thank
2 you for your questions. I wrote all of them down. I think they are important
3 questions. I think something that I didn't ask SWEPCO and SPP is about their
4 seasonal peaks to make sure that we are adjusting what we think our capacity should
5 meet. So I think you raised some significant points that I'm hopeful and I will
6 ensure are covered in the report, but I wanted to thank you for coming today.
7 Oftentimes, this room is normally just the utilities and us. And so when people
8 who we serve come to tell us stories of the decisions that we make or the lack of
9 decisions that are made, I think it's incredibly important to have on the record. So
10 I wanted to commend you. I know you had a drive to come all the way down here,
11 so your leadership is commended and I hope the people of Haughton know that you
12 represented them very well today. Thank you.

13 **MR. TIMMS:** Thank you, Commissioner. And again, just for the record,
14 Commissioner Campbell immediately picked up my phone call. I feel confident
15 his phone was probably about to explode due to the phone calls he was getting and
16 he treated me as if I was the only one that had called him that day and spent time
17 with me. And so openly, Commissioner Campbell, I just want to thank you as well
18 for the work you've done and continue to do, so thank you.

19 **CHAIRMAN FRANCIS:** Okay. Thank you, Mayor. And, Kathryn, we ready for
20 Exhibit 2?

21 **MS. BOWMAN:** Yes, sir.

22 **CHAIRMAN FRANCIS:** Okay. Well, let's go with Exhibit 2.

1 **MS. BOWMAN:** Exhibit Number 2 is Docket Number T-37136. This is Cantium
2 v. Rosefield's complaint against Rosefield for transportation and terminalling of
3 crude oil as a common carrier without a tariff on file with the Commission at rates
4 that are excessive and request that Rosefield pay reparations, refunds, and damages
5 for charges above just and reasonable rates. It's a discussion and possible vote on
6 Rosefield's motion for immediate review of interlocutory ruling and a motion for
7 stay of the proceedings pursuant to Rule 57, so this will need two votes. This was
8 Exhibit 2 on last month's agenda, which the Commission did take under advisement
9 at that time. I will give just a brief history of the proceeding. Cantium filed this
10 complaint in March of last year alleging that Rosefield was a common carrier
11 subject to the Commission's jurisdiction and was operating without a tariff on file.
12 On May of 2024, Rosefield filed exceptions which if granted, would result in the
13 dismissal of Cantium's complaint. Rosefield asserted that the Commission lacks
14 subject matter jurisdiction to hear Cantium's complaint as Rosefield was not a
15 pipeline under the Commission's jurisdiction and that Cantium has no right of
16 action. On December 3, 2024, the ALJ issued a ruling on exceptions denying
17 Rosefield's exceptions, finding that based on the record to date, the Commission
18 does have jurisdiction over the subject matter of Cantium's complaint and that
19 Cantium had a right of action to bring it. Rosefield timely filed a motion for review,
20 requesting that the Commission reverse the ALJ's ruling and sustain the exceptions.
21 Cantium filed a timely response of opposition. The Commission heard oral
22 argument from both Rosefield and Cantium at the April B&E and took the matter
23 under advisement. As this is a referral from an ALJ interlocutory ruling, there is

1 no Staff recommendation. In order for the Commission to consider this matter, the
2 Commission must first vote to take the matter up under Rule 57; and thereafter, the
3 Commission may vote on Rosefield's motion. I will say we have one yellow card
4 from a citizen who would like to speak.

5 **VICE CHAIRMAN SKRMETTA:** I'd like to put this matter up on the docket by
6 bringing this matter up on Rule 57.

7 **COMMISSIONER LEWIS:** I'll second.

8 **CHAIRMAN FRANCIS:** Ruled under 57 by Commissioner Skrmetta. Seconded
9 by Commissioner Lewis. And --

10 **VICE CHAIRMAN SKRMETTA:** I have a question for Staff Counsel.

11 **CHAIRMAN FRANCIS:** And so, Staff Counsel -- who's on the -- has a card?

12 **MS. BOWMAN:** There's a Ms. Sally Dotton who would like -- Donlon, excuse
13 me, who would like to speak on this matter before we vote on it.

14 **MS. SALLY DONLON:** I'm changing to Number 4.

15 **MS. BOWMAN:** Oh, I'm sorry.

16 **VICE CHAIRMAN SKRMETTA:** Okay. Quick question for you, Kathryn.

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

18 **VICE CHAIRMAN SKRMETTA:** All right. Let's review the actual matter up
19 -- coming up for the vote. Okay. So there's a ruling on exceptions, but are we --
20 we basically have the Administrative Law Judge's recommendation, correct?

21 **MS. BOWMAN:** Yes, sir.

22 **VICE CHAIRMAN SKRMETTA:** And her recommendation on the ruling is to
23 rule in favor of Cantium, correct?

1 **MS. BOWMAN:** Yes, sir. The ALJ's recommendation is that Rosefield is a
2 common carrier subject to our jurisdiction.

3 **VICE CHAIRMAN SKRMETTA:** Right. And so I'm going to go ahead and
4 make a motion to put this on the floor to accept the recommendation of the ALJ
5 finding in favor of Cantium.

6 **CHAIRMAN FRANCIS:** And I'd like to add also that the ALJ is also operating
7 with a narrow set of rules on this situation that we can hopefully help with in the
8 future. Narrow set of facts, I'm sorry, not rules.

9 **VICE CHAIRMAN SKRMETTA:** Anyway, so that's my motion, to bring it up
10 and affirm the ALJ's recommendation.

11 **CHAIRMAN FRANCIS:** So we've got a motion and a second for Rule 57, so.
12 And I'd make motion that we now --

13 **VICE CHAIRMAN SKRMETTA:** Actually, we approved the 57 already.

14 **CHAIRMAN FRANCIS:** Oh, we did?

15 **VICE CHAIRMAN SKRMETTA:** Yeah. Which this is a motion to approve the
16 ALJ's recommendation.

17 **CHAIRMAN FRANCIS:** Okay. And now is it time for the --

18 **MS. BOWMAN:** Now it's time for a second.

19 **VICE CHAIRMAN SKRMETTA:** Yeah. We need a second on that.

20 **CHAIRMAN FRANCIS:** I thought there was someone here to speak.

21 **MS. BOWMAN:** Oh, she changed it to Exhibit 4.

22 **CHAIRMAN FRANCIS:** Oh, I'm sorry.

23 **VICE CHAIRMAN SKRMETTA:** Yeah, we just need a second.

1 **CHAIRMAN FRANCIS:** Okay.

2 **VICE CHAIRMAN SKRMETTA:** I think --

3 **CHAIRMAN FRANCIS:** We have a second from Commissioner Lewis.

4 **VICE CHAIRMAN SKRMETTA:** -- Commissioner Lewis is --

5 **CHAIRMAN FRANCIS:** So is there any other discussion or objection to this

6 motion? [NONE HEARD] Hearing none, it's in the books. Okay. Exhibit 3.

7 **MS. BOWMAN:** Exhibit Number 3 is Docket Number T-37358. This is the

8 Commission versus Move Precision. It's an alleged violation of Order T-37019 for

9 failure to comply to the affidavit and stipulation executed on May 1, 2024.

10 Discussion and possible vote on the recommendation of the ALJ. Staff alleged that

11 the Move Precision violated Order T-37019 by failing to comply with the agreed-

12 upon terms of the stipulation accepted in said order. The stipulation states that

13 failure to comply with any conditions results in the \$500 suspended portion of the

14 fine being due immediately. Move Precision missed the final installment payment,

15 prompting Staff to notify the company that it owed the final payment and the \$500

16 suspended portion of the fine. Staff cited Move Precision on August 29, 2024 and

17 Move Precision paid the outstanding balance. Staff also received a customer

18 complaint regarding an interstate move and Staff issued a second citation to the

19 company. Other than a clerical change, that citation was identical to the initial

20 citation and Move Precision did not appear at the hearing. Staff sought an order

21 finding Move Precision guilty of violating Order T-37019, requiring the company

22 to refund the customer the full amount of the move and assessing a \$2,000 fine and

23 a \$25 citation fee. The ALJ found Move Precision violated the order by failing to

1 timely pay the final installment on or before the due date and conducted a intrastate
2 move without first acquiring our authority. The ALJ recommendation denied
3 Staff's request for the \$2,000 fine, finding that Order T-37019 contains a penalty
4 provision, which Move Precision had paid. The sole allegation in this docket was
5 that Move Precision violated that order. Staff also requested that Move Precision
6 be required to refund the customer in the amount paid for the move and the
7 Commission's orders governing household goods movers have no provisions
8 allowing the Commission to order a refund to customers. Therefore, the ALJ
9 denied that refund request. Based on the evidence admitted at hearing in the matter,
10 the ALJ recommends that the Commission issue an order finding that: 1) Move
11 Precision is guilty of violating Commission Order Number T-37019 and --
12 specifying the amount of penalty for non-compliance, and has paid all those fees;
13 Move Precision is ordered to pay a \$25 citation fee to the Commission; and
14 Commission Staff shall report to the Louisiana Department of Revenue the \$735.65
15 Move Precision derived from its violation of Order Number T-37019.

16 **VICE CHAIRMAN SKRMETTA:** Move to approve the ALJ recommendation.

17 **COMMISSIONER COUSSAN:** Second.

18 **CHAIRMAN FRANCIS:** Move by Commissioner Skrmetta, second by
19 Commissioner Coussan. Any other discussion or any objection? [NONE HEARD]
20 Hearing none, it's in the books.

21 **MS. BOWMAN:** Exhibit Number 4 is Docket Number 31106. This is the
22 Commission's rulemaking to study the possible development of financial
23 incentives for the promotion of energy efficiency by jurisdictional electric and gas

1 utilities. It's a discussion and possible vote to rehear General Order dated May 5,
2 2025, pursuant to Rule 43 at the request of Commissioner Lewis. And we do have
3 several yellow cards for this one.

4 **CHAIRMAN FRANCIS:** Is there a motion to accept this?

5 **COMMISSIONER LEWIS:** Mr. Chairman, I do have a motion. Kathryn, could
6 you -- do you have it?

7 **MS. BOWMAN:** Yes, sir.

8 **COMMISSIONER LEWIS:** Can you please read it for me?

9 **MS. BOWMAN:** Yes, sir.

10 **COMMISSIONER LEWIS:** Thank you.

11 **MS. BOWMAN:** At the April 16, 2025 Business and Executive Session, the
12 Commission approved a motion to cease work towards implementing Phase 2 rules
13 in the energy efficiency docket. Without further action, the Quick Start programs
14 will conclude at the end of calendar year 2025. To continue the important work of
15 this docket, I move to, one, reconsider the Commission's April vote as a means to
16 assess which type of energy efficiency program will provide the most energy
17 savings at the least reasonable cost. In consultation with Staff and other
18 Commissioners, I move that Staff implement the following course of action: 1)
19 Staff will produce an analysis of the cost and benefits of the various options for the
20 Commission's energy efficiency program; the report should provide a like for like
21 comparison so that the options may be assessed on equal footing; 2) Staff will
22 convene a technical conference of the energy efficiency working group in which all
23 parties may offer their input on the analysis, their views of the options respective

1 merits, and generally discuss these matters in an open forum; 3) Staff will consider
2 the input of others from the working group, and, if necessary, produce an updated
3 analysis of the various options for the Commission's energy efficiency program;
4 and 4) Staff will provide its final analysis to the Commission in order for the
5 Commission to vote on the energy efficiency program at the August 2025 Business
6 and Executive Session. This motion should provide a framework for a deliberative,
7 transparent consideration of the most prudent next steps in this rulemaking.

8 **COMMISSIONER LEWIS:** Thank you, Kathryn. And I want to be clear, this
9 motion does not rehire Aptim or Tetra Tech, or reinstate the third-party model. It
10 takes no position about what type of program that we could adopt. I think this is a
11 procedural action to continue Staff's analytical work and rulemaking and it
12 provides for a plan how we, as Commissioners, can collaboratively and
13 transparently consider the various options on a basis. And it allows us -- all voices
14 to be heard. I think this is a orderly path forward so we can bring this rulemaking
15 to a timely end. I think we all share the same goals. We want energy efficiency.
16 We want lower bills for our customers. We want everybody in the state of
17 Louisiana, no matter what utility you are provided services for, have the
18 opportunity to participate. And so the reason I brought this motion is because I
19 think what we did last month did not give significant clarity to the public or to us
20 about our steps forward. And so I'm presenting this as way for Staff to continue to
21 work to analyze these questions and to bring all parties to the table so that we can
22 come with a balanced, evidenced-based conclusion about how we move forward
23 best. We know we've had all types of folks reach out to us about what's happening

1 to their options and I think this is the plan we need to do our work in a timely
2 manner. Give them an answer, provide businesses certainty to all those are
3 concerned, and then ultimately lower bills and consumption in the state of
4 Louisiana in the least cost way as possible. So that is why I have put this motion
5 on the table.

6 **CHAIRMAN FRANCIS:** A motion. We have a second?

7 **COMMISSIONER COUSSAN:** Mr. Chairman?

8 **CHAIRMAN FRANCIS:** [INAUDIBLE] Commissioner Coussan.

9 **COMMISSIONER COUSSAN:** Mr. Chairman, at the appropriate time I have a
10 substitute motion that I would like the Commission to consider, but given that
11 we've got so many speakers on this subject, I was thinking that it would be
12 appropriate to let them speak, and so we can understand what the constituents are
13 thinking. And then I would like to make a substitute motion before we take a vote
14 on the original motion by Commissioner Lewis.

15 **VICE CHAIRMAN SKRMETTA:** Need a second first.

16 **CHAIRMAN FRANCIS:** We need to get a second. Is there a second for
17 Commissioner Lewis' recommendation? [NONE HEARD] Hearing there's no
18 second, I guess another motion is in order at that time, right?

19 **COMMISSIONER COUSSAN:** So, Mr. Chairman, let me make a brief comment
20 to all of us and publicly state that I would like to kind of encapsulate everything
21 that Commissioner Lewis stated as comments to our efficiency program moving
22 forward. Even though his specific motion may not move forward, the spirit of my
23 motion is to take what he stated into full consideration for our Staff and for all of

1 the stakeholders as part of the efficiency program. With that said, since it is now
2 the appropriate time, I move that the Commission establish the Louisiana Public
3 Service Commission Energy Efficiency Program which shall incorporate
4 components of the formerly approved Quick Start program and the formerly
5 approved public entity program, but which shall be modified to conform to new
6 rules set forth by the Commission under the newly formed LPSC Energy Efficiency
7 Program. I therefore further move that the Staff issue a proposed rule for
8 stakeholder feedback that creates the LPSC Energy Efficiency Program providing
9 for new energy efficiency rules incorporating components of the current programs
10 provided that the following shall be addressed inter alia: 1) That all electric
11 cooperatives and industrial customers are excluded, but shall have the option to opt
12 in; that the program budget shall be revised to modestly increase the budget
13 authorized in the current rules with ultimate approval by the Commission at a future
14 B&E; and that 3) There shall be a cap placed on administrative costs, which each
15 utility can incur under the program. And that concludes my motion, but I'd also
16 basically like to state that I 100% agree that this motion is meant to be an orderly
17 path forward so that we can bring this rulemaking to a timely resolution, and that
18 in doing so. I expect us to move forward with a energy efficiency -- what's the
19 name of the -- a technical conference that will be had in very short order. And I
20 think that will be a part of our working group to come to a conclusion. So --
21 **CHAIRMAN FRANCIS:** Seconded by Commissioner Skrmetta. And I'd just
22 like to ask, what time would we have -- what would be the timing on the tech
23 conference, Ms. Kathryn? Something that coordinates with your Staff. Okay.

1 **MS. BOWMAN:** Yes, sir. I mean, I think we could do it in a relatively short
2 order. I would think we would need to get out the rules -- the proposed draft rules
3 first, which I will work to do as promptly as possible, and then -- to allow feedback
4 related to the two components that Commissioner Coussan talked about, the
5 program budget being revised modestly and the cap on administrative cost. Those
6 would be the two topics for the technical conference. So we can get that in short
7 order.

8 **CHAIRMAN FRANCIS:** Okay. We need to hear from the cards first before --

9 **MS. BOWMAN:** Yes, sir.

10 **CHAIRMAN FRANCIS:** Okay. So you want to call them up?

11 **MS. BOWMAN:** If Ms. Donlon would like to come up, and Mr. James Hiatt can
12 come up, and then we'll do the rest.

13 **CHAIRMAN FRANCIS:** Can we hold it to about three minutes on discussion?
14 Would that be fair?

15 **MS. DONLON:** Three minutes is plenty.

16 **CHAIRMAN FRANCIS:** Okay. Good. Praise God. Okay.

17 **MS. DONLON:** I'm a fast talker and I have very little to say. Okay. Okay.
18 Gentlemen, my name is Dr. Sally O. Donlon, and I am a resident of Louisiana,
19 citizen of Louisiana. And I was born and raised in Lafayette, I'm currently a
20 resident of Lafayette, all in the downtown area. And I just want to say that I want
21 to thank y'all for meeting in Lafayette today because it makes it so much easier for
22 those of us in the Lafayette area to come and speak with you today. Okay. And I
23 want to thank you for hearing us. And I also want to say that me speaking with

1 y'all is reminiscent for me because I grew up with just me and my five brothers.
2 So this is like me having a conversation with my family. Okay. You don't look
3 like my brothers necessarily, but it is like me talking to my family. Okay. But I
4 will say that how my family -- how my parents were able to raise six kids was one
5 thing. I don't know if they could do it today. Okay. The economy has changed, a
6 lot has changed, right? And things are changing rapidly. All right. And what's
7 change -- one of the things that's concerning me is how this thing, this whole thing
8 we're talking about right now is changing. Okay. And I think that that's one of the
9 reasons that people have now a diminished distrust of government. We just -- the
10 state of Louisiana just voted down four amendments, and now I see one of those,
11 the school to prison pipeline, back in another issue as a bill in front of the Louisiana
12 Legislature. Okay. The people said no, the legislature's going back there to sneak
13 it in another kind of way. A vote was made here that we were going to do a certain
14 thing. Okay. Statewide energy efficiency was going to happen and we had
15 bipartisan support on the panel there with you guys. And until right before the
16 report was going to be issued, and a new vote with new folks was made to stop it.
17 Okay. Well, there's been consternation and pushback on both sides and now we're
18 meeting today to see whether we're going to push -- we're going to vote again. And
19 now I hear that no, we're not going to vote again, we're going to look at the whole
20 thing again, which I understood, and I'm not on the Commission, that we had
21 looked at it before. Okay. So really my message is just to say to y'all please ensure
22 Louisiana has energy efficiency programs that benefit the people. I'm not really
23 interested in whether private industry has a voice in this, and in fact, they should

1 not. Okay. Their voice does not need to make any decisions on this. So when y'all
2 are considering this again, this is a citizens issue, not private industry. Okay. We
3 need them to be independently run, these review groups, not run by utility
4 companies because there's a conflict of interest because they make money from
5 this, from selling energy. They don't make money by saving it for folks like y'all
6 or us. Okay. And especially not me because I'm -- you know, down here. Release
7 the report as it stands. We'd like to see what y'all have looked at already. That's
8 -- nobody's going to be hurt by that. So we could see the plan where it is and follow
9 y'all as y'all move along to get more planning done. Okay. Get it started by an
10 independent contractor who is chosen, qualified, and ready to get started. Let's get
11 going. And the other thing -- the final thing I want to say, we say -- I find that
12 we've said this over history in Louisiana quite a bit. Why do we keep letting the
13 foxes in to guard the henhouses? Y'all please keep that in mind as you move ahead
14 with this new evaluation, this re-evaluation of how you're going to run this
15 program. Thank y'all so much for your time.

16 **CHAIRMAN FRANCIS:** Ma'am, do you -- Doctor, do you get your electric bill
17 from LUS?

18 **MS. DONLON:** I do, sir.

19 **CHAIRMAN FRANCIS:** All right. LUS is not in this program.

20 **MS. DONLON:** Well, I speak for not just me --

21 **CHAIRMAN FRANCIS:** You need to talk to President Boulet about putting LUS
22 in the energy efficiency program.

1 **MS. DONLON:** I will do that. I will do that. But I have family spread out across
2 the state of Louisiana, sir.

3 **CHAIRMAN FRANCIS:** Okay. Good. All right.

4 **MS. DONLON:** Okay. Thank y'all so much for your time.

5 **CHAIRMAN FRANCIS:** Okay. Got another one?

6 **MR. JAMES HIATT:** Thank y'all. My name is James Hiatt, and I saw y'all last
7 month and I really wish y'all would've just deferred and we'd had some report. It
8 didn't happen. I'm a little confused about the switch in the motion. I understand
9 that public entities -- we want them to be energy efficient because they're for the
10 good of all. But what we just heard a lot this morning was that each individual
11 house in this state, if they can reduce their load, their demands, it's good for all,
12 too. And so part of the issue is that this has gone on for I believe 14 years, a
13 rulemaking process about energy efficiency. That's a long time. My son just
14 graduated yesterday, is coming to University of Louisiana Lafayette in the fall. He
15 was four years old when we started this process. It seems like for the benefit of the
16 people of Louisiana, I've heard this several times, that y'all are expected to balance
17 economic, environmental, and personal -- the ability for people to afford their bills
18 when we are -- and to give that over to the utility company outright and not a third
19 party, apparently third-party entities being a part of this was a problem. But if we
20 just give it over to the utilities who make money selling kilowatt hours, what
21 incentive is there for them to really introduce any kind of energy efficiency? And
22 if we only leave it with public entities -- with parishes and police juries, we're
23 missing out on a huge swath of energy savings. And at the end of the day, you

1 know, after Hurricane Laura, my mom was on a oxygen machine, she needed
2 electricity. We fortunately were able to afford a generator ourselves. This is not
3 just about saving money. This is not just about you trying to help the most
4 vulnerable in this state, although that should be pretty far up there in what y'all are
5 doing. Y'all are supposed to look out for the ratepayer. The ratepayer. The little
6 guy. And the way that this was canned in Toledo Bend just was not transparent, I
7 don't feel. And at the end of the day, I don't even understand if we understand
8 what the apples to apples comparison is. And that's why I think as soon as we can
9 -- if it's going to be August or if it's going to be in the next six months, we don't
10 drag on a rulemaking process about energy efficiency and that we also don't -- like
11 she said, don't just give it to the foxes in the henhouse. And then we also expand
12 it beyond just public entities because it is for the good of all of us to have a reduced
13 demand, not only for the individual who might have a lower utility bill because they
14 were able to weatherize or whatever that is. I really think that that needs to be a
15 part of this and that it's very clear and very transparent that it's not just -- the Public
16 Service Commission is not just working for utilities. They are. And I know y'all
17 hear a lot from your constituents, but the ratepayer, the individual, also should be a
18 part of this. And so anyway, I thank you for your time and your --

19 **CHAIRMAN FRANCIS:** The technical conference is -- the purpose is to clarify
20 that and have transparency and we'll have it notified on our webpage, or you could
21 call my office. You live in my district.

22 **MR. HIATT:** Yeah.

23 **CHAIRMAN FRANCIS:** I think -- Commissioner Coussan, you had something?

1 **COMMISSIONER COUSSAN:** Yeah. The motion that I have doesn't exclude -
2 - it's not only for the public facilities program. It also incorporates other efficiency
3 programs for our constituents beyond public facilities. Secondly, with respect to
4 my Commissioners here, they may have been here for years and years, I've only
5 been here five months. So I'm trying to bringing this to a close, too, quicker than
6 ever. And this technical conference is going to be our best effort to do so. Even
7 the prior proposal that we have shelved wasn't going to go into effect until next
8 year. So it's not like we were talking about having something already in place.

9 **MR. HIATT:** Right.

10 **COMMISSIONER COUSSAN:** I mean, we're literally arguing about something
11 that has never been put in place and that was still under discussion and still in
12 rulemaking, so on and so forth. So I believe that this motion that has already been
13 seconded is a very narrowly tailored motion to get us moving and to get us to a
14 efficiency program that the state can be proud of. And third, you know, we talk
15 about the third-party administrator issue versus utility led, I don't like all those
16 terms. I've kind of come in and I just want to throw all the terms out. All right.
17 They're all terms of art, they're all loaded. I mean, there is a third-party
18 administrator which administers the largest efficiency program for the largest utility
19 -- investor-led utility. Are they bad? No. They're actually -- it's apparently a
20 Louisiana-led company, Aptim. They are a proud Louisiana company. We should
21 be proud of the fact that they are a part of one of the largest efficiency programs
22 that we have in the state. And so it's a misnomer to say that we're just putting the
23 fox in the henhouse. Also, I've listened to all of the different participants from all

1 of the consultants to the utility led to the co-ops to all the public facility participants.
2 You know, it sounds to me like we keep saying that we're not moving forward to a
3 statewide program, and I think that is a fallacy and perhaps miscommunication.
4 Maybe it's gaslighting, I don't know what it is. But the fact is that our current
5 efficiency program, and especially the one that we are going to move towards,
6 touches every parish in the state of Louisiana. And I don't know what that means,
7 but seems to me that means it's statewide. You know, we're not talking about 1
8 parish, not talking about 10 parishes, we're not talking about 20 parishes, talking
9 about every single parish is touched by the efficiency program that we are
10 undergoing and that we are moving towards. And so I want to make sure that from
11 an educational standpoint, again, that as we educate and learn among ourselves and
12 educate our constituents, that there is a vast array of energy efficiency proposals,
13 energy efficiency programs, and -- that our constituents can take advantage of. And
14 so once this is all in place, you know, I want to continue working with you for your
15 same -- as we're talking about, we're all sharing the same goals.

16 **MR. HIATT:** Appreciate that. Thanks.

17 **CHAIRMAN FRANCIS:** Commissioner Skrmetta.

18 **VICE CHAIRMAN SKRMETTA:** I just want to add something into this. This
19 also clarifies two things. One is there is no just public entity program. It's going
20 to be what's been happening under the previous Quick Start program. And there is
21 no termination of it at the end of the year. It will continue forward. So it clarifies
22 those two things, and it will also move forward with the ability of the Commission
23 to look at options and modifications that may find themselves necessary in the

1 future. So I think it takes into consideration your concerns, and I think it's going
2 to be something we can work down the work to make it be efficient, financially
3 manageable, and get us through the process.

4 **CHAIRMAN FRANCIS:** Thank you for coming over.

5 **MR. HIATT:** Thank y'all.

6 **MS. BOWMAN:** We have a few more cards. A Mr. Anthony -- is it Laska?

7 **MR. TONY LASKA:** Good morning.

8 **CHAIRMAN FRANCIS:** Welcome to the podium.

9 **MR. LASKA:** If I got here earlier, I might've had a seat on the aisle.

10 **CHAIRMAN FRANCIS:** Do three minutes. Okay.

11 **MR. LASKA:** I'm Tony Laska. Live at 51 Point Drive in Many, and have served
12 as a energy assessment person for quite a few years. Because of your discussion
13 today, I think that it's just best for me just to point this out that back in 2003, I wrote
14 the first draft of the manual being used by Portland, Oregon for their programs. I
15 lived in Oregon for a few years. And so this -- it's probably been upgraded a lot in
16 the 20-something years it's gone on, but at the same time, it's probably gotten 3
17 times as large, and more complicated. So if there's some way that I can offer any
18 help somewhere along the way, I'd be glad to do that. The document has various
19 incentives in there. It has the technology being used by the various auditors to
20 examine the different homes for various purposes, and also the list of 1,900 trade
21 allies are involved in that program today, 1,900. We know the trade allies are part
22 of the programs that are going on here, how important they are. And maybe there's
23 a reason why this works there because in the last 5 years, their utility costs have

1 gone up 50% in the last 5 years and I don't believe we have had that experience
2 here. We may be looking forward to that, but the reason they've probably gotten
3 so, shall we say, committed and so aggressive about it is probably partly that reason.
4 We've got a figure here for the last 20 years that they've saved \$8.5 billion by the
5 customers on the utility bills. They claim that they saved \$2.72 saved by ratepayers
6 for every dollar invested in energy efficiency. That's a pretty good payback right
7 there. The way the structure is set up is the Energy Trust of Oregon is an
8 organization that is governed by a volunteer board of directors and it's overseen by
9 the Oregon Public Utility Commission. Then they hire a contractor, for whom I
10 had worked at the time, and I think we may have called them a third-party
11 administrator. So you have this sort of level of oversight and basically it does lead
12 to a high level accountability. They really brag about it in their annual report which
13 I read recently. They claim that their program and administrative support costs
14 come in at 5.2% at the present time and that number happens to be \$15 million. So
15 I mean, you can get a sense of the scale of this thing that they're doing. I'm not
16 saying they're doing anything any better than anyone else is, but they do have a
17 long history. And it's just something that if I can be of any help, I'd be glad to
18 assist. Thank you.

19 **MS. BOWMAN:** Thank you.

20 **CHAIRMAN FRANCIS:** That's good. You did three minutes. Thank you.

21 **MS. BOWMAN:** Next --

22 **CHAIRMAN FRANCIS:** We've got another?

1 **MS. BOWMAN:** Yes, sir. We have two more. Next is Ms. Windy Beck. And
2 Logan, you're next if you want to just shuffle while everyone's shuffling.

3 **MS. WINDY BECK:** Good morning, everyone. I'm sorry, y'all put me on my
4 back heels. I was -- came with a prepared statement, and it all changed, so I'm
5 going to try and be concise. My name is Windy Beck. I work for the Deep South
6 Center for Environmental Justice as a researcher on energy justice projects. We are
7 located in New Orleans. I am also a constituent in Metairie, so Commissioner
8 Skrmetta, hey. So for over 30 years, we've worked with communities across
9 Louisiana who are disproportionately burdened by pollution and the high energy
10 costs. We were really excited to see the energy efficiency applied on a statewide
11 method and the work of the Public Service Commission and the constituents -- or,
12 I'm sorry, the consultant that had worked for over 13 years in running the program
13 together. We were really excited that the framework was based on other states'
14 effective programs such as Oregon, which the gentlemen spoke about before. And
15 I'm from there originally, but been here for 11 years and excited to be. So it was a
16 proven model that reduced waste, lowered energy bills, eases the strain on our
17 transmission infrastructure, which we know with all the new facilities and data
18 centers that we're talking about, it's going to be very heavy, and any reductions on
19 that burdened system would be good. It's especially important for low income and
20 underserved communities where energy costs take the biggest toll. It addressed
21 root causes of high energy bills which also helped families weatherize their homes.
22 It created this feedback loop of increased -- or decreased energy bills, so then they
23 can invest more in their homes so then they could decrease the energy bills some

1 more. When you pair that with the fortification program, we can reduce statewide
2 homeowners' insurance costs. So I'm excited about -- what'd you call it? A
3 technical conference to look at how effective a statewide implementation plan can
4 be. We want something that is transparent, that is fair, that an independent
5 administrator can make sure is happening across the state in all parishes and all
6 sectors equally and justly. We really like that it was a proven framework. That it
7 was fiscally smart and forward-looking investment for not only our people and our
8 infrastructure, but for our future here in Louisiana. We strongly, at Deep South
9 Center, strongly support a statewide energy efficiency program and we respectfully
10 ask for the report that Aptim created for that statewide program. Thank you.

11 **CHAIRMAN FRANCIS:** Thank you very much. We'll see you at the tech
12 conference.

13 **MS. LOGAN BURKE:** Hi there, Commissioners. Logan Burke for the Alliance
14 for Affordable Energy. First, I want to say I'm really glad that we're talking about
15 this again and that we haven't ground the opportunity to save money and save
16 energy to a halt. I want to be really clear that the kinds of programs that all
17 Louisianans should have are the kinds of programs that intend to save energy. This
18 is one of the things that the rule that the Commission is moving away from was
19 really important. The rule that this Commission basically is putting to the side,
20 which was referred to as a statewide program largely because it was coordinated at
21 a statewide level by a single third-party administrator, overseen of course by the
22 Commission, the part of that rule that was so important was that it was focused on
23 savings, not focused on a budget. It wasn't just built around how much money will

1 we or won't we spend, the idea was to save money and to save energy. And when
2 I think about the folks who live in Bossier Parish who are dealing with the outages
3 that we heard about this morning, when I think about the fact that if homes and
4 businesses in that area had been better insulated, we might not have needed to shed
5 140 megawatts of load. If we had properly working demand response programs in
6 that area, we might not have needed to shed 140 megawatts of load. When I think
7 about the opportunities that we have to move swiftly to address people's energy
8 needs where they are, not just when the power demand is at peak, not when it's a
9 surprise, but every single day of the year saving us all money and saving us all
10 energy. That's what this Commission I hope focuses on because that's what's
11 going to save us all. Another point that I want to make is I really would like to see
12 the coming rule continue to include a carve out for our low-income customers. You
13 heard Commissioner Lewis talk a bit about the LIHEAP program and the fact that
14 it is on the ropes. I am incredibly worried about what is going to happen in this
15 state if that program is killed at the federal level. I'm incredibly worried about, not
16 the phone calls that you five are going to receive, but what it means for those
17 thousands of families who aren't going to have access to bill assistance. And what
18 it will mean on a hot August day to them if they can't turn their air conditioning on,
19 even if they have it because they don't have the money to pay their bill.

20 **CHAIRMAN FRANCIS:** Three minutes.

21 **MS. BURKE:** Thank you. I appreciate the opportunity to talk with you. I look
22 forward to continuing to work on this. What I don't want to do is keep working on
23 this for 14 years and so I hope we can wrap it up. Thank you.

1 **CHAIRMAN FRANCIS:** Thank you.

2 **MS. BOWMAN:** That's all the public comment we have.

3 **CHAIRMAN FRANCIS:** All right. So, Commissioner Lewis, you got something
4 to say?

5 **COMMISSIONER LEWIS:** Yeah. Thank you, Mr. Chairman. And I want to
6 thank my colleague, Commissioner Coussan, for offering a resolution. I
7 respectfully will have to object for just a few reasons why, and then I'll be done,
8 Mr. Chairman. I think there's some questions that we have to ask ourselves even
9 in this new technical conference. I mean, I think one of the things that we have to
10 really toy with, which is why I had my original directive, is what do we mean when
11 we say capping administrative cost? Are we going to cap the administrative cost
12 for the program across the utilities or each utility? Because one of the things that
13 came in the discussion of changing from a third-party model was the fact of
14 administrative cost, and my deep concern is this new model will not address those
15 concerns. It would actually showcase that we're spending more administrative cost
16 because we're having five different programs, five potential EM&V contractors, no
17 coordination between the electric and gas companies. And so I think we do
18 ourselves a disservice to assume that we can cap that in a way that is efficient and
19 effective. I think, secondly, my objection stands on that I truly believe the
20 Louisianans who sit in co-op territory should have an opportunity to a program. I
21 think if we're going to mandate that the investor-owned utilities do it, I believe in
22 fairness that we should also do that for our co-ops. I don't think a customer,
23 depending if they're on Entergy or SWEPCO, are very different than those on

1 Pointe Coupee or DEMCO. And I think allowing a carve out so some Louisianans
2 don't have a opportunity to even ask their utility, it's depending upon the utility to
3 make that decision, I think is a bad precedent. And that's why I thought the third-
4 party model was great because I'm going to be honest, I know for a fact that it will
5 be very difficult for our rural electric co-ops to administer an energy efficiency
6 program. It takes scale and we know the challenges that we've seen for them. And
7 I think part of the reason the third party was so smart is because it brought us all
8 together. It had a scale up for those programs and then it allowed that no matter
9 what territory, no matter what parish you lived in, and no matter who your utility
10 provider was, you would be offered the same program, the trade allies would have
11 the same set of rules and that we could participate in a program that benefit us all.
12 And so while I deeply appreciate the path forward and will, of course, stay engaged,
13 I just had to state those are the reasons why I will have to object to the motion on
14 the table. Thank you, Mr. Chairman.

15 **CHAIRMAN FRANCIS:** Okay. We've got a roll call vote request. We got a
16 motion and a second. I hear a no vote from Commissioner Lewis. Commissioner
17 Campbell, how do you vote?

18 **COMMISSIONER CAMPBELL:** Yes.

19 **CHAIRMAN FRANCIS:** Commissioner Campbell votes yes. Commissioner
20 Skrmetta?

21 **VICE CHAIRMAN SKRMETTA:** Yes.

22 **CHAIRMAN FRANCIS:** Commissioner Skrmetta votes yes. Commissioner
23 Coussan?

1 **COMMISSIONER COUSSAN:** Yes.

2 **CHAIRMAN FRANCIS:** Commissioner -- the Chair votes yes. So it's four to
3 one vote. It's approved. Okay. Exhibit 5.

4 **MS. BOWMAN:** Exhibit Number 5 is Docket Number R-35462. This is the
5 Commission's rulemaking to research and evaluate customer centered options for
6 all electric customer classes as well as other regulatory environments. It's a
7 discussion and possible vote on Entergy's motion for Commission guidance and
8 consideration. This was Exhibit 5 last month. This proceeding was initiated
9 through a notice of proceeding issued by the Commission directing Staff to research
10 customer centered options for all electric utility customers and to recommend a plan
11 for how to ensure those customers are the focus in Louisiana. The docket was also
12 designed to consider any proposals not already being addressed in other dockets, as
13 well as other options that may mitigate increased rates for Louisiana ratepayers.
14 That notice was published in the Commission's Official Bulletin and 30
15 stakeholders intervened. After numerous rounds of discovery and request for
16 comments, as well as multiple technical conferences, the Commission issued
17 General Order dated August 1, 2024, which accepted Staff's final Phase 1 Report
18 and proposed final rules filed into the record on June 7, '24. The general order
19 promulgated rules regarding: annual reporting obligations for electric utilities,
20 periodic reporting of utility companies' outside attorney and consultant expenses,
21 renewable energy credit value, sleeved power purchase agreements, and directed
22 all utilities to submit a filing for the Commission's consideration to update their
23 tariffs with green tariff options. On December 30, 2024, Staff filed its Phase 2

1 report, which stated that the final phase of the docket was to consider the issue of
2 whether to restructure Louisiana's retail electricity market and laid out an initial
3 framework for Staff's review. The Phase 2 report also requested comments and
4 responses to Staff's sixth and seventh set of requests for information. On January
5 24, 2025, in response to Staff's Phase 2 report, Entergy Louisiana filed a motion
6 for Commission guidance and consideration on the Commission's customer
7 centered options docket. The motion suggested that the docket has successfully
8 completed its stated objectives and has run its course. Therefore, Entergy requested
9 renewed guidance from the Commission as to the future of this docket. A notice
10 of reply period was issued by Staff, and 10 stakeholders filed responses. Staff
11 makes no formal recommendation as this is a policy decision.

12 **CHAIRMAN FRANCIS:** Chair --

13 **MS. BOWMAN:** And I'm sorry, we do have two cards. Just letting you know.

14 **CHAIRMAN FRANCIS:** Okay. Chair move to close this docket. Get a second?

15 **VICE CHAIRMAN SKRMETTA:** Second.

16 **CHAIRMAN FRANCIS:** Got a second. And I've got a statement for you to read.
17 Should we do that now, or after these cards?

18 **MS. LAUREN EVANS:** I have it, Chairman.

19 **CHAIRMAN FRANCIS:** Okay.

20 **MS. EVANS:** Lauren Evans on behalf of Staff and this is on behalf of Chairman
21 Francis. The Commission has been asked to provide guidance on whether this
22 docket has satisfied its intended purpose and whether the docket should proceed. I
23 believe this docket already has provided material benefits to customers with

1 improved transparency in addition of customer centered options for meeting power
2 needs as set forth in the August 1, 2024 General Order and as read into the record
3 by Ms. Bowman just now. I further believe that expending the significant utility
4 and Commission resources that would be required to investigate a fundamental shift
5 in this Commission's policy to full or limited retail open access in Louisiana is not
6 in the best interest of the public at this time for the following reasons: 1) A shift
7 from traditional regulation to retail open access for certain industrial customers is
8 driven by a desire for those certain industrial customers to reduce their electricity
9 cost. As the Commission previously recognized, when limited retail open access
10 was last explored, this has the very real effect of creating stranded cost and the
11 potential for increased cost to other customers, both contrary to the aims of this
12 rulemaking. 2) No other jurisdictions have made a shift from traditional rate
13 regulation to the type of open access being considered in this docket since the early
14 2000s, and some, such as Virginia, have rolled back attempts to restructure due to
15 the impacts on retail customers. As another example, Michigan adopted a former
16 retail access in 2000, but capped it at 10% for 2010 usage for similar reasons. 3)
17 Retail open access may provide all or some limited class of customers with a choice
18 of generator, but those customers would still be dependent on their current utility
19 for the transmission and distribution lines to transmit the electricity produced from
20 the selected generator. Accordingly, customers will still be dealing with Entergy,
21 Cleco, SWEPCO, and the cooperatives for the reliability and quality of service
22 delivered, including dealing with issues of hurricane recovery, resilience, etcetera.
23 Contrary to the reports I have seen, retail access does not mean customers get rid

1 of their provider, they actually just add one. 4) Regarding such a new provider,
2 new regulatory processes for customer protection and/or resource adequacy
3 assurance would need to be created to accompany any type of retail access. 5)
4 Nothing today prevents any large industrial customer from building its own
5 generator to supply their own power needs. And 6) A meaningful analysis of retail
6 open access would require the dedication of significant Commission and utility
7 resources at a time when those resources are consumed by efforts to modernize the
8 grid, address resilience concerns, accommodate unprecedented load growth,
9 transition the cooperative resource mix, and operate in regional transmission
10 organizations. Because this docket has met its intended purpose of producing
11 customer centered options, and because investigation into full or limited retail
12 access is not in the best interest of Louisiana ratepayers, I move that Staff take the
13 necessary steps to close Docket Number R-35462. While I am moving to close this
14 docket, the Commission will remain mindful of and consider customer centered
15 options that can produce lower electric rates for all customers consistent with its
16 duty to ensure just and reasonable rates for Louisiana ratepayers. The Commission
17 will continue to initiate any and all proceedings that may be necessary in
18 furtherance of that duty.

19 **MS. BOWMAN:** If we want -- Mr. Laska, if you want to come back up. If he's
20 still here. There he is.

21 **CHAIRMAN FRANCIS:** Got someone who wants to testify?

22 **VICE CHAIRMAN SKRMETTA:** Any cards?

1 **MS. BOWMAN:** Yes. Mr. Laska, then we have one more yellow card after Mr.
2 Laska.

3 **VICE CHAIRMAN SKRMETTA:** Okay.

4 **MR. LASKA:** Thank you. Again, I'm Tony Laska, 51 Point Drive in Many,
5 Louisiana. And I did provide to the Commissioners a copy of my statement so I'll
6 just read through as quickly as I can.

7 **CHAIRMAN FRANCIS:** Speak up just a little bit, please. I can't hear you.

8 **MR. LASKA:** Pardon me? A little closer?

9 **CHAIRMAN FRANCIS:** Yeah.

10 **VICE CHAIRMAN SKRMETTA:** Little louder.

11 **CHAIRMAN FRANCIS:** A little louder, please.

12 **MR. LASKA:** Okay. Okay. Thank you. I did provide a copy previously, so I
13 will try to read through as quickly as I can. Dear Commissioners, this is a request
14 that you vote in favor of the continuation of Docket R-35462. The Louisiana Users
15 Group, LEUG, has proposed that PSC Staff and contractors evaluate options to
16 reduce the need for as much new power plant construction. Five years ago, LEUG
17 proposed increasing industrial output of combined heat and power generation for
18 distribution through the grid, and proposed to acquiring industrial scale solar and
19 other renewable power generation to diversify its portfolio. These proposals by
20 LEUG are aimed at serving the interest of the public by providing more cost
21 effective and more readily implemented power supply that can then offset some of
22 the spending by Entergy that would otherwise be necessary for adding new
23 generation capacity. During the 1980s, I served as energy coordinator for the city

1 of New Orleans. I represented the city on a national committee of major city energy
2 managers conducting research and demonstration projects to reduce energy costs
3 and conserve natural resources nationwide. Juan Ontiveros, associate vice
4 president for utilities, energy, and facilities manager for University of Texas at
5 Austin, now retired, showed us around his CHP power facilities that serves the
6 entire 20 million square foot campus and saves the university more than \$5 million
7 annually. Closer to home, LSU is presently adding to its CHP emergency power
8 plant that has kept the lights on during outages. With this as context, this docket
9 reflects the regulatory approach to intelligent allocation of resources and
10 consideration for a ratepayer interest that is continued elsewhere throughout the
11 intervening decades, inexplicably delayed for years in our state. For the past
12 decade, I've been promoting the benefits of combined heat and power waste heat
13 recovery in Louisiana. At the time, many were concerned about the flaring from
14 smoke stacks along the Mississippi River, a waste of natural resources. Companies
15 limited their co-gen to power required inside the fence line. Back then, as it present
16 -- it was common knowledge that useful products were being discharged by the ton
17 because there was no functioning regulatory framework that could accommodate
18 the sale of electric power generated by industrial CHP, particularly at a scale that
19 could have substantial impact on the need to build new CCCT power plants.
20 Closing this docket precludes future consideration of this opportunity. LEUG's
21 pilot proposal for Louisiana PSC authorization of enhanced option for combine heat
22 and power co-gen and proposed renewable generation option, displacement sleeve
23 PPA option, offers to assume risk while keeping diverse generating sources open

1 for the Commission. As a logical sequence to the -- sequel to the Staff report,
2 embarking on these pilot programs can give the Public Service Commission
3 additional capacity generating choices on a much timelier schedule that will reduce
4 the watts -- the megawatts that would be required through added power plant
5 construction by Entergy. I thank you for your consideration for the residents of our
6 state.

7 **CHAIRMAN FRANCIS:** Thank you.

8 **MR. LASKA:** Thank you, sir.

9 **CHAIRMAN FRANCIS:** Okay. Who's next? We just -- please hold it to three
10 minutes.

11 **MS. BOWMAN:** Okay. Next is going to be Mr. Young with LEUG. Or y'all can
12 come together.

13 **VICE CHAIRMAN SKRMETTA:** Just let him go first. Let Randy go.

14 **MR. RANDY YOUNG:** Ready?

15 **CHAIRMAN FRANCIS:** Yeah.

16 **MR. YOUNG:** Thank you, Commissioners. First of all, it's great to be in
17 Lafayette, my home country, and so, well, it's just always good to be home. So
18 thank you for that. Randy Young, and I'm here on behalf of Louisiana Energy
19 Users Group, which sometimes we also refer to as LEUG or LEUG. I have a brief
20 statement and presentation, then I'm glad to answer any questions. For background,
21 LEUG is an association --

22 **VICE CHAIRMAN SKRMETTA:** Quick question, Randy. Do you have any of
23 the people of the Amplify group in your LEUG group?

1 **MR. YOUNG:** No, Commissioner.

2 **VICE CHAIRMAN SKRMETTA:** So is that all Mr. Polozola's group?

3 **MR. YOUNG:** Correct, Commissioner.

4 **VICE CHAIRMAN SKRMETTA:** Okay. All right. Keep going.

5 **MR. YOUNG:** So LEUG is an association of existing Louisiana industrial

6 companies with long standing operations and more than 70 facilities located

7 throughout the state. All of the companies buy electricity from Entergy. They're

8 ratepayers, first and foremost. Some also have cogeneration that meets some

9 portion of their power needs and they're proud to bring more than 35,000 good,

10 high paying jobs in Louisiana directly and through contractors and they're jobs that

11 are here today. They are proud to be part of Louisiana. Before I get started, I want

12 to emphasize a few points. For LEUG, this topic, it's not about deregulation. It's

13 not about trying to create a market like Texas. It's not adverse to Meta or any other

14 project or company trying to come to Louisiana. It's good for them, too. Rather

15 it's about having the Commission evaluate options to create a better Louisiana.

16 LEUG believes the Commission should evaluate options other than just Entergy

17 spending and rate increase proposals alone. So what is LEUG asking for? LEUG,

18 as existing Louisiana industry and is ratepayers, is asking you to keep the customer

19 centered options docket open.

20 **VICE CHAIRMAN SKRMETTA:** I got a quick question.

21 **MR. YOUNG:** Keep --

22 **VICE CHAIRMAN SKRMETTA:** So you don't care about Cleco or SWEPCO

23 or anybody else? You're only mad at Entergy?

1 **MR. YOUNG:** I'm not mad at anyone, Commissioner. We're proposing solutions
2 and options that we buy power from Entergy. So that's our focus, yes.

3 **VICE CHAIRMAN SKRMETTA:** So it's only Entergy you're interested in?

4 **MR. YOUNG:** That's our focus. Correct.

5 **VICE CHAIRMAN SKRMETTA:** Focus or interest or legal interest? I'm trying
6 to understand.

7 **MR. YOUNG:** We're all customers of Entergy, and so --

8 **VICE CHAIRMAN SKRMETTA:** So you're only Entergy customers?

9 **MR. YOUNG:** Yes.

10 **VICE CHAIRMAN SKRMETTA:** Okay. Got it.

11 **MR. YOUNG:** Now I'm not saying some of them may have, but the group is
12 focused on Entergy as Entergy customers.

13 **VICE CHAIRMAN SKRMETTA:** So Entergy is your target?

14 **MR. YOUNG:** It's not a target, Commissioner. It's where we see that we can
15 bring solutions to the table.

16 **VICE CHAIRMAN SKRMETTA:** So it's your focus?

17 **MR. YOUNG:** Yes.

18 **VICE CHAIRMAN SKRMETTA:** So you focus on a target?

19 **MR. YOUNG:** We're not -- Commissioner, it's not about a target. It's about
20 trying to --

21 **VICE CHAIRMAN SKRMETTA:** Okay.

22 **MR. YOUNG:** Let me finish. It's about trying to bring solutions.

23 **VICE CHAIRMAN SKRMETTA:** Yeah. Okay.

1 **MR. YOUNG:** So we want to keep the docket open and have the Commission
2 conduct the analysis. We see the need for it, and the cost of electricity is increasing.
3 And a key question is who's going to pay all of those costs? Does it all have to be
4 on the backs of all the ratepayers? LEUG believes that there are other options that
5 should be considered by the Commission, and we believe that's important for all
6 ratepayers. Whether it's LEUG members or Meta or any other project coming to
7 Louisiana or looking to come to Louisiana. Having options can help avoid utility
8 rate increases for the benefit of all ratepayers. Having options is also crucial to
9 Louisiana industry and economic development. LEUG supports a no harm
10 standard, and that's the Commission's standard that's been in place for a long time.
11 No harm standard is part of the analysis. No harm to any class of customers. We're
12 asking you to keep the docket open and conduct the analysis. The issue before you
13 that we see coming is a rate increase problem for electric rates in Louisiana. We
14 see Entergy as aggressively pursuing unprecedented levels of spending and rate
15 increases like we have never seen before in 30 years. And I want to be clear, this
16 is spending that is separate from, and in addition, and has nothing to do with Meta.
17 The spending and rate increases brings a concern that LEUG believes needs
18 evaluation of options that can help provide solutions. The decision before you
19 today is whether or not to approve an Entergy motion to close the customer centered
20 options docket. This is a docket that the Commission itself opened to evaluate
21 options to help avoid or reduce at least some of the rate increases that are on the
22 way for electric utility ratepayers in Louisiana. And at the same time, while
23 Entergy is trying to close this docket, at the same time, they're also pursuing new

1 plans to spend multiple billions of dollars on new power plants. And again, this is
2 separate and apart from the Meta power plants. They're talking about Meta power
3 plants -- the three power plants, but what I'm talking about is separate from Meta.

4 **VICE CHAIRMAN SKRMETTA:** Hang on a second. Is Lane Sisung around
5 here?

6 **MS. BOWMAN:** Yes, sir. He's in the audience.

7 **VICE CHAIRMAN SKRMETTA:** Well, you can come have a seat.

8 **MR. YOUNG:** And the Entergy spending plans come on top of the more than 30%
9 that Entergy rates have already gone up in recent years. Meanwhile, the
10 Commission has still not evaluated the LEUG proposals that have been in a
11 workplan in this Phase 2 docket for now some time, but not yet evaluated. Closure
12 to customer centered options docket would be highly beneficial to Entergy by
13 clearing the path for its spending plans. But in our view, it would be detrimental to
14 consideration of alternative options to try to reduce Entergy cost and rate increases
15 for the benefit of ratepayers. And it would send a highly negative signal to industry
16 trying to bring economic development to Louisiana. Absent alternative options,
17 such as proposed by LEUG in this proceeding, the Commission is going to be only
18 left with one option, and that's the continued spending and rate increases as
19 proposed by Entergy. This docket is the path the Commission has open and it has
20 created to try to evaluate other options that can benefit the other ratepayers and
21 economic development. So we're asking you to keep the docket open and deny
22 Entergy's motion. I just have a couple more brief points --

1 **VICE CHAIRMAN SKRMETTA:** Can I -- wait one second. You keep saying
2 that. Lane, do you work for us?

3 **MR. LANE SISUNG:** Yes.

4 **VICE CHAIRMAN SKRMETTA:** Okay. You don't work for Entergy; do you?

5 **MR. SISUNG:** I do not.

6 **VICE CHAIRMAN SKRMETTA:** Okay. They keep saying Entergy's motion,
7 but that's our motion; isn't it?

8 **MR. SISUNG:** Well, no. To be clear, the question on the table on the table today
9 was --

10 **VICE CHAIRMAN SKRMETTA:** If there's any question about it, I'll make it
11 my motion.

12 **MR. SISUNG:** Okay. Well, the question on the table today was in the docket,
13 Entergy filed a request and it's been labeled a motion, directive, I don't know what
14 it's labeled. But they've issued a request for you guys to close the docket.

15 **VICE CHAIRMAN SKRMETTA:** Miss -- you know, cloaking this motion as
16 like Entergy, Entergy, Entergy, not a target, not a target, not a target, is sort of, you
17 know, you can paint this any way you want, but this is a study by the Commission
18 through Mr. Sisung on behalf of the Commission. This is not a study by Mr. Sisung
19 on behalf of Entergy or Cleco or SWEPCO or you. And we have our own findings,
20 so I just want to make sure there's clarification. I understand you're an advocate,
21 but I'd like you to put it in the correct colorization of this. So if you want to
22 represent your clients, represent your clients, but don't try to paint a picture of what
23 the Commission is trying to do. So anyway, I'm glad you're finished, but I'd like

1 to hear from -- before you start, Mr. Hand, I'd like to hear from Lane and you can
2 give us your report on this matter.

3 **MR. YOUNG:** Commissioner, may I be allowed to finished? I just got a couple
4 brief points --

5 **VICE CHAIRMAN SKRMETTA:** Oh, I thought you were finished. I'm sorry.
6 Go ahead.

7 **MR. YOUNG:** Couple of brief points, but I do want to speak to your point, because
8 I --

9 **VICE CHAIRMAN SKRMETTA:** No, you said you want to speak to your
10 points. Go ahead and speak to your point.

11 **MR. YOUNG:** I will. But I want to be very precise that I'm stating facts. This is
12 a -- my point is this is a Commission docket to evaluate options, and Entergy has
13 filed a motion. It's titled --

14 **VICE CHAIRMAN SKRMETTA:** No, Entergy made a statement.

15 **MR. YOUNG:** -- and in that motion it asked to close the docket. They did
16 [CROSSTALK] --

17 **VICE CHAIRMAN SKRMETTA:** Right. It was a motion within the proceeding.

18 **MR. YOUNG:** Yes.

19 **VICE CHAIRMAN SKRMETTA:** This is a motion of the Commission. So let's
20 not confuse motion for motion. Let's differentiate between the two. What we're
21 bringing today is a motion from the Commission to close the docket. Okay. So
22 please continue with your presentation.

1 **MR. YOUNG:** Thank you, Commissioners, and I'll cut to the point and be brief.
2 All right. So the first slide I want to show you is the one on the right and also
3 handed them out so that way you have a copy in front of you to make it easier to
4 see it. So the first slide is Entergy base rate increases. What this slide shows is
5 Entergy's rates have gone up 30 to 40% over the past 5 years. That's just fact.
6 That's in the reports filed with the Commission. Importantly though, what we see
7 is that Entergy's on path to repeat that again over the next five years with the
8 spending that they have in their plans. And so when Entergy talks about they want
9 certainty and they want certainty and they don't want to look at options, but what
10 we see in Entergy's view of certainty is a whole lot of certain rate increases that are
11 coming. And we get that that's part of their business plan, that's part of their
12 fiduciary duty to their shareholders. And for every billion dollars they spend, that's
13 \$48 million per year in return on equity. We get their plan. But what we're looking
14 at as customers is is there a way to try to flatten that curve and take away some of
15 the cost pressures on the ratepayers? And so we're looking at are there alternatives?
16 Are there solutions? And we believe it's important to look at those solutions now
17 before all the money's spent and it's too late. That brings me to my second point,
18 the urgency. I show you on this other slide, this is a Entergy request for proposals,
19 what we call a RFP, request for proposals. This is for up to 2,000 megawatts of
20 new power plants that they want to build, and this is separate from, in addition to
21 Meta. Again, Meta's three power plants, this is 2,000 megawatts separate from and
22 in addition to Meta. Commissioners, 2,000 megawatts in today's cost, you're
23 looking at \$34 billion. And Entergy has got this on a timeline where they're trying

1 to reach decisions by the end of this year, which means they'll be coming to you by
2 early next year with proposals to spend a whole lot of money on new power plant
3 construction. And so that's why we keep saying that the time is now if you're going
4 to look at alternatives. The last point I want to make, Commissioners, is if you
5 want to question my numbers about rate increases and what we see coming in rate
6 increases, just look at the list. This is a list of Entergy spending and rate increase
7 proposals they have on the table. The top half of the list are things that you've
8 already approved, and I'm not saying they're bad things, but the point is they're
9 going to increase rates. But the top half of the list is things that you've already
10 approved, they just haven't hit the bills yet, and it's coming. The bottom half of
11 the list are things that Entergy has in the pipeline before the Commission right now,
12 all on schedules coming to you, that they want approval of. So I'm just going to
13 tick through this really quickly and then I'll wrap up and end. So the formula rate
14 plan, the formula rate plan's in place for three years and includes a distribution rider
15 and a transmission rider. The first year, 2024, to your -- the Commission's credit
16 and its good work, we had a settlement of a FERC case that really offset a lot of the
17 rate increases in that formula rate plan in the first year. But that settlement washes
18 off quite a bit this year, so you're going to see a lot more impact from the formula
19 rate plan this year than last year. And then by next year, that settlement really wears
20 off, and so you're going to see a lot more increases coming through the formula
21 rate plan between this year and next year. Second is \$2 billion worth of grid
22 hardening. That's still at the very front end. They've just begun to spend that
23 money. Those rate impacts are still coming over the next five years. Next, that you

1 approved 3,800 megawatts of solar resources. Now, Entergy's been slow out of the
2 gate in accomplishing that. There's only a couple of hundred megawatts that have
3 hit the ground so far. But, Commissioners, that's 3,800 megawatts. Now, there are
4 subscription programs that'll help offset some of that cost, but at least 40% of that
5 cost goes on all of the ratepayers. There's also the 290 megawatts of Magnolia
6 generation. That's been approved, it just hadn't hit the bills yet. Half a billion
7 dollars for the new transmission project on the east bank. Again, do they need it?
8 Sure. But it's going to be money that increases rates. The stuff they have on the
9 table right now, again, this RFP for up to 2,000 megawatts of new build generation,
10 that's coming. There's also a \$955 million transmission line on the west bank of
11 the river, that's coming.

12 **VICE CHAIRMAN SKRMETTA:** Can I ask you a question?

13 **MR. YOUNG:** Yes.

14 **VICE CHAIRMAN SKRMETTA:** So if Entergy doesn't do that, so you're going
15 to say that LEUG is going to do that for the state instead of Entergy?

16 **MR. YOUNG:** No, Commissioner. What I'm saying is there's a whole list of rate
17 increases coming --

18 **VICE CHAIRMAN SKRMETTA:** I understand that. But these projects --

19 **MR. YOUNG:** -- but part of it --

20 **VICE CHAIRMAN SKRMETTA:** No, I'm talking about these projects. So the
21 state needs these projects to accomplish its goals for providing electricity
22 transmission and development. So if Entergy doesn't do this -- because I know you
23 don't like to talk about Cleco and SWEPCO doing their thing, but if Entergy doesn't

1 do this, is LEUG saying that they're going to do it for the benefit of the state and
2 charge and become a utility? Or are they just going to say you just want to get in
3 it and then play the market and figure out what to charge people later?

4 **MR. YOUNG:** What I'm saying, Commissioner, is that on the generation build
5 piece of this --

6 **VICE CHAIRMAN SKRMETTA:** Well, wait, wait. You -- apples, orange,
7 cupcakes, and you know, '57 Chevys. You're talking about transmission, you're
8 talking about all this stuff. So you're mixing this up to make a big old sum on this.
9 But if you want to talk about generation, because that's what interests you -- but
10 you're talking about \$500 million in transmission project that you're not going to
11 be looking to replace, you're not looking to build, and you're not looking to talk
12 about, but you're sure looking to pin it on somebody. So I prefer for you to just
13 talk about generation. And I'd also like you to talk about generation and the concept
14 that industrials will be paying for most of the future generation as industrial projects
15 come forward.

16 **MR. YOUNG:** Commissioner, what I'm saying is that we're trying to figure out
17 is there a way to flatten that curve. Some of those increases are going to happen.
18 All this transmission spending that's coming, it's going to hit the bills. All of that's
19 coming, but part of that curve is the generation piece. And if we can offset that
20 curve to some extent by coming up with other solutions where industry can do some
21 things on its own and so Entergy does not need as much generation, that avoids cost
22 for all ratepayers, so we think that's a good thing.

1 **VICE CHAIRMAN SKRMETTA:** Is there something that prevents you from
2 building your own generation now for yourself?

3 **MR. YOUNG:** There's some limited things that we can do. There's two things in
4 particular that I have pending in front of the Commission as part of Phase 2 issues
5 -- a part of pilots, whatever you want to call them. There's two pieces in particular
6 that we think we can bring solutions to the table that can help avoid some of that
7 generation build cost. And that's with cogeneration and with renewables. And
8 that's the two proposals we're trying to advance to the table --

9 **VICE CHAIRMAN SKRMETTA:** [CROSSTALK] you have cogeneration now
10 though; don't you?

11 **MR. YOUNG:** -- in this docket, but they haven't been evaluated yet.

12 **VICE CHAIRMAN SKRMETTA:** Must be by the train tracks. All right. You
13 have cogeneration now though; don't you?

14 **MR. YOUNG:** There is a provision that you can --

15 **VICE CHAIRMAN SKRMETTA:** No, but you have that already existing in
16 Louisiana co-gen.

17 **MR. YOUNG:** We're trying to enhance the ability to do things with cogeneration
18 in today's market at today's cost for generation that would allow us to meet the
19 economics to get more generation done -- cogeneration done.

20 **VICE CHAIRMAN SKRMETTA:** Yeah. Yeah. And so -- and you already
21 played a game with Shell on sleeving solar once already, right?

22 **MR. YOUNG:** I don't know what game you're talking about, Commissioner.

23 **VICE CHAIRMAN SKRMETTA:** Well, I call it a [CROSSTALK] --

1 **MR. YOUNG:** There is something that the Commission has approved that's an
2 overlay sleeve.

3 **VICE CHAIRMAN SKRMETTA:** Yeah.

4 **MR. YOUNG:** That is not LEUG's proposal, but it's something that the
5 Commission has approved that provides a tool. But what we're trying to do with
6 renewables -- what industry needs with renewables is direct access to the kilowatt
7 hours. And so what we're trying to do is come up with a proposal that lets industry
8 -- if industry needs it and they're the ones that needs the renewables, let them pay
9 for it. Let them have the direct contract with the renewable developer, buy the
10 power from them. And yes, they're still going to want to do business with industry
11 -- excuse me, with Entergy, and need Entergy because they're going to need the
12 backup power from Entergy and to sleeve the delivery. So yes, Entergy's part of
13 the equation, but the cost of the power would go directly to renewables and allows
14 the industry to get the direct access to the kilowatt hours, which is what they need.

15 **VICE CHAIRMAN SKRMETTA:** Go ahead, Lane. You want to make your
16 part?

17 **MR. SISUNG:** Well, sure. I mean, I think as has been said, Staff is not taking
18 position on whether the docket stays open or not, but I'm here today to kind of tell
19 you where the docket is.

20 **VICE CHAIRMAN SKRMETTA:** Okay.

21 **MR. SISUNG:** So as we sit here right now, what the docket has already
22 accomplished is we've created general reporting obligations like a FERC Form 1,
23 so that there's a lot more transparency into what happens. We've created specific

1 reporting on the amounts that are spent on attorneys and consultants of both the
2 utilities and the Commission itself. We've said that all utilities need to have a rule
3 in place on how they're going deal with renewable energy credits, RECs. We've
4 created a rule that says all utilities have to have green tariffs. They have to look at
5 how they're going to address renewables. We've created the sleeved PPAs, which
6 you guys talked about. And we've looked at and assisted within this docket
7 revisions to the MBM Order, ARC rules, the electronic filing rules, the EV rules,
8 there's was a Community Lighthouse proposal and Distributed Sun proposal. All
9 of that was accomplished in Phase 1. Now, here we are in Phase 2, Phase 3, and
10 there's two things left for us to look at. So Mr. Young just discussed LEUG's
11 limited retail access proposal, but also within the docket is a full retail access
12 proposal. Now, what full retail access would mean, and more importantly, what it
13 doesn't mean, because I think there's been a lot of misreporting out there, is you
14 don't get rid of Entergy, Cleco . SWEPCO, your co-ops. Those guys still have to
15 have the distribution lines, the transmission lines, the infrastructure to dispatch.
16 Those guys still have to be around. So you don't get rid of Entergy or Cleco or
17 SWEPCO. And all the things that are being pointed to here, you still have to pay
18 for. The transmission, the distribution, the grid resilience, the grid modernization,
19 all of that you would still have to pay for. The opportunity there lies if we were
20 going to do that research in a proposition that competitive providers can provide
21 generation and only generation cheaper than regulated businesses could provide it.
22 And another argument in support of it is that they can package services in a different
23 way. They could maybe tell a client if you want to buy all renewables, I can give

1 you all renewables. So a little more functionality. What I can -- if the docket was
2 to stay open, we would continue and conclude our analysis on that economic
3 proposition. We haven't done it. We've got a lot of data in. We haven't done it,
4 and so I can't sit here today and give you an answer one way or another. But what
5 I will tell you is not only do you not get rid of your current provider, it's not
6 deregulation. We would actually have to increase regulation. If we went to full
7 retail access, we would have to create a consumer protection bureau to make sure
8 that companies weren't out there selling products that were not in the public
9 interest. And we would also have to enforce resource adequacy rules and
10 regulations. So that's one thing that's on the table, full retail access. The other
11 thing that is on the table is what Mr. Young has been talking about, industrial retail
12 access. And, I mean, he said it when he was up here this is not really about as much
13 saving the other customers money as it's a hold harmless for customers. This is
14 about an economic development opportunity which we're happy to look into if this
15 docket goes forward. But it's not really about -- in our mind and Staff's mind,
16 because we can look at all the costs that are going up, and that is an accurate
17 statement, but there's two elements to a rate: Cost and load. If LEUG gets off the
18 system, they reduce that -- they remove that load. So the rate may stay the same --
19 in a hold harmless the rate would actually stay the same because you're going to --
20 the costs are going to go up, the revenues are going to come out. So what our job
21 if we're -- and we're prepared to do, and with the data request that went out to do
22 was to create a rate that anyone who got off, anyone who participated in this limited
23 process, they would still have to pay a rate to Entergy to pay for the transmission,

1 to pay for the distribution, to pay for the intangible assets. We would also have to
2 look at the issue of stranded assets. This was a specific requirement of the last time
3 this Commission talked about retail access. Stranded assets, for an explanation,
4 Vidalia is a high-priced generator that has been in -- was approved years and years
5 and years ago, but it's a high-priced generator. Nuclear units are out there, which
6 are high in cost. All of that was built to serve all of the load. So the question is
7 how much of the -- should someone be allowed to get off and not carry those
8 stranded costs and be able to go buy generation cheaper, leaving those higher cost
9 assets for everyone else to pay? So we would have to do that research and develop
10 a rate that fairly says, okay, if we have limited industrial retail access, you can get
11 off and build your own generator, but you still have to pay these costs to Entergy
12 to hold ratepayers harmless. So where we are in the docket, as we sit right now, is
13 we've got data requests out to look into these two issues. When the data requests
14 went out with the last report, this request, motion, whatever, came and we've just
15 been sitting on standby waiting to see what the next step is.

16 **VICE CHAIRMAN SKRMETTA:** Larry, you have something you want to add?

17 **MR. LARRY HAND:** Thank you, Commissioner. Larry --

18 **VICE CHAIRMAN SKRMETTA:** Sorry. They've got a question from
19 Commissioner Lewis.

20 **COMMISSIONER LEWIS:** Yeah. Thank you. Thank you. And, Randy, feel
21 free if you want to use the other spot at the table. We don't [INAUDIBLE] stand
22 the whole time. So, Randy, I'm going to start with some questions for you and then
23 I'll come to Lane and then Larry, then I believe we'll go back to you. So, Mr.

1 Young, I want to start with some basic questions. Are you familiar with this filing
2 that Entergy made on January 24, 2025, that was, as they said, motion for
3 Commission guidance and consideration? Are you familiar with this?

4 **MR. YOUNG:** Yes, Commissioner, I am.

5 **COMMISSIONER LEWIS:** And if you go to page 14 at the end of that document
6 it says Entergy Louisiana, LLC respectfully requests that the Commission grants
7 its motion and provides further guidance at its February Business and Executive
8 Session or as soon as reasonable, practical as whether the CCO docket has achieved
9 its purpose and may be closed or whether further investigation into a few remaining
10 proposals offers for the benefit of a handful of industrial customers at the expense
11 of all other customers is consistent with the Commission's current policy
12 objectives. Is that your understanding of what their motion was?

13 **MR. YOUNG:** It's been a while since I read it, but yes, I remember it to that effect
14 including the closure part, Commissioner.

15 **COMMISSIONER LEWIS:** Right. And I bring that up because I know we had
16 some discussion, but I do want us to be clear that we are having this discussion at
17 the request of Entergy. Now, my colleagues and I may have agreements with their
18 motion or disagreements with their motion, but this was a request by Entergy as
19 you're aware, Mr. Young, correct?

20 **MR. YOUNG:** Yes.

21 **COMMISSIONER LEWIS:** And so now I'm looking at your comments to this
22 proposal, and you state that it's a premature closure that benefits Entergy and harms
23 ratepayers. Can you explain what you mean by that?

1 **MR. YOUNG:** Yes, Commissioner. We believe, and have been saying in this
2 docket for a long, long time, that we believe that the proposals we have put on the
3 table can help benefit all ratepayers by helping to avoid some of the spending that
4 Entergy is planning to do on new generation. The standard ultimately at the
5 Commission is a no harm analysis, and we fully supported that. We've supported
6 doing the stranded cost analysis, whatever analysis the Commission wants to do.
7 But we're bringing the proposals believing that the proposals can bring some
8 benefits, and so that's the idea. What we tried to focus on for some time is that
9 there's two proposals in particular that we brought that were called the Phase 2
10 issues. One was enhanced cogeneration, to do more with cogeneration. The second
11 piece was to do more with renewables and allow direct access to renewables. Still
12 sleeved through Entergy, but direct access to the renewable kilowatt hours. Those
13 are the two proposals we've been trying to get to the table. And so we believe that
14 closing the docket without looking at those two proposals is premature.

15 **COMMISSIONER LEWIS:** Thank you. And looking further into the motion at
16 hand, there was a frame that this large industrial proposal was only serving a select
17 few at the expense of others. But am I hearing you correctly that you're asking us
18 to -- you okay, Mr. Chairman?

19 **VICE CHAIRMAN SKRMETTA:** Yeah. He tripped. He's okay.

20 **COMMISSIONER LEWIS:** Okay. Is that what you're asking the Commission
21 to do is evaluate alternative models that might deliver long-term system wide
22 benefits; is that the crust of your argument?

1 **MR. YOUNG:** Yes, Commissioner. And I want to be clear on that part that, again,
2 the LEUG users group is a group of a number of industrial customers. Not all of
3 them would actually, I would anticipate, want to do a proposal under this. But the
4 whole group believes -- or the group as a whole believes that looking at these
5 options is good for all ratepayers. And so if some industrials can pursue some of
6 these options and these solutions and take some cost pressure off of other
7 ratepayers, they all believe that's a good thing for the Commission to evaluate.

8 **COMMISSIONER LEWIS:** Thank you, Mr. Young. And just one more question
9 for you and then I'll move to Lane on some questions and then of course we'll
10 proceed. Can you -- we've talked a lot about the no harm analysis that's the
11 Commission's precedent, right? And so my question to you, would you all are open
12 if the investigation and the rulemaking continued that if the analysis showed that
13 there is harm to residential ratepayers or those nonparticipant ratepayers, that you
14 would not pursue the Commission taking action?

15 **MR. YOUNG:** I believe, Commissioner, that I could not get support from this
16 Commission on any program that caused harm to any other customers. And so as
17 Mr. Sisung described, it's either finding that there's no harm or finding that if there
18 is a harm, here's what it would of cost if -- and here's what you'd have to pay to
19 ensure that there would be no harm. So you could have both levels, but the point
20 is I don't believe this Commission would ever approve anything -- any program
21 that caused a harm to other ratepayers.

22 **COMMISSIONER LEWIS:** Right. I mean, I'm not -- I'm listening and I'm
23 evaluating and this is a very interesting debate, right? In the political world, I mean,

1 most of you know I've worked and continue to work at a place called Invest in
2 Louisiana, a nonprofit organization that works on issues. And my colleague,
3 Commissioner Coussan, got some years of that work. And one of the other
4 organizations that was there is this organization called the Pelican Institute for
5 Public Policy. Are you familiar with them, Mr. Young?

6 **MR. YOUNG:** I know the name, but that's all I know, Commissioner.

7 **COMMISSIONER LEWIS:** Right. I will tell you, Davante Lewis and the Pelican
8 Institute for Public Policy hardly ever find anything to agree on. And if you would
9 tell me I would be quoting, and I'm going to have to send him a message, Daniel,
10 his op-ed on the record, I got a hotdog to sell you that I'm going to call a sandwich.
11 But in there, he states that us looking at this is a move that aligns with basic free
12 market principles. Risk and reward should go together, and consumers should have
13 more, not fewer choices in how they meet their energy needs, and he says by
14 evaluating proposals to allow large energy users to produce or generate their own
15 electricity when doing so benefits the entire grid, the LPSC may discover new
16 solutions that improve reliability and contain cost. Is the basically the premise of
17 what LEUG is asking this Commission to do?

18 **MR. YOUNG:** It is, Commissioner.

19 **VICE CHAIRMAN SKRMETTA:** It's practically a quote.

20 **COMMISSIONER LEWIS:** Thank you. Mr. Sisung, I have some questions for
21 you regarding this. So we have not finished the analysis on either of LEUG's
22 proposals: The original proposal or the pilot proposal that was entered into the
23 record as contingent of this motion we're discussing today; is that correct?

1 **MR. SISUNG:** I believe that's correct. There are two proposals on the table: The
2 full retail access, limited industrial retail access. And within limited industrial retail
3 access, LEUG has two separate proposals, one dealing with renewables, one
4 dealing with CHP, combined heat power.

5 **COMMISSIONER LEWIS:** And your assessment as of now is that there is --
6 that saving residential customers money is not the real goal of this investigation?

7 **MR. SISUNG:** That is my takeaway. As I said, I mean, yes, cost will be saved,
8 but revenues will be lost. And so you have to evaluate, you know, the revenues
9 encompass more than just generation. The revenues that these industrial customers
10 pay also pay for transmission, the back office, the customer[INAUDIBLE], all the
11 infrastructure. So you have to replace those lost revenues and so that's the rate and
12 that's the analysis that would have to be done.

13 **COMMISSIONER LEWIS:** And so you're basically -- the wire rate, exit fees,
14 and some of those key mechanisms are some of the most outstanding policy
15 questions for Staff's analysis?

16 **MR. SISUNG:** Yes. And we sent out data requests to get the cost of service so
17 we could start isolating what all these various costs are. And that's where the
18 docket sits.

19 **COMMISSIONER LEWIS:** And if we would deny this motion under those
20 mechanisms we just discussed, what would be the timeline that you -- do you think
21 the analysis could be complete?

22 **MR. SISUNG:** Well, I -- the clock to start for that information to be gathered
23 would have to start again because I don't think anyone's been working on it. I

1 believe my -- when I was talking to the utilities, it was going to take a few months
2 for them to pull those cost of services together. We would have to get them. We
3 would have to develop the rate. We would have to make proposals, have technical
4 conferences. So it would go through the year in my opinion.

5 **COMMISSIONER LEWIS:** Okay. And I guess my last question for you is at --
6 we could, if we wanted to limit the Phase 2 analysis to this pilot if that was the will
7 of the body?

8 **MR. SISUNG:** I would defer to Ms. -- I would defer to Ms. Evans.

9 **COMMISSIONER LEWIS:** Staff question. Yeah.

10 **MS. EVANS:** With three votes, the Commissioners can limit this docket to
11 whatever they want.

12 **COMMISSIONER LEWIS:** Okay. That's -- I just want it to be clarified. So
13 thank you, Mr. Chairman. That's all my questions for Randy and Lane.

14 **VICE CHAIRMAN SKRMETTA:** I wanted to hear from Randy on his stuff.
15 And also, is Gordon Polozola here? Are you going to be presenting?

16 **COMMISSIONER COUSSAN:** Behind the billboards.

17 **MR. GORDON POLOZOLA:** Hey, Commissioner. Yes. Gordon Polozola.

18 **VICE CHAIRMAN SKRMETTA:** Okay. Well, you could just -- you get to
19 stand.

20 **MR. HAND:** Good morning, Commissioners. Larry Hand on behalf of Entergy
21 Louisiana. A lot to unpack there, and happy to answer your questions. But one
22 thing I want to address at the outset as I think Commissioner Lewis' questions
23 clarified, what I filed -- what ELL filed, was a motion seeking updated guidance

1 from this Commission. And yes, we do suggest that the docket's run its course for
2 the reasons Mr. Sisung has said. But bear mind this is a policy issue for the
3 Commission. It's not Entergy's policy, it's not LEUG's policy, it's not Amplify
4 Louisiana's policy. It is the Commission's policy to dictate and direct its Staff as
5 to where it wants this docket to go. But for the record, I've heard a lot about
6 Entergy, Entergy, Entergy. Our motion for updated guidance was supported
7 broadly by a number of other parties; other investor-owned utilities such as Cleco ,
8 SWEPCO; many cooperatives, 1803 Cooperative, SLEMCO, a number of others,
9 The Association of Louisiana Electric Cooperatives. We've also seen letters from
10 various economic development agencies around the state supporting it. And the
11 reason economic development agencies are supporting it is because they see this
12 docket is creating a dark storm cloud over Louisiana's future at a time where we
13 have unprecedented economic development on our doorstep. All we have to do is
14 bring it in, and so that's what we're proposing to do, get the updated guidance. But
15 a few things that were mentioned, and leaving the impression, the Pelican Institute,
16 or whatever that outfit was, must not be very familiar with the generation landscape
17 in Louisiana. It makes it sound like Entergy and Cleco and SWEPCO have a
18 monopoly on the generation in Louisiana. Just some -- get the facts on the table,
19 cogeneration exists today. It's a surprise to some people when I tell them that
20 Louisiana today has almost 7,000 megawatts of cogeneration existing online today.
21 There's no barrier, has never been a barrier, from stopping an industrial from
22 installing cogeneration in Louisiana. They want to do it, great. They don't need
23 your approval, don't need my approval. They can do it today and they can do more

1 if they want. Of that 7,000 megawatts, 75% is owned by LEUG members. To
2 prove the point, if they want to do it, they can do it. And others like, well, what
3 about merchant generation? That's been built in Louisiana as well. Cleco Cajun's
4 former assets, now owned by Atlas. There's about 2,000 megawatts of merchant
5 generation online and operational today, a lot of it's at Big Cajun. We have a new
6 -- thankfully, have a new entrant soon to be online I think with Magnolia Power,
7 that's a merchant generator not built by a utility. They sell their output to utility.
8 That option is available to the members of Amplify Louisiana or even LEUG
9 members. And lastly, we have some really big LNG plants in Louisiana recently.
10 Venture Global in Calcasieu and the one in Plaquemine, together they'll probably
11 have 3,000 megawatts behind the meter. They're providing it themselves. Again,
12 proving the point, if they want to do it, they can do it. I heard a lot of talk about
13 options. They want options. You remember the discussion earlier with SPP and
14 SWEPCO? One of the issues was needing more infrastructure, more generation,
15 more transmission. Options don't provide that. It's not true unless it's real power,
16 real assets and you need a utility, one you regulate, to make sure we deploy the
17 generation we need, the transmission we need, to serve customers, do it reliably,
18 and avoid the unfortunate events that happened in north Louisiana. There's a lot of
19 discussion about rates. Mr. Young has a very scary looking line over there with
20 what he said rates going up 90%. That's not rates. Okay. That's base revenue.
21 Rates are what they pay. If you look at my slide over here, I believe, hopefully, it's
22 the right one, that shows a different period of about 15 years starting in 2010 to
23 present. Over that same period, our base revenue also increased about 90%. Why

1 did that base revenue increase 90%? We built about 5,000 or acquired about 5,000
2 megawatts of new generation, we built transmission. And at the same time, over
3 that same period, the industrial rates, they went down 5%. Let me repeat that. The
4 industrial rates over that period went down 5% even though base revenue went up
5 90%. If someone's saying, how is that possible? How's it even possible you
6 increased base revenue and your industrial rates go down? Well, a few things
7 happen when you build new generation. It's more efficient than the existing
8 generation and you capture a fuel margin, and that fuel margin offsets the fixed cost
9 to run the plant. The other thing that happens is we've added this generation, this
10 transmission, to support economic development and growth. And what happened
11 over that same period where base revenue went up 90%, we added -- our industrial
12 rates decreased, but also at the same time, we had very significant load growth
13 across that period. So as the load goes up, there's more megawatt hours to spread
14 the cost over and that's how you see it being realized in the form of a lower rate for
15 the industrials. Why does this matter now? Why are we seeking guidance --
16 updated guidance? This docket was opened December of 2019. We have two
17 Commissioners who weren't on the panel at the time. So welcome, Commissioner
18 Lewis and Coussan. I think it's the appropriate time to get updated guidance from
19 this Commission. Not only because your makeup is different than it was in 2019,
20 but also the economic development opportunity in Louisiana is much different than
21 it was in 2019. In the last 12 months alone, Louisiana has announced -- and I can't
22 speak for Cleco and SWEPCO, they have their own successes, but for ELL and our
23 system, we've seen more than \$60 billion of new economic development

1 announcements in the last 12 months. It's not just Meta, they're a big deal. But
2 we've had new LNG plants with Venture Global, Woodside LNG, you have
3 Hyundai Steel, you have CF Industries, and before that we had Air Products. A lot
4 of these -- some of these are LEUG members. They're expanding. They're
5 growing. They want to be here. And what I hear from many of them, I won't say
6 it's LEUG members, but many of these economic development prospects, what we
7 hear is they like what you have. They like what this Commission has created in
8 form of low rates, reliable service, and they want a part of it. What concerns them,
9 however, is the thought about I'm going to go invest, if I'm Meta, \$10 billion, or if
10 I'm Hyundai Steel, I'm going to invest \$6 billion. What they're concerned about
11 is what am I buying into? For the next 30 years, when I run my facility in Louisiana,
12 what am I buying into? And it's easy enough to say, well, LEUG just wants to --
13 they want to do their own thing and save people money or not harm them. That's
14 great to say, but when you give up your jurisdiction to make sure we have enough
15 generation, resource adequacy can be at risk. We've seen that in other states. Not
16 only Texas is a good example. Wall Street Journal has an article on Texas. Just
17 took a snapshot looking at 2004 to I think 2019. They showed over that period that
18 the amount of money that Texans in the ERCOT portion, which is the -- I won't
19 call it deregulated, it's a different type of regulation. It's a restructured portion of
20 Texas. In that market, they found that \$28 billion is what Texans paid over above
21 what they have -- would have paid if they stayed with a regulated cost-based model.
22 So my ask of you, Commissioners, is to provide the updated guidance and, frankly,
23 it is your policy. I think the docket's run its course. I think Louisiana's economic

1 development prospects will be solidified if this Commission provides guidance that
2 today, in today's market with where we are, there's no compelling need to study
3 this at this time. As Ms. Evans said earlier, three votes, you can do whatever you
4 want. Which includes in the future, if we, facing circumstance, high rates that are
5 out of control, unaffordable, then you can take further action there to do it. But
6 what is broke, you know, that needs fixing here? I don't see it and that's my request
7 for updated guidance from the Commission.

8 **VICE CHAIRMAN SKRMETTA:** I have a question for Mr. Polozola. You're
9 Amplify Group, does it comprise -- and you may have more than this, but a
10 Constellation Exelon, is that in your group?

11 **MR. POLOZOLA:** Yes. Good morning. Gordon Polozola on behalf of Amplify
12 Louisiana. Constellation, Vistra, NRG, and Calpine.

13 **VICE CHAIRMAN SKRMETTA:** Right. Wait, Constellation, Calpine, NRG,
14 and Vistra?

15 **MR. POLOZOLA:** Correct.

16 **VICE CHAIRMAN SKRMETTA:** Anybody else?

17 **MR. POLOZOLA:** Those are the four members.

18 **VICE CHAIRMAN SKRMETTA:** Okay. Well, let -- I want to interrupt for a
19 minute. I did some research and I think it's relevant to the moment. And I want to
20 -- because we've been talking for a while, but I want to express why I clearly oppose
21 the continuation of this docket and why I want to terminate it. You know, when I
22 took office 17 years ago, Louisiana ranked about the middle of the pack as far as
23 utility rates go. You know, but this body took it to heart and we worked

1 aggressively to find pathways to getting rates down and getting the quality and
2 value of utilities up. And this is accomplished in many ways including we
3 eliminated corporate executive packages, we carved down the cost of using
4 corporate jets, we recovered hundreds of millions of dollars in corporate credits.
5 And now we find ourselves faced with, particularly in your case, a group of
6 historically bad actors who have gone political and they call themselves Amplify.
7 And they want to create a system that'll take us from what are the lowest utility --
8 industrial utility rates in the nation, back to a system of what could be rising levels
9 that will impede Louisiana's future industrial growth. Now, you know, for me, you
10 know, really pathetic attempts were brought by lobbyists to bring this matter to the
11 attention of the Republican Parish Executive Committee in Lafayette, Louisiana to
12 avoid, you know, experienced Commissioners coming into the conversation, and
13 convince those RPEC members to oppose the termination of this docket with a
14 resolution. And both Commissioner Francis and I believe that the efforts at that
15 meeting were a calculated ambush on the Commission. And that lobbyist did not
16 bring this matter to the attention of myself or Commissioner Francis, who was the
17 Chairman of the Republican Party for a time, nor did they bring it to my attention,
18 and I believe that it was a trap, and I believe that's pathos. Now, the reason that
19 the lobbyist did not include the stated Commissioners is that we would've clarified
20 that such a move on the CCO docket would present a clear path for disaster for
21 current and future economic development and stability of utility prices for the state
22 of Louisiana. Now, that docket -- I mean, this docket, if approved, would be a
23 disaster and cause substantial rate increases for residential, commercial, and various

1 industrial consumers in the state of Louisiana. Now, through the efforts of this
2 Commission, Louisiana has the lowest average residential and industrial utility
3 rates in the country. And the efforts made by this Commission to effectively
4 regulate the utility system to keep rates low, provided a value proposition which
5 has enhanced the ability of the state of Louisiana to encourage new industrial
6 development within the state. In the last few years, we've added over some \$76
7 billion in new industrial development and we're now looking at nearly \$200 billion
8 in new additional industrial development. Now, we have reached a point that all
9 new industrial developments that are going to come are going to include, you know,
10 new construction of new power systems that are going to be largely financially
11 supported by the new industrial customers themselves to the benefit of all
12 customers in Louisiana. Now, a similar example of this is the Meta project in
13 Richland Parish. That project is currently estimated over \$10 billion to the state of
14 Louisiana. But Meta is providing the bulk of the cost of this new power system of
15 2,250 megawatts of natural gas generation. Now, Meta has told me that they came
16 here because of our low industrial rates and our logical approach to regulatory
17 pathway for certification. Now, regulatory certainty is important to investors when
18 preparing to spend billions of dollars on new development. Now, another critical
19 industrial development is the new Hyundai Steel mill in Ascension Parish at over
20 \$6 billion with 1,300 new permanent jobs. They came here for many of the same
21 reasons including the rates and regulatory certainty. But I can add that there was
22 one major project discussing locating here, and as part of that build, they're
23 agreeing to pay for the lion share of the cost of a new nuclear power plant for

1 Louisiana. But here is a fact, if our state were to move towards customer centered
2 options as schemed for by this group and a few other greedy customers, current
3 pro-growth industrial investors in our state would likely hitch up their wagons and
4 leave Louisiana and not complete their developments, and you have to ask why.
5 Because customer centered options have never been successful in providing low
6 cost power in any other state. A prime example is Texas that has two separate
7 zones. One is regulated like the state of Louisiana and the other one, which is open
8 market customer centered option. And their regulated zone is slightly more
9 expensive than our regulated power system, but Texas unregulated power zones are
10 more than double the cost of electricity than Louisiana. Now, let's consider the
11 players' political scheme for this body's help in influencing the Public Service
12 Commission. We should look at their reasons and their backgrounds. Their reasons
13 are simple: Greed. These members convinced that they are -- even though they
14 have access and opportunity to the lowest industrial rates in the United States, they
15 rather want the unregulated authority to build power plants, take advantage of our
16 system, transmission, and distribution, and disrupt those costs of the system, and
17 passing those onto the customers of the regulated system, increasing prices for all
18 classes of consumers. Now, I believe these companies to be bad actors with poor
19 histories that support that conclusion. They have criminal and bankruptcy histories
20 that demonstrate that they do not act in the best interest of society and certainly not
21 in the best interest of our citizens. These companies' histories demonstrate that
22 they operate on plans which are the epitome of greed. Now, they have argued that
23 the PSC regulated cost will rise and so they have it in their best interest to beat these

1 costs. But that is a false statement, as under the regulatory process, the Public
2 Service Commission monitors even though the utilities have the opportunity to
3 earn, their increase in base revenue has actually maintained itself relatively constant
4 for the last 15 years. These lobbyists are not telling the truth. These industrial
5 corporate interlopers are not wearing halos. They are historically black hat
6 companies. For a prime example, the four companies that make up the lobbying
7 group, Amplify, include Constellation -- Constellation when it was Exelon also;
8 Calpine, which is a -- it's a consortium about to be purchased by Constellation;
9 NRG, which is a Fortune 5 company -- 500 company out of Houston; and Vistra,
10 another Fortune 500 company out of Irving, Texas. Now, these are top-tier
11 corporate tycoons who want to come to Louisiana and operate outside the law.
12 Let's be clear, they don't come here with clean hands, and let's take a quick look
13 at their history. Exelon or Constellation Exelon --

14 **COMMISSIONER COUSSAN:** Mr. Chairman.

15 **VICE CHAIRMAN SKRMETTA:** No. I'm not finished. I'm sorry. Can I
16 continue?

17 **COMMISSIONER COUSSAN:** Sure.

18 **VICE CHAIRMAN SKRMETTA:** Okay. I'm almost done. Exelon, in 2022,
19 Exelon engaged in illegal lobbying activities. Four of their executives and affiliates
20 were found guilty of bribing the former Illinois Speaker of the House. Exelon
21 entered into a deferred prosecution agreement to avoid prison time and agreed to
22 pay a \$200 million penalty. Exelon also agreed to settle the related stockholder
23 class action lawsuit that would -- came part of that for \$170 million. And wait,

1 there's more. Exelon also messed up in California when Exelon agreed to pay \$4.7
2 million to settle allegations it violated the California Independent System Operator
3 mechanism resource adequacy rules. And Exelon had a scheme of offering how
4 resources are offered into the marketplace in that they didn't actually have those
5 resources, and if they got the contract and they fished around and tried to find it on
6 the spot market and they would actually end up providing power, but at much higher
7 prices. The FERC began an investigation into this practice after numerous
8 instances in which Exelon was unable to secure electricity in the spot market, failed
9 to meet CAISO's dispatch orders, caused strains on the market, and blackouts. But
10 the 4.7 million CAISO violation settlement was a drop in the bucket compared to
11 the market manipulation penalties later assessed by the FERC against Constellation
12 Energy Commodities Group, CCG, which Exelon was a component. In 2012, CCG
13 agreed to pay civil penalties, \$245 million at the time the largest ever penalty
14 assessed by the FERC. FERC investigators determined that CCG violated FERC's
15 antimanipulation rule by entering into transactions without regard for their
16 profitability, but with the intent of impacting day ahead prices. The FERC found
17 that the CCG engaged in fraud and international market manipulation of energy
18 markets. Now, Exelon -- Constellation Exelon has also been hit with several class
19 action lawsuits in retail open access states alleging the company engaged in bait
20 and switch tactics. To sign up customers on short-term teaser electric rates that
21 increased beyond the rates charged by the utility default provider. Exelon and its
22 affiliates have a long history of market manipulation, unlawful lobbying activities,
23 and flouting the rules. Calpine, in 2002, all three major credit rating agencies

1 lowered Calpine's credit rating to junk, and by 2005, Calpine filed for bankruptcy.
2 Financial market critics noted that Calpine's bankruptcy came about due to their
3 irresponsible behavior contributing to the California energy crisis. Calpine's
4 bankruptcy ultimately cost creditors roughly \$13.2 billion. Now, Calpine has a
5 history of non-performance. In 2019, the Pit River Tribe ended up suing the U.S.
6 Bureau of Land Management over claims that BLM allowed Calpine to maintain a
7 lease on their sacred lands for decades and despite the failure of Calpine to make
8 an effort to produce the geothermal power system that they were required to do so.
9 Calpine was also, by the way, involved in a lengthy dispute with Cleco over the
10 Acadiana -- Acadia power plant bankruptcy in 2005. Exelon has announced their
11 intent -- Constellation Exelon, their intent to purchase Calpine. Although the
12 transaction's not been completed yet, and I will point out that a significant portion
13 of Calpine is owed by foreign entities. NRG, in 2012, FERC approved an
14 agreement between NRG and the California PSC to settle outstanding legal issues
15 regarding the California energy crisis and NRG's bankruptcy. The settlement
16 required NRG to equate a fine of \$102 million. In 2017, NRG's GenOn subsidiary --
17 excuse me, subsidiary filed for bankruptcy. So NRG and its subsidiaries must have
18 been subject to criticism over -- they have been subject to criticism over deceptive
19 bait and switch marketing tactics. And in 2022, a class action complaint filed in
20 New Jersey, the plaintiff alleges NRG's subsidiary enticed customers with limited
21 time teaser rates then automatically switched customers over to a higher variable
22 rate, leading to steep bill increases. Similar complaints have been made by
23 consumers in Connecticut and in Texas, a market in which NRG has a high market

1 share and where mandatory consumer guides aren't albeit a requirement when
2 choosing electricity rate plans due to misleading sales tactics. So NRG affiliates
3 also played a massive role in the California energy crisis and NRG's subsidiary
4 paid \$460 million as a part of a settlement with the attorney general of California
5 related to the allegations of price gouging and unlawful conduct. That \$460 million
6 settlement came on top of an additional \$64 million settlement that NRG paid to
7 the FERC to resolve charges that the NRG deliberately withheld electricity from
8 the market to inflate wholesale prices. NRG's behavior was so egregious that the
9 California Attorney General described NRG Reliant as one of the four horsemen of
10 the apocalypse along with Enron, EL Paso Corp., and Dynegy, which is now
11 currently a Vistra subsidiary. And a quick mention on Vistra, Vistra was
12 incorporated in 2016 as it emerged from what Forbes referred to as one of the
13 longest and most unpredictable corporate bankruptcies in history and they decided
14 to rebrand. The Vistra bankruptcy came about because of unregulated reckless
15 spending and unsustainable debt. Vistra embarked on a spending spree shortly after
16 their incorporation, acquiring 32% of residential market share in ERCOT. Vistra
17 also acquired Energy Harbor that required investigation by the FERC and the
18 Department of Justice. So in August of 2023, the Department of Justice Anti-Trust
19 Division submitted comments to the FERC regarding Vistra pointing out that
20 accusations of Vistra could substantially lessen competition and increase prices.
21 Vistra has also drawn the attention of regulatory agencies abroad. Two Vistra
22 entities were recently fined in the British Virgin Islands under their anti-money
23 laundering regulations and anti-money laundering terrorist financing codes. And a

1 quick conclusion, these companies want to change the system for their benefit and
2 they want the Commission to provide support for their effort to have blue ribbons
3 in the following reported corporate tactics and practices: Illegal lobbying activities,
4 bribery, pleading guilty to avoid prison time, paying billions of dollars in fines,
5 intentionally manipulating markets, intentionally shorting electricity markets,
6 causing bait and switch rate contracts, defrauding customers, price gouging,
7 deliberately withholding electricity from the market, reckless spending,
8 unsustainable debt, and money laundering. You can understand why I am
9 seconding and supporting the closure of this docket.

10 **CHAIRMAN FRANCIS:** Commissioner Campbell.

11 **COMMISSIONER CAMPBELL:** Look, Mr. Skrmetta, I heard -- that was about
12 35 minutes.

13 **VICE CHAIRMAN SKRMETTA:** Two thousand and ten minutes.

14 **COMMISSIONER CAMPBELL:** Thirty-five minutes --

15 **VICE CHAIRMAN SKRMETTA:** No, it was not.

16 **COMMISSIONER CAMPBELL:** -- of ranting and raving. I hope --

17 **VICE CHAIRMAN SKRMETTA:** It was not.

18 **COMMISSIONER CAMPBELL:** I hope you got some good insurance because
19 you called everybody in here -- I mean, all these participants everything but a child
20 of God.

21 **VICE CHAIRMAN SKRMETTA:** I was just reading the news, just reading the
22 news.

1 **COMMISSIONER CAMPBELL:** Well, I hope you got some good insurance
2 because they going -- somebody's going to sue the hell out of you.

3 **VICE CHAIRMAN SKRMETTA:** That's just reading the news. If you read the
4 news, that's the news.

5 **COMMISSIONER CAMPBELL:** Well, anyway, let's get on to business here.

6 **CHAIRMAN FRANCIS:** Okay.

7 **COMMISSIONER CAMPBELL:** We've been --

8 **COMMISSIONER COUSSAN:** Mr. Chairman, I would like -- we have some
9 speakers here at the podium, and with respect to the Commissioner's comments,
10 obviously I think we need to give due consideration to the parties that were
11 mentioned and give them -- and I don't necessarily think it is worthwhile to try to
12 respond to 20 years of news, but probably more than three minutes is something
13 that we should offer.

14 **VICE CHAIRMAN SKRMETTA:** Take as long as they want, but some of it is
15 two years old.

16 **MR. POLOZOLA:** Thank you, Commissioner. Gordon Polozola, again, on
17 behalf of Amplify Louisiana. I'm not going to try to address nor can I verify all the
18 things that may --

19 **VICE CHAIRMAN SKRMETTA:** I'll send you the news links so you can have
20 them, Gordon.

21 **MR. POLOZOLA:** -- have occurred with respect to our members. What I can tell
22 you about NRG and the Commissioners know about this, they provided over a 20-
23 year long term contract going into '25 before they sold to Cleco steady reliable rates

1 and power to all of the Louisiana co-ops in the state for 20 years. That's what I can
2 speak to. So when you say NRG, and there's some co-ops in this room that will
3 verify it, they provide consistent reliable service to this state for 20 years. Calpine
4 built power plants in this state and what's interesting, Commissioner Skrmetta, I
5 think you helped Calpine in one of its issues in selling a power plant -- in
6 completing a power plant, so I found that kind of interesting.

7 **VICE CHAIRMAN SKRMETTA:** Actually, it was Entergy built the power
8 plant.

9 **MR. POLOZOLA:** Okay. Constellation was just approved as providing -- as part
10 of a cooperative portfolio. Just recently, when the cooperatives decided to go out
11 and look for additional suppliers. So --

12 **VICE CHAIRMAN SKRMETTA:** Just quickly, Gordon, so none of that
13 happened, what I said?

14 **MR. POLOZOLA:** What I can speak to, Commissioner, is what I know about in
15 Louisiana and what the Commission has proved. I have Constellation providing
16 service going forward to the co-ops, I have NRG supplying 20 years' worth of
17 reliable service, and I have Calpine building power plants in the state. That's what
18 I can speak to and, Commissioner Coussan, I appreciate you giving me the
19 opportunity to address that, but I'm not really here to -- what I'm here to do is, like
20 LEUG, support the Commission's continued evaluation of a policy. Now,
21 Commissioner Skrmetta went on to say what would happen if regulations were
22 changed. We don't know that. You're not voting on a policy change today. You
23 are voting as to whether to do a policy evaluation and Louisiana does not lose by

1 continuing to evaluate. In fact, as Mr. Hand was saying, this docket has been open
2 as Meta has come to the state, as Hyundai has come to the state. It's not prevented
3 this --

4 **COMMISSIONER CAMPBELL:** What is their position?

5 **MR. POLOZOLA:** We, Amplify --

6 **COMMISSIONER CAMPBELL:** Let me --

7 **MR. POLOZOLA:** Yeah. Amplify wants the Commission to keep evaluating.
8 Keep evaluating the policy, keep the policy evaluation alive. Because you don't
9 know what the answer is until you evaluate it.

10 **COMMISSIONER CAMPBELL:** You say Meta is for this proposal?

11 **MR. POLOZOLA:** What I'm saying, Commissioner, is Meta came into the state
12 regardless of whether this docket was open. You can keep this docket open. If the
13 Commission ultimately finds that the status quo is fine, keep the status quo. But
14 how do you know until you've completed the evaluation? Mr. Sisung sat right here
15 and told y'all he has not done the evaluation yet. So I mean, you have more harm
16 in potentially cutting off options that you have than continuing to evaluate them.
17 It's not -- again, it's not stopping people from coming to the state. It's not stopping
18 Entergy from continuing to build what it needs. It's not stopping LEUG members
19 or other industrials from using the power that the utilities will provide. What it
20 could do though is provide the Commission with options that could lower rates and
21 that's what we're in favor of. We're in favor of the Commission continuing the
22 evaluation because it's not done. So that's what we want, Commissioner.

1 **CHAIRMAN FRANCIS:** Gordon, I've asked the industry to bring me an idea so
2 we can create an option to help and I haven't seen any ideas that I felt like the
3 Commission could vote to change the way we're doing business. That's just --
4 that's my simple understanding of the situation. Okay.

5 **MR. POLOZOLA:** Commissioner, I would --

6 **CHAIRMAN FRANCIS:** Kleehammer's next? Let's let Cleco talk.

7 **COMMISSIONER LEWIS:** Can I ask Mr. Hand questions? I didn't get a chance
8 to talk to him yet. Do you want to wait after Kleehammer [INAUDIBLE]

9 **CHAIRMAN FRANCIS:** I think you can ask first. Go ahead.

10 **COMMISSIONER LEWIS:** Okay. Say thank you and I'll -- Mark.

11 **MR. MARK KLEEHAMMER:** Sure.

12 **COMMISSIONER LEWIS:** I'm just going to ask -- I just want to ask some
13 questions to Mr. Hand before I forget his testimony. Mr. Hand, thank you for your
14 analysis and I think one of my questions was around when you were talking about
15 co-gen and merchant generation. So it's your position of that under the current
16 model even if there's no real reason to evaluate a different model because the
17 opportunities exist now, they're currently in operation, and we shouldn't expand it;
18 is that -- am I summarizing kind of your testimony correctly there?

19 **MR. HAND:** That's correct. It's part of the -- you know, there's no need for it
20 now, it's not broke, don't fix it. The co-gen market is robust, has been robust in
21 Louisiana under the current regime is my point.

1 **COMMISSIONER LEWIS:** And I know in the Phase 1 rules we created a sleeve
2 PPA. Have you gone into any agreements with anyone regard -- utilizing that
3 policy yet?

4 **MR. HAND:** No industrial has brought one to us.

5 **COMMISSIONER LEWIS:** Did you -- and I can't remember, been some time
6 since we debated it, on the sleeve PPA, did you find that to be a substantial option
7 for the industrial users instead of kind of the pilot proposal that LEUG has on the
8 table?

9 **MR. HAND:** You know, it is one of the -- I do think it is an option. It's a -- I think
10 it's for ELL would be a 500-megawatt potential option. There are some other sub-
11 limits and some protections that Mr. Sisung and the Staff put into it, but keep in
12 mind, that is only one of I believe five or six other Commission approved green
13 tariff options. Again, maybe not all -- any of those are what -- exactly what LEUG
14 wanted, but there are many, many options for industrials to access renewable
15 energy that are Commission approved and through the utility. And there are also
16 options that are done outside or could be done outside of the Commission such as
17 utilities build -- industry building their own solar behind the meter. Just like co-
18 gen, they can build solar. They could also enter into virtual, you know, power
19 purchase agreements with developers if they wanted that as well.

20 **COMMISSIONER LEWIS:** Thank you. And my last question for you is I want
21 to take the advice of the mayor and go in some layman's terms, even though I could
22 go a little bit more specific, the question that I face and my constituents ask me
23 when they hear about significant industrial growth, and as your chart indicates,

1 industrial rates have gone down, but we also know residential rates have gone up
2 and consumption is higher. So I guess the summary question that I have for you is
3 how do you answer this question to say if industrial growth is the reason for
4 generation buildup or transmission buildup, why should we not evaluate an option
5 to see whether or not they can shave some of those costs off because the growth is
6 not on us? And that's a question that I get all the time and so I'm curious to know
7 how would you advise me to answer my constituents why should we not even
8 evaluate a different model? Not that that model would prove to work, I mean, that's
9 the point of a hypothesis is to test out the theory. But I'm curious to say when we
10 take this vote today, why should I not at least evaluate whether or not this could
11 save my residential ratepayers?

12 **MR. HAND:** Yeah. And I'll try to answer the question. If I miss parts, come back
13 to me. But, you know, I think from a -- you know, the industrial growth, it is a
14 driver of the need for generation and transmission. As was pointed out earlier, the
15 transmission, LEUG is not looking to provide that right, so it will still be needed, it
16 will still be socialized as it is today largely except for customer interconnection
17 projects. But keep in mind, the generation Mr. Young referred to, in RFP that's
18 ongoing, that's separate from the generation that's subject to a docket currently,
19 that's a future -- that's to replace existing generation. You know, we have certain
20 generation in our system that is approaching -- well, it's over 50 years and getting
21 older, so replacing that existing generation, that's for the benefit of all. The point
22 I'm making, the why you shouldn't consider it now: A) I don't think the problem
23 needs fixing at this moment, maybe in the future. But more importantly, it's not

1 just a question of letting industry provide for itself. If they -- if you were to go
2 down that road and let them lead the system, it will cost customers even more.
3 Because in the first year of a new generator, when you build it, it's the highest one
4 and it depreciates over time over its life, generally 30 years for a gas plant. When
5 you lose the sales from the industrials that's going to build it themselves, as the cost
6 goes down, they keep that. And if they were on our system, as the cost goes down,
7 you still have the industrial sales, that's when customers benefit. On NPV basis,
8 you'll find when the math works out, that would cost customers even more. And
9 look, I get the infrastructure that we have built and will build, we're going to come
10 to y'all for approval, right? So y'all will determine it's in the public interest. It'll
11 be cost based. You'll look at us for prudence. I get that it costs money, impacts
12 bills, but I think we can mitigate those bill impacts the best way when we have a
13 bigger system with the industry that has been in Louisiana for a long time and
14 rightfully been a key part of our society, but also taken for advantage of the
15 resources and the workforce and the communities we have in Louisiana. I think
16 they should continue to be part of that bigger story for Louisiana.

17 **COMMISSIONER LEWIS:** Thank you.

18 **CHAIRMAN FRANCIS:** Is there -- Commissioner Coussan.

19 **COMMISSIONER COUSSAN:** A couple things, Mr. Polozola, maybe you had
20 some additional comments. I'm not sure if they're closing comments just yet. But
21 I wanted to give you an opportunity to continue speaking. I know there was some
22 questions back and forth and we moved on. So before we ask any further questions
23 to Mr. Kleehammer, would you like to make a couple more comments?

1 **MR. POLOZOLA:** Well, there was just one other comment that I wanted to make.
2 Obviously, we're in favor of continuing the full Phase 2 evaluation on enhanced
3 cogeneration and sleeved solar options. But, Commissioner Francis, I know you
4 had mentioned, you know, asking industry to bring you something that could be
5 voted on. I think LEUG with this pilot program has tried to do that exact same
6 thing and the one thing I did want to indicate is we -- Amplify would be supportive
7 of the Commission looking at LEUG's pilot program as well. We'd like the full
8 evaluation obviously, but I think I didn't have a chance to speak to that,
9 Commissioner, so thank you very much.

10 **CHAIRMAN FRANCIS:** Well, our door is still open in the future although we're
11 close this docket for new ideas. And I think new ideas will come from industry and
12 not from five Public Service Commissioners. And we're listening to -- we're
13 looking for ways to do better. But I would point out one thing, we still have the
14 lowest electricity rates in America.

15 **MR. POLOZOLA:** Well, I want to address that, Commissioner. It is --

16 **CHAIRMAN FRANCIS:** And so let me -- let's go ahead, Kleehammer.

17 **COMMISSIONER CAMPBELL:** Mr. Chairman.

18 **CHAIRMAN FRANCIS:** Mark Kleehammer.

19 **MR. KLEEHAMMER:** Yes.

20 **CHAIRMAN FRANCIS:** Go ahead.

21 **MR. KLEEHAMMER:** Thank you, Commissioner. Mark Kleehammer on behalf
22 of Cleco power.

23 **COMMISSIONER CAMPBELL:** Can I say something?

1 **CHAIRMAN FRANCIS:** Let me -- let's let this gentleman here finish his, then
2 you can talk. Okay. Go ahead.

3 **COMMISSIONER CAMPBELL:** I heard -- I want to see your facts on that, the
4 lowest utility rates in the country.

5 **CHAIRMAN FRANCIS:** Mark.

6 **MR. KLEEHAMMER:** Yeah. I will be brief, Commissioners. Because most of
7 what I would say has been covered today. A lot of these facts were covered in your
8 motion and I recognize that this is an LEUG focused on ELL issue, but good policy,
9 sound policy matters to the state, and that matters to Cleco Power and I'm certain
10 all of the other IOUs in the state. When we were asked in the last sets of discovery
11 to move forward with a full unbundling calculation, we looked at it and I don't
12 think it's a two-month endeavor. I think it's more like six, eight months to provide
13 all of that information. And the fundamental question -- the fundamental issue that
14 we have is it seems like there is this search for solution without a problem, going
15 back to where are we today with electric rates in the state, both on the residential
16 side and on the industrial side. And I'll point to a couple items that we put in our
17 formal comments that were filed in January and February. Between 2004 and 2023,
18 industrial rates in Louisiana went up 1%. In the US, they went up 53%. In that
19 same period, industrial sales growth in Louisiana went up 39%, and in the US, they
20 went down 1%. So again, if you want empirical evidence of whether or not those
21 --

22 **CHAIRMAN FRANCIS:** Where you get those facts from? Is that --

1 **MR. KLEEHAMMER:** Those are from EIA. Those are calculations that we
2 pulled from the Department of Energy's Energy Information Association and we
3 filed those formally in our comments. So for me, the issue is -- again, is there a
4 problem to be solved here and I've argued that they would not -- there is not. I'll
5 also point out that in my career at the LPSC, I've seen similar charts to these since
6 probably 2005. And I recall in the certification -- I want to say the certification of
7 Perryville, absolutely in the certification of St. Charles Power Station in 2016, these
8 same charts were shown showing, you know, a massive unwieldy growth in base
9 rates. And what we've seen bear out through the information from EIA is that
10 Louisiana still retains very low rates. Thank you very much.

11 **CHAIRMAN FRANCIS:** Let me ask, Secretary Frey, what's the latest numbers
12 on homeowner's rates in Louisiana? What do the numbers show?

13 **SECRETARY FREY:** I figured somebody was going to ask that. I just pulled it
14 up. I'm still sorting through it. So if you give me a second, I can get that for you.

15 **CHAIRMAN FRANCIS:** Okay.

16 **SECRETARY FREY:** But I'm looking through the February rates right now.

17 **CHAIRMAN FRANCIS:** All right.

18 **VICE CHAIRMAN SKRMETTA:** You finished, Mark?

19 **MR. KLEEHAMMER:** Yes. Thank you.

20 **CHAIRMAN FRANCIS:** Thank you, Mark. Okay. Commissioner Lewis.
21 Commissioner Lewis.

22 **COMMISSIONER LEWIS:** Yes. Thank you, Mr. Chairman. And I'll be brief
23 on this. Mr. Young, this is your proposal, I would like you to respond to the

1 questions that were -- I shouldn't say the questions, but to the discussion that we've
2 just had.

3 **MR. YOUNG:** Yes. Thank you, Commissioner, and I'll keep this brief, but I do
4 want to touch on a few points. One is in terms of rates. So I want to be clear and
5 this shows the three primary Entergy industrial rates. One on the -- well, this the
6 primary rates that Entergy uses for industrials. All of those rates since 2019, the
7 last five years, have gone up 30-45%. So just like the residential rates, they've
8 gone up, too. That's Entergy's base rates, so I want to be clear on that. Number
9 two, in terms of where we are on industrial rates in Louisiana. So to begin with,
10 the point to fully understand is that it's not just where we are today. I showed you
11 that spending list. There's a whole lot of rate increases on the table and every one
12 of these we have to show the members and say here's what each of these items does
13 to your rates and they're going up. That's the problem we see. But in terms of
14 where rates are today, Louisiana does not have the lowest industrial rates in the
15 country. They've never had the lowest industrial rates in the country. We've
16 shown before the Commission in the proceedings that the use of EIA or Energy
17 Information Administration data to compare industrial rates is not a fair approach.
18 We think it's a defective approach, and here's why. Other states tend to have
19 smaller industrials. Louisiana has larger industrials. So when you're comparing
20 their two rates, you're comparing apples and potatoes. So if you want to compare
21 apples to apples, you need to look at a similar size tariff, similar size customer in
22 the different states. That's what we've been doing as LEUG for our own use for
23 decades. We take 30 southeastern utilities and we compare them four times a year

1 and been doing it for years. What we've seen is that Entergy has tended to be the
2 middle of the pack except anytime there's a tick in natural gas prices, they go to the
3 top of the stack very quickly. And as they keep going with this spending list, all
4 the things they're spending on, then they're more susceptible to go to the top of the
5 stack. But if you look back over time, basically in '20 and '21, they were higher
6 cost. In '23 and '24, they've done a lot better as natural gas prices have gone down.

7 **VICE CHAIRMAN SKRMETTA:** During the Henry Hub spike?

8 **MR. YOUNG:** But we've seen natural gas prices almost -- the fuel adjustment
9 almost double just in the first four months of this year. So you always have that
10 what are we doing to our self in terms of susceptibility of gas prices.

11 **VICE CHAIRMAN SKRMETTA:** Question, Randy, was that rise in '20 that you
12 mentioned, was that during the Henry Hub spike?

13 **MR. YOUNG:** That was -- '20 is where it started and I think '21 was where a lot
14 of it was.

15 **VICE CHAIRMAN SKRMETTA:** Was that during the Henry Hub spike in
16 pricing?

17 **MR. YOUNG:** It's when natural gas prices went up, Commissioner.

18 **VICE CHAIRMAN SKRMETTA:** See, it's on there, 2022.

19 **MR. YOUNG:** '21 and '22 is the years that it was higher, I misspoke.

20 **VICE CHAIRMAN SKRMETTA:** Had a 66% spike in the price of natural gas.

21 **MR. YOUNG:** Yes. So that's what's I'm saying. And as you increase all this
22 spending that they're adding to base rates, you make us more susceptible, you -- we
23 become more susceptible to increases in natural gas prices.

1 **VICE CHAIRMAN SKRMETTA:** [CROSSTALK]

2 **MR. YOUNG:** But we do not have the lowest industrial rates in the country.

3 **VICE CHAIRMAN SKRMETTA:** By your standard.

4 **MR. YOUNG:** By the evaluation we've done for ourselves for many, many years,

5 comparing -- yes.

6 **VICE CHAIRMAN SKRMETTA:** But it's by your standard.

7 **CHAIRMAN FRANCIS:** All right.

8 **VICE CHAIRMAN SKRMETTA:** Okay. Yeah. Okay.

9 **CHAIRMAN FRANCIS:** Commissioner Coussan. Commissioner Coussan.

10 **MR. YOUNG:** Commissioners, one more thing that I want to address very

11 quickly. Two points, but very quickly. One is the urgency of this. Look, when

12 Mr. Hand comes in with his proposals to build new power plants next year, he's not

13 going to say, but let's take a break and evaluate options. So if you're going to

14 evaluate options, it's now, not when the proposal's on the table to spend the money.

15 Last point, Commissioner Francis, I want you to understand it's important. In terms

16 of somebody bringing a proposal to the table, the rules right now don't allow --

17 your rules, the Commission rules, don't allow us to do this proposal. So the whole

18 purpose of this rulemaking was to look at should we expand the rules to allow more

19 options? So if a person inside a company that's saying -- and going to their boss

20 and saying let me develop a proposal to bring to the Commission, but the rules

21 don't allow it and it's illegal right now because the rules don't allow it, but let me

22 spend the money to develop the proposal and go ask permission, well, they're not

23 going to be received very well in the company. And it gets worse because then you

1 have to tell them, okay, and there was a procedure open to evaluate the rules, but
2 the Commission closed it down because Entergy asked them to. And they also have
3 to look at the tariff general order that limits what you can do on one-off proposals.
4 So if you want to look at options, this was the path that we came up with to say let's
5 look at the rules. And this was our effort to bring something to the table for y'all
6 to evaluate. Thank you.

7 **CHAIRMAN FRANCIS:** Commissioner Coussan.

8 **COMMISSIONER COUSSAN:** Mr. Young, you actually answered one of the
9 questions I had which was the specific request for a project and not in theory. You
10 know, not, you know, the two separate pilots, but a project and I think that's what
11 Commissioner -- Chairman was mentioning and you answered that question. You
12 said that there is no path.

13 **MR. YOUNG:** I don't see a path, Commissioner.

14 **COMMISSIONER COUSSAN:** And let me get to my question.

15 **MR. YOUNG:** Okay.

16 **COMMISSIONER COUSSAN:** So the Meta project, did that fall completely
17 within our current rules?

18 **MR. YOUNG:** Yes, Commissioner. They decided to buy power from Entergy,
19 and yes.

20 **COMMISSIONER COUSSAN:** Well, are there exceptions pending that are
21 seeking to circumvent our standard rules? Do we have exceptions pending before
22 the Commission to certain rules?

23 **MR. YOUNG:** I'm not -- well, Entergy has a whole lot of exceptions they're

1 asking for in that case, yes. But that's rules that exist. It's not the absence of a rule.
2 This scenario is there's no rule that allows it, so you're asking to create a rule.

3 **COMMISSIONER COUSSAN:** Have there been projects in the absence of a rule,
4 actual, tangible projects that have been proposed in a boardroom just as you
5 mentioned, that have been discussed with the Louisiana Public Service
6 Commission that have been rejected by the Public Service Commission?

7 **MR. YOUNG:** Off hand, Commissioner, I don't know. But what you would be
8 doing is saying, okay, can we bring to the Commission a specific project to create
9 a rule that would create a tariff to allow them access to the transmission system.

10 **COMMISSIONER COUSSAN:** Yes.

11 **MR. YOUNG:** And that would be a one-off and it would also be after y'all created
12 the tariff general order that provides some limitations. So I don't know -- I don't
13 have any recall of that happening.

14 **COMMISSIONER COUSSAN:** My question, it kind of begs the question. So
15 we have -- and there's a lot of different numbers being thrown around, 75 billion,
16 65 billion, of economic development projects. What are they doing differently?
17 What are they analyzing differently to move forward and make these
18 announcements without the options that you're proposing? What's -- I'm missing
19 something here and I think that's kind of critical. Are any of the companies that
20 are proposing the expansions of these projects and economic development projects,
21 are they members of yours? Are they seeing it differently than the group as a
22 whole? You know, what are they doing differently that's preventing another
23 company, another boardroom from saying let's go to Louisiana, let's go to the

1 Louisiana Public Service Commission?

2 **MR. YOUNG:** So, Commissioner, I'm in the room with and have been in the room
3 with industry for more than 30 years. And so I get a lot of questions about what's
4 our options, what all can we do, so that's always in play and always in discussion.
5 But it's important to understand that when you see all these announcements in the
6 newspaper or projects, they don't necessarily have their power supply figured out
7 yet. And so you get folks that are wanting to do projects, but they might still need
8 access to a whole lot of renewables to make it happen or they may still be trying to
9 figure out, okay, am I going to generate my own power, am I going to buy it from
10 the utilities? So just because you see the announcement doesn't mean they're still
11 trying to figure out what's my options. And that's what, when I'm in the room
12 with industrials, I hear about the exploration of what's all my options.

13 **COMMISSIONER COUSSAN:** And so what if I told you that there are billions
14 of dollars of these investments, of these projects that have told us privately that if
15 we move forward with this, then it does risk the investment in the state of
16 Louisiana?

17 **MR. YOUNG:** So, Commissioner, I would tell you that being in the room with
18 industrials, that's not what I'm hearing. What I'm hearing is that we're trying to
19 make projects work to bring to Louisiana and we need more options and that's why
20 we brought this to you to begin with.

21 **COMMISSIONER COUSSAN:** Is LEUG an intervenor in the Meta --

22 **MR. YOUNG:** Yes.

23 **COMMISSIONER COUSSAN:** -- Meta project?

1 **MR. YOUNG:** Yes.

2 **COMMISSIONER COUSSAN:** What is LEUG's position on the Meta project in
3 a executive summary?

4 **MR. YOUNG:** So what we have done in that case is evaluate it and approach it
5 from the standpoint of existing ratepayers and what's the cost and risk that that
6 proposal brings to existing ratepayers. And we have made recommendations at two
7 levels. One is some areas where we think that risk is being put on the ratepayers
8 that should be on Entergy and not on the ratepayers. And the other is areas that we
9 believe that Entergy has taken some steps to have Meta pay cost that we believe
10 that more cost should be paid by Meta. And so that's high level, the two levels.

11 **COMMISSIONER COUSSAN:** So would you -- in an even higher level, would
12 you describe that as being supportive of the project or are you in opposition of the
13 project as far as your filings are concerned?

14 **MR. YOUNG:** So, Commissioner, we are -- we'd love to have Meta come to
15 Louisiana. We're very supportive of them having to come to Louisiana. It'd be a
16 great thing. But in terms of analyzing what's the rate impacts, and cost, and risk,
17 we think there's some additional steps that need to be taken and we're bringing that
18 to you to explain to you.

19 **COMMISSIONER COUSSAN:** I guess -- and so I haven't been around long
20 enough to know if that's an opposition or not in a procedural capacity.

21 **MR. YOUNG:** Sure.

22 **COMMISSIONER COUSSAN:** Okay. But I'll just let your answer stand for
23 what it is. And so the distinction, I guess, is a critical distinction. You know, there

1 are projects moving forward, some of which that hadn't been announced, some of
2 which that have identified electric utility sources --

3 **MR. YOUNG:** Uh-huh.

4 **COMMISSIONER COUSSAN:** -- capacity and so on and so forth that you are
5 in some sense saying that they're not beneficial to the ratepayer at the current
6 amount -- the current time. And then there's these projects that may come in the
7 future that we haven't identified, that we have not rejected or denied at the
8 Louisiana Public Service Commission, but that we should move forward with this
9 wire rate study and you're asking everyone else to support that measure. So we --
10 theoretical, that we want to move forward with. Actual, that we have some
11 opposition to. And I just think there's a little disconnect with the discussion of our
12 economic development arm in the state right now because we have a lot of -- a lot
13 of activity right now. And the people that are investing in the state whether it's
14 announcements or shovel ready projects, I just get the sense that while they are
15 making those announcements with this docket open, I mean, I've been told that it
16 is at risk if the docket moves forward. I mean -- and would you acknowledge that?
17 That there are companies that are saying that their investments are at risk if this
18 docket moves forward? Because it's just, you know, your side -- your side is, and
19 you're an outstanding advocate and -- you know, and attorney, but would you
20 acknowledge that there are actual billions of dollars of investments that are at risk
21 if this does stay open? Is that something that your LEUG acknowledges?

22 **MR. YOUNG:** So, Commissioner, I said -- we know that Meta project got done
23 filed, what, in October, November timeframe with this docket fully open and LEUG

1 proposals on the workplan. So we know that happened. I have not heard anyone,
2 any company, suggest to me that it's a negative to evaluate the LEUG proposals.

3 **COMMISSIONER COUSSAN:** Okay. I'm telling you, I've heard it.

4 **MR. YOUNG:** And that's --

5 **COMMISSIONER COUSSAN:** [CROSSTALK] I'm just telling you so now we
6 can acknowledge it. I've been told, you know, verbally that it is a significant risk
7 and so I'm weighing, you know, you've got possibilities of expansion by the
8 outstanding companies that are members of LEUG who are part of Louisiana,
9 they're part of the national and international community, you know, on the one side.
10 But they also have outstanding companies who are here and invested and are
11 actually telling me that it does risk future investment. So you can see that this is --
12 this is why this has been open for so many years and, you know, it's not just a clear
13 picture of who is in favor of it and why from a policy standpoint. From a political
14 standpoint, I'm not going to get into the details, but your organization is a loosely
15 affiliated organization. Is it formed in the state of Louisiana?

16 **MR. YOUNG:** It's an unincorporated trade association under Louisiana law.

17 **COMMISSIONER COUSSAN:** Okay. And from the partisan political angle, it
18 -- I take it that partisan politics is not typically something that they engage in
19 knowing, you know, the diversity of the companies that y'all are involved with,
20 correct?

21 **MR. YOUNG:** I think that's a fair statement, Commissioner. I think from our
22 standpoint, we have a view and a message that we believe is important. We've
23 been saying it for a number -- quite a few years now to anybody that will listen is

1 our approach.

2 **COMMISSIONER COUSSAN:** I appreciate that and like I said, I respect your

3 advocacy on the topic. Thank you so much.

4 **COMMISSIONER LEWIS:** Thank you, Mr. Chairman. I got --

5 **CHAIRMAN FRANCIS:** Okay. Just wait one minute so I can clear up the

6 homeowners. Frey, what you got for the Chair?

7 **SECRETARY FREY:** All right. This is quick, looking through it on my phone.

8 I do have my glasses. Foster didn't take them today so --

9 **VICE CHAIRMAN SKRMETTA:** I got spares.

10 **SECRETARY FREY:** So this is EIA data. I know Mr. Young says he has some

11 questions with that, but on residential rates, this is February, it's the most recent,

12 there's a little bit of a lag there in EIA. We were tied for seventh in residential

13 rates.

14 **CHAIRMAN FRANCIS:** Okay.

15 **SECRETARY FREY:** So we weren't number one.

16 **CHAIRMAN FRANCIS:** Okay.

17 **SECRETARY FREY:** Actually, the three states -- there were three states below

18 11 cents. North Dakota, Idaho, and Nebraska and I think we know what they all

19 have in common. There's a lot of coal in those three states. Everyone else was

20 about 11 and a half, right around where we were. On the industrial rates, in

21 February, we were third and it was a -- I wasn't going to do any math, but I think

22 that's a hundredth of a cent within first. It was like 0.562, 0.563, 0.566, so a couple

23 hundredths of a cent. So --

1 **CHAIRMAN FRANCIS:** All right.

2 **SECRETARY FREY:** -- everyone else is over six on industrial.

3 **CHAIRMAN FRANCIS:** I got to apologize to Commissioner Campbell, we're

4 not the lowest in the country. I'm sorry. All right.

5 **VICE CHAIRMAN SKRMETTA:** Lower your rates.

6 **CHAIRMAN FRANCIS:** Okay. Let's go ahead. Mark, are you through with

7 your --

8 **MR. KLEEHAMMER:** Yes.

9 **COMMISSIONER LEWIS:** Mr. Chairman, I have some questions.

10 **CHAIRMAN FRANCIS:** You through? Okay. Commissioner Lewis. All right.

11 **COMMISSIONER LEWIS:** Thank you. Thank you, Mr. Young. And I have

12 some questions -- missed questions for Mr. Hand. Mr. Young, my district is

13 majority of LEUG's membership; would you not say that?

14 **MR. YOUNG:** Yes. I believe that's correct, Commissioner.

15 **COMMISSIONER LEWIS:** And contrary to my colleague, I have never heard

16 of any risk to any project under this evaluation. What I've heard is that they are

17 having to make real time decisions on how to proceed with economic growth from

18 those companies because they're saying, look, if we had other options, we would

19 utilize them, but we have to make decisions in our boardroom what's in front of us

20 today and how long we have that process. Has that been kind of a summary of at

21 least our arguments with LEUG?

22 **MR. YOUNG:** Yes, Commissioner, and I believe if the options are not there, and

23 then the project doesn't fit in Louisiana, they'll go somewhere else. I mean, that's

1 just the reality of it and you don't ever see those. And then there's also the what is
2 the it? So again, what we try to narrow, in terms of what we're asking for to be
3 evaluated, it's the enhanced cogeneration piece, to try to support cogeneration, and
4 that renewables piece. That's what the it is.

5 **COMMISSIONER LEWIS:** And looking across the nation, we are seeing these
6 large investments in data centers and AI operating in all markets, right? They're
7 going to restructure markets, they're going to vertically integrated markets. There
8 doesn't seem to be a preference for the -- my understanding, and I want to hear your
9 opinion on this, is that most of their decisions are being made by how quickly they
10 can access power and get on to -- get on the grid, is that their determination? Not
11 necessarily whether or not it's coming from a vertically integrated utility or there's
12 co-gen. Would you assess that as your analysis as well?

13 **MR. YOUNG:** In some of what I've heard, Commissioner, but I will say that I'm
14 not on the inside of those companies and so I can't really speak for them. But that's
15 some of what I've heard, yes.

16 **COMMISSIONER LEWIS:** Yeah. And, Mr. Hand, really quickly for you, I
17 know we've brought up Meta specifically, but in your -- not to reveal any private
18 or confidential conversations, did Meta send any signal that this was -- that because
19 we were a vertically integrated model that that's why they came here and that if we
20 continued CCO, that it would jeopardize their project?

21 **MR. HAND:** I mean I can certainly answer the first part of your question. Is the
22 vertically integrated model important to Meta? I believe it is. I can't speak to the
23 second. Meta would have to speak to that. And I do want to -- to your point, I do

1 think data centers can operate all over the world in different markets. I think they
2 can be successful in different markets, but I think what we are seeing more recently
3 with tightening up power supply, I think we're seeing more across the country.
4 More of those folks looking at the vertically integrated model to make sure they
5 can get a integrated, combined solution of generation and transmission quickly and
6 efficiently. And so I think there is somewhat maybe of a trend gravitating in that
7 direction. It's not certainly data based, but that's just what we're seeing in the press.

8 **COMMISSIONER LEWIS:** Okay. Great. Thank you. And, Mr. Chairman,
9 really quickly, I have a few comments while I have the mic to not belabor this, and
10 I won't take 35 minutes, Commissioner Campbell, on this either. I just view this
11 docket as a necessary and timely investigation of what options that this Commission
12 has at its disposal and that it will do to the public interest. I mean, I want to be very
13 clear, myself has not drawn any large conclusions in this docket because we simply
14 don't know what we don't know. We are doing our homework. Now we're being
15 asked to stop our work because what it might find and I don't think that's an
16 acceptable way to make policy. I don't disagree that this has gone on for too long
17 and has become overly complicated. But that's what happens when we are
18 regulators. But that doesn't mean we abandon our work because the work has
19 gotten complex, the work has gotten complicated, and the work had brought more
20 questions. I think the intent, as I've gone back and read the procedural history of
21 this docket, was to investigate if we can save people money. And for me, it's as
22 simple as that. It's our job to consider any way to save people money. I remain
23 perfectly open to Entergy, and Cleco, and the other intervenors' arguments within

1 this docket. But I think that is where those opinions are probably heard -- or
2 properly heard, excuse me, in an open, transparent proceeding that the Commission
3 deems worthwhile and I believe that's what the Phase 2 investigation was going to
4 do. I think the inquiries amount to kind of prejudging and an issue we have not
5 fully explored, discussed, or fully considered yet. I strongly believe we ought to
6 continue to work and then make a decision after we are fully informed of all of the
7 risk and benefits that present to this Commission. That is what I believe is the best
8 path forward. So I will object to this motion and I encourage my colleagues to
9 allow this important work to continue because I believe we have a duty to at least
10 explore options and that's all we're being asked to do. Thank you, Mr. Chairman.

11 **CHAIRMAN FRANCIS:** All right. We got any other questions here? Anybody
12 else want to speak on this issue before we vote? And where is Commissioner
13 Skrmetta?

14 **COMMISSIONER COUSSAN:** [INAUDIBLE] a speaker from SWEPCO.

15 **CHAIRMAN FRANCIS:** Okay. I'm sorry, SWEPCO. Okay.

16 **MR. MATTISON:** Yeah, thank you. Just for the record, and I can't give the
17 names, but we, like Commissioner Coussan, we've got two or three deals in the air
18 right now that are about to sign letters of intent and they've said they want to see
19 the regulatory compact stay intact and they want certainty. So we've heard that
20 same exact thing.

21 **CHAIRMAN FRANCIS:** Well, it's my understanding that the three investor-
22 owned utilities and the 10 co-ops, all would like to see this docket closed. Is that
23 the way you understand it?

1 **MR. MATTISON:** Yes, sir.

2 **CHAIRMAN FRANCIS:** Have you heard anything different?

3 **MR. MATTISON:** And just very quick, I know the time has run on, but AEP

4 companies have experience in the deregulated market. AEP Texas is deregulated.

5 **CHAIRMAN FRANCIS:** Wow.

6 **MR. MATTISON:** So I heard the gentleman that represents LEUG say whenever

7 gas prices spike, and that's true, that happened. We saw residential customers pay

8 18, 20 cents a kilowatt hour when they initially went to it and we became a wires

9 company. But the one thing that I have not heard anybody mention through this

10 whole dialogue is you have to have a clearing house for that wires company to be

11 able to build whoever that generator is. In Texas, they call it a REP. That's a

12 Regional Energy Provider. So if this went and we went to deregulation, our

13 customer service --

14 **VICE CHAIRMAN SKRMETTA:** Lane was talking about having to build out

15 that system.

16 **MR. MATTISON:** Correct. That's IT, that's infrastructure, so I no longer have a

17 customer. So if I go read someone's meter, and I can't get in their backyard, I don't

18 talk to that customer. They're not my customer anymore. That sounds crazy, but

19 that's how that works. And then, what would happen is I have to bill for that lack

20 of access fee to somebody that goes to that person, they pay me my money. Then

21 the customer has to dispute it, and maybe go through a three to six-month process.

22 That happens all the time. So that's something to think about, too, from a

23 customer's perspective.

1 **CHAIRMAN FRANCIS:** Okay. Thank you. Thank you. Ms. Bowman.

2 **MS. BOWMAN:** Yes, sir.

3 **CHAIRMAN FRANCIS:** You want to bring us up to date on where we're at,

4 where we need to go?

5 **MS. BOWMAN:** Yes, sir. So we have a motion by the Chair which was seconded

6 by Commissioner Skrmetta with an objection by Commissioner Lewis, so we do

7 need a roll call vote.

8 **CHAIRMAN FRANCIS:** So we'll have a roll call vote.

9 **MS. BOWMAN:** It is -- to be clear, it is a motion by you to close this docket.

10 **CHAIRMAN FRANCIS:** Yes. That's right. Okay. Well, Commissioner

11 Campbell, how do you vote?

12 **COMMISSIONER CAMPBELL:** I want to go --

13 **CHAIRMAN FRANCIS:** I'm sorry.

14 **COMMISSIONER CAMPBELL:** -- go down the row a little bit.

15 **CHAIRMAN FRANCIS:** Oh, okay. You want to wait. Okay. Commissioner

16 Lewis, how do you vote?

17 **COMMISSIONER LEWIS:** No.

18 **CHAIRMAN FRANCIS:** Okay. Commissioner Coussan, how do you vote?

19 **COMMISSIONER COUSSAN:** Yes.

20 **CHAIRMAN FRANCIS:** Commissioner Skrmetta, how you vote?

21 **VICE CHAIRMAN SKRMETTA:** Yes.

22 **CHAIRMAN FRANCIS:** Commissioner Campbell, yes? And the Chair votes

23 yes. It's four to one. And just -- Mr. Young, we're waiting. Bring us a project that

1 we get three votes on, we'd like to work with you. Okay.

2 **VICE CHAIRMAN SKRMETTA:** Just out of curiosity, how'd y'all get -- how

3 did Shell get the sleeve project? They brought it to us; didn't they?

4 **MR. YOUNG:** No, Commissioner. So the proposal that was before you last year

5 was -- that was not LEUG's proposal. It was not Shell's proposal. That was a

6 proposal that the Staff developed but --

7 **VICE CHAIRMAN SKRMETTA:** Co-op -- that the Staff developed?

8 **MR. YOUNG:** Yeah.

9 **VICE CHAIRMAN SKRMETTA:** I can't remember the origins of the project.

10 **MR. YOUNG:** Yeah. So Shell had an interest and spoke to you, but it was about

11 the LEUG proposal.

12 **VICE CHAIRMAN SKRMETTA:** They were not very -- it wasn't what it was.

13 **MR. YOUNG:** Which is -- is no longer on the table because the docket's closed.

14 **VICE CHAIRMAN SKRMETTA:** I got it.

15 **CHAIRMAN FRANCIS:** All right. All you guys wake up out there. Okay. It's

16 Exhibit Number 6.

17 **MS. BOWMAN:** Yes, sir. Exhibit Number 6 is Docket Number S-37562. This

18 is Jefferson Davis Electric Cooperative's request for approval of a tariff

19 modifications -- approval for a tariff modifications related to transition to a new

20 power supplier. It's a discussion and possible vote on a Staff report and

21 recommendation. On April 7, 2025, JDEC filed its application, which was

22 published in the Commission's Official Bulletin with no interventions filed. In the

23 application, JDEC detailed its transition from its current power supply agreement

1 with Louisiana Generating to full requirements PSA with NextEra Energy which
2 took place on April 1 of this year. Because of this change, and in order to provide
3 accurate monthly bills to its members, JDEC is requesting to eliminate its fuel cost
4 adjustment and edit the power cost adjustment to reflect the changes in this new
5 PSA contract. On May 7, 2025, Staff filed its Staff report and recommendation into
6 the record, which supported a review JDEC's application and documentation. The
7 recommendation was that the application met the regulatory requirements set forth
8 in the General Order dated July 1, 2019, and agreed with JDEC that the requested
9 tariff changes should be revenue neutral except for the customer agreed upon rate
10 for the BBP-1 tariffed rate. Staff also found that the tariff changes are in the public
11 interest and met the regulatory requirements prescribed by the Commission. Staff
12 recommends that the Commission accept the report and recommendation filed into
13 the record on May 7, 2025.

14 **CHAIRMAN FRANCIS:** All right. Chairman would move that we accept Staff
15 recommendation. Hoping to get a second.

16 **COMMISSIONER LEWIS:** Second.

17 **CHAIRMAN FRANCIS:** Seconded by Commissioner Lewis. Is there any
18 discussion or opposition to this? [NONE HEARD] Hearing none, it's in the books.

19 **MS. BOWMAN:** Exhibit Number 7 is Docket Number U-37425. This is
20 Entergy's application of Entergy Louisiana's approval for generation and
21 transmission resources in connection with service to a single customer for a project
22 in north Louisiana. It's a discussion and possible vote on a motion for immediate
23 review of interlocutory ruling pursuant to Rule 57, so this will also need two votes.

1 In this certification proceeding, Entergy is seeking Commission approval of three
2 combined cycle combustion turbine generators as well as some additional
3 transmission lines and new baseload. The application was published in the
4 Commission's Official Bulletin with 10 parties intervening and 7 having interested
5 party status. On March 5 of this year, the non-profit intervenors filed a peremptory
6 exception of nonjoinder urging the Commission to find Laidley and Meta necessary
7 parties for the just adjudication of the proceeding and to dismiss the proceeding if
8 those parties did not intervene. Southern Renewable Energy Association filed a
9 memorandum in support of the exception, and Entergy and Commission Staff filed
10 memorandums in opposition. The NPOs filed a reply. An oral argument was held.
11 On April 14, 2025 -- excuse me, on April 4, the ALJ issued a interlocutory ruling
12 denying the exception, and on April 14, 2025, the NPOs filed a motion for
13 immediate review pursuant to Rule 57 of the Commission's Rules of Practice and
14 Procedure, arguing among other things that the NPOs will suffer irreparable harm
15 if the Commission does not immediately review the interlocutory ruling. On April
16 24, 2025, Entergy and Staff filed memorandums in oppositions to the NPOs'
17 motion. Saying that they fell short of demonstrating that Laidley and Meta were
18 absolutely necessary to the proceeding, that the NPOs failed to pursue less drastic
19 remedies than joinder, and that the NPOs cannot establish irreparable harm. In
20 Staff's memorandum and opposition, it also argued that the NPOs cannot show
21 irreparable harm and that the ALJ reasonably relied on well-established federal
22 jurisprudence. The ALJ referred this matter to the Commission. As this is a referral
23 of the ALJ interlocutory ruling, in order for the Commission to consider this matter,

1 the Commission must first vote to take the matter up under Rule 57. And then
2 thereafter, the Commission may hear from the parties who filed the motion in
3 opposition thereto and ask any questions they have before voting on the NPOs'
4 motion.

5 **VICE CHAIRMAN SKRMETTA:** Move to bring the matter up under Rule 57.

6 **CHAIRMAN FRANCIS:** And I would add a suggestion.

7 **VICE CHAIRMAN SKRMETTA:** Need a second.

8 **COMMISSIONER COUSSAN:** I'll second.

9 **MS. BOWMAN:** I'm sorry. A second by?

10 **VICE CHAIRMAN SKRMETTA:** Second by Commissioner Coussan.

11 **COMMISSIONER COUSSAN:** Coussan.

12 **MS. BOWMAN:** Coussan, thank you.

13 **VICE CHAIRMAN SKRMETTA:** Any opposition? Okay. Go ahead.

14 **MS. BOWMAN:** We do have one yellow card, I lost it, from Ms. Susan Miller
15 from the Alliance for Affordable Energy.

16 **CHAIRMAN FRANCIS:** I'd like to make a substitute motion.

17 **MS. BOWMAN:** We don't have a motion on the floor. We just took it up under
18 Rule 57.

19 **VICE CHAIRMAN SKRMETTA:** So you have to put a motion.

20 **MS. BOWMAN:** Yes, sir.

21 **CHAIRMAN FRANCIS:** [CROSSTALK] make a motion that we deny Rule 57.

22 **MS. BOWMAN:** Okay.

23 **CHAIRMAN FRANCIS:** Is that possible to do that?

1 **VICE CHAIRMAN SKRMETTA:** I can withdraw my motion.

2 **COMMISSIONER COUSSAN:** You never asked if there was any objection, so.

3 **VICE CHAIRMAN SKRMETTA:** Okay.

4 **COMMISSIONER COUSSAN:** No, you're okay. So just want to withdraw it?

5 **VICE CHAIRMAN SKRMETTA:** Yeah. I'll just withdraw my motion to bring

6 it up under Rule 57. I didn't realize that.

7 **CHAIRMAN FRANCIS:** Well, I -- you have a written statement from me there

8 don't you about why I'm asking for that?

9 **MS. BOWMAN:** Yes, sir.

10 **CHAIRMAN FRANCIS:** Would you read it for me?

11 **MS. BOWMAN:** Yes, sir. As the NPOs have not met the burden of Rule 57 by

12 proving irreparable injury as defined in Louisiana jurisprudence, I move that the

13 Commission decline to take this matter up under Rule 57.

14 **CHAIRMAN FRANCIS:** Okay. So that's the original motion. Now, who

15 seconded it? Did someone --

16 **VICE CHAIRMAN SKRMETTA:** I brought it up and he seconded it. But I

17 withdrew it.

18 **CHAIRMAN FRANCIS:** All right. Can I have a second then? Someone on my

19 --

20 **VICE CHAIRMAN SKRMETTA:** Second.

21 **CHAIRMAN FRANCIS:** Okay. Is there any discussion or opposition to that?

22 **COMMISSIONER LEWIS:** Mr. Chairman, I have some discussion.

23 **CHAIRMAN FRANCIS:** Okay. Go ahead.

1 **COMMISSIONER LEWIS:** Thank you. And I guess some comments for Staff
2 so I can understand. I've been following along on this. And so, Staff, the ALJ's
3 decision was on the underlying motion; is that -- that's correct, right? And Staff's
4 recommendation was on Rule 57.

5 **MS. EVANS:** So I just want to make one thing clear because there is a little bit of
6 a nuance here, so your briefing sheet came from the Administrative Law Judge who
7 did not take a position. She didn't have a recommendation for the vote. Staff does
8 have a recommendation. So it was Staff's recommendation -- I mean, Staff does
9 not believe that the NPOs proved irreparable injury for them to be heard under Rule
10 57. But if the Commission should choose to take it up under Rule 57, Staff supports
11 denying the motion for review of interlocutory ruling to affirm the ALJ's decision
12 that -- on the NPOs' request for nonjoinder.

13 **CHAIRMAN FRANCIS:** So, Commissioner Lewis, that's what I'm just going
14 along with what -- with our Staff and since it's a -- I'm not a lawyer and it's legaled
15 up pretty big.

16 **COMMISSIONER LEWIS:** Yes, sir.

17 **CHAIRMAN FRANCIS:** I'm just going along with it, so that we won't -- we will
18 not do a 57. But I appreciate --

19 **COMMISSIONER LEWIS:** Yes, sir. Thank you.

20 **CHAIRMAN FRANCIS:** I respect your position.

21 **COMMISSIONER LEWIS:** Oh, yes, sir. No, mine is just understanding. And,
22 Lauren, another question. I know reading the petition, there was questions about
23 the Commission's subpoena power. Can you explain what --

1 **MS. EVANS:** Sure. So the rules of practice and procedure give authority -- that
2 has delegated authority to the Administrative Law Judges and, you know, it's Rule
3 55. And it states that the ALJ may issue subpoenas for the attendance of witnesses
4 at depositions and hearings and they may issue subpoenas for the production of
5 documents and other evidence at depositions and hearings. Nothing in the rules
6 state whether or not that has to be a party, so we believe that there is an opportunity
7 for the NPOs to request discovery under that rule and then obviously it would be
8 up to the ALJ to make a decision on that, but until a decision is made on whether
9 they can or can't, they have that opportunity.

10 **COMMISSIONER LEWIS:** Okay. So just for my clarity, from a legal
11 perspective, it was that there wasn't enough effort to conduct discovery or subpoena
12 which would not qualify it for Rule 57 your analysis?

13 **MS. EVANS:** So under the Judge's analysis.

14 **COMMISSIONER LEWIS:** Under the Judge's analysis.

15 **MS. EVANS:** So under the Judge's analysis, she said that -- and I'm paraphrasing
16 a ruling here, that they did not basically exhaust all of their opportunities for remedy
17 and that the issues that they presented would be decided in the merits of the case
18 itself and so that's why she did not grant the exception. I also have -- if you've got
19 more detailed questions, I do have outside counsel who could probably say this
20 better than myself.

21 **COMMISSIONER LEWIS:** No. I think that suffices for me. Of course, this is
22 a complex proceeding and, Mr. Chairman, I'm also not a lawyer either, so I was
23 just trying to get some clarity from Staff.

1 **CHAIRMAN FRANCIS:** Okay. Well [CROSSTALK] more advice on this, if I
2 withdraw my motion to -- not to take it up under 57, and we just kind of let it pass,
3 it's what is going to happen. Does anybody want to take it up under 57 then?
4 [NONE HEARD] I hope the answer will be no. And so we'll move on. All right.
5 Right? Is that right?

6 **MS. BOWMAN:** Yes, sir.

7 **COMMISSIONER LEWIS:** Mr. Chairman, if I may just really quickly, briefly,
8 I agreed with the legal reasonings of our Staff. But I do want to -- and Mr. Hand
9 and I had a conversation, and I know the NPOs and I have had a conversation, and
10 I've also had a conversation with Meta about finding a remedy to ensure that all
11 parties get the details that they need. And so I want to commit to all three of you
12 today that I will continue working on a viable path because I do believe it is
13 important that we get some of the information from Meta and the underlying LLC
14 to make a thorough and just determination of this application. And so while this
15 legal proceeding -- this legal -- didn't make it to the muster, I don't believe that the
16 question that the NPOs have posed to the Commission is fully addressed yet. And
17 I want to appreciate and thank Mr. Hand for talking with me over this and working.
18 And hopefully we can find some type of way to ensure that the questions that the
19 NPOs have can be answered in a timely manner before the trial so we can
20 appropriately litigate this case.

21 **CHAIRMAN FRANCIS:** The Chair is also here to help. Exhibit Number 8.

22 **MS. BOWMAN:** To clarify, the motion to deny Rule 57 was withdrawn. So
23 there's no motion on the floor. So we're moving on to Exhibit Number 8?

1 **CHAIRMAN FRANCIS:** Yes. Yeah.

2 **VICE CHAIRMAN SKRMETTA:** Correct.

3 **MS. BOWMAN:** Thank you. Exhibit Number 8 is Docket Number U-37441.

4 This is 1803 Electric Cooperative's petition for qualification of their cooperative

5 facilities as transmission facilities and approval of transfer of functional control of

6 the transmission facilities to MISO. It's a discussion and possible vote on an

7 uncontested stipulated settlement. On November 19, 2024, 1803 filed its petition,

8 requesting that the Commission find that certain proposed facilities be determined

9 to be transmission facilities in accordance with the seven-factor test set forth in

10 FERC Order Number 888, and accordingly, that 1803 be considered an owner of

11 transmission. 1803 also sought a finding that 1803 be eligible to transfer functional

12 control of the facilities to MISO with the proposed transfer being found in the

13 public interest. Proceeding was published in the Commission's Official Bulletin

14 with Entergy intervening and MISO requesting interested party status. After the

15 filing of testimony, all parties filed a joint motion to suspend the procedural

16 schedule and schedule a hearing on a uncontested stipulated settlement which was

17 -- included the stipulated settlement agreement indicating that the proposed

18 facilities could be transmission facilities in accordance with the seven-factor test

19 set forth in FERC Order Number 888 and that 1803 should be considered an owner

20 of -- proposed transfer on control is in the public interest subject to certain

21 conditions. Staff recommends that the Commission accept the uncontested

22 stipulated settlement filed into the record on April 28, 2025.

23 **CHAIRMAN FRANCIS:** Motion to accept Staff -- Number 8.

1 **COMMISSIONER LEWIS:** I'll second.

2 **CHAIRMAN FRANCIS:** Seconded by Commissioner Lewis.

3 **COMMISSIONER CAMPBELL:** I got a question.

4 **CHAIRMAN FRANCIS:** You got a question. Okay. Commissioner Campbell.

5 **COMMISSIONER CAMPBELL:** 1803, there's five co-ops involved; is that

6 right?

7 **CHAIRMAN FRANCIS:** Yes.

8 **MS. BOWMAN:** Yes, sir.

9 **COMMISSIONER CAMPBELL:** Are all five of them under MISO? I know

10 they want to go under MISO, but are they now? Are some of them --

11 **CHAIRMAN FRANCIS:** I think they would all be under the MISO grid.

12 **COMMISSIONER CAMPBELL:** Are they now?

13 **VICE CHAIRMAN SKRMETTA:** The transmission, their assets. Yeah.

14 **CHAIRMAN FRANCIS:** I think so. Yeah.

15 **VICE CHAIRMAN SKRMETTA:** Their turning their transmission assets to the

16 management of MISO, yes.

17 **COMMISSIONER CAMPBELL:** Okay.

18 **MS. BOWMAN:** So we have a motion by the Chair, and second by Commissioner

19 Lewis?

20 **CHAIRMAN FRANCIS:** Okay. Is there any other discussion or opposition?

21 [NONE HEARD] Hearing none, Number 8 is in the books.

22 **MS. BOWMAN:** So under Exhibit Number 9, we have already addressed the

23 report and so we'll move onto ratifications. The first is a discussion and possible

1 vote to ratify votes taken by the Vice Chair acting as the Commission's
2 representative on the Board of Directors of the Organization of MISO States. And
3 it is ratification of votes taken on April 7 and May 2, 2025, by Vice Chairman
4 Skrmetta. OMS filed an answer in FERC Docket Number ER22-2363 which
5 expressed concerns that the extension request was too broad and requested action
6 on top of congested flow gates. OMS also filed comments and -- could I have quiet
7 in the audience, please? Thank you. OMS also filed comments in FERC Docket
8 Number ER25-1802 and ER-251886 as well as -- both of those dockets, ER25-1802
9 and ER25-1886. On the recommendation of Staff, Vice Chairman Skrmetta voted
10 in favor of the OMS answer and these comments. Staff recommends that the
11 Commission ratify Vice Chairman Skrmetta's vote taken on April 17 and May 2,
12 2025, as the Commission representative of the Board of Directors of MISO States.

13 **VICE CHAIRMAN SKRMETTA:** Skrmetta abstains.

14 **MS. BOWMAN:** Thank you.

15 **COMMISSIONER LEWIS:** Motion to ratify.

16 **CHAIRMAN FRANCIS:** And I'll second that. Is there any opposition? [NONE
17 HEARD] We're in full support of your votes, Commissioner Skrmetta.

18 **VICE CHAIRMAN SKRMETTA:** Thank you.

19 **MS. BOWMAN:** The next is discussion and possible vote to ratify interventions
20 of the Commission. And pursuant to the scope of work approved with the retention
21 of Stone Pigman and UPC from MISO, SPP, and ERSC participation due to those
22 short deadlines, if advanced Commission approval is not necessary, the Executive
23 Secretary on the recommendation may authorize the initial interventions,

1 comments, or protests subject to ratification at a following B&E. Interventions
2 were filed on the Commission's behalf in FERC proceedings in ER25-1825 and
3 ER25-1886. Staff recommends that the Commission ratify these actions taken.

4 **VICE CHAIRMAN SKRMETTA:** Move to ratify the interventions.

5 **COMMISSIONER LEWIS:** Second.

6 **CHAIRMAN FRANCIS:** This is for the SPP?

7 **MS. BOWMAN:** No, sir. This is for the FERC interventions.

8 **VICE CHAIRMAN SKRMETTA:** The FERC.

9 **CHAIRMAN FRANCIS:** Okay. I'm sorry.

10 **VICE CHAIRMAN SKRMETTA:** Exhibit Number 9. The second ratification.

11 **CHAIRMAN FRANCIS:** Okay. And is there any opposition? [NONE HEARD]
12 Hearing none, it's ratified.

13 **MS. BOWMAN:** And then there is one more ratification. It's a discussion and
14 possible vote to ratify votes cast by the Chair, acting as the Commission's
15 representative on the Regional State Committee of the Southwest Power Pool. It is
16 to ratify votes taken on May 5, 2025. There are several on this one, so I'll try to be
17 brief. The first voting item expands the existing delivery point rule which was
18 previously limited to wind resources, now to all resource types. The second
19 approves a tariff revision to combine SPP's pricing zones to create five larger
20 zones. The third voting item adopted the tariff revisions to implement a cost
21 allocation method for provisional load. The fourth item adopted consolidated
22 planning process combining multiple transmission planning processes. The fifth
23 implements the previously approved planning reserve margin increase of 38% for

1 winter and 17% for the summer for the year of 2029. The sixth voting item outlines
2 the need for expedited interconnection of additional accredited generation capacity.
3 The seventh voting item implements the ERAS study process into the SPP tariff
4 establishing a one-time generator interconnection. Chair Francis voted in favor of
5 several of these. He abstained from the consolidated planning process combining
6 the multiple transmission and he voted against the tariff revision to combine the
7 SPP price zones to create five larger zones. He also voted against expanding the
8 existing the delivery point rule. And so --

9 **CHAIRMAN FRANCIS:** Move -- Francis abstains.

10 **VICE CHAIRMAN SKRMETTA:** Move to ratify the votes taken by
11 Commissioner Francis as explained by Staff Counsel.

12 **MS. BOWMAN:** Thank you.

13 **COMMISSIONER LEWIS:** Second.

14 **CHAIRMAN FRANCIS:** Any disagreements? [NONE HEARD] Hearing none,
15 it's approved.

16 **VICE CHAIRMAN SKRMETTA:** And move to adjourn.

17 **CHAIRMAN FRANCIS:** Move to adjourn.

18 **VICE CHAIRMAN SKRMETTA:** Do we have any directives?

19 **MS. BOWMAN:** No, sir.

20 **VICE CHAIRMAN SKRMETTA:** Okay. All right. Move to adjourn.

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

22


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


24

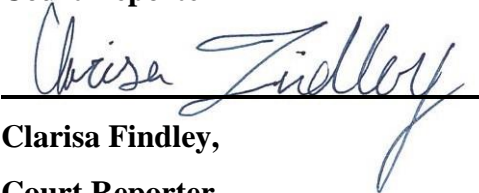
1 I certify that the foregoing pages 1 through 150 are true and correct to the best
2 of my knowledge of the Open Session of the Business and Executive Meeting
3 held on May 19, 2025 in Lafayette, Louisiana.

4 *****

5 Rough Draft prepared by:

6  June 2, 2025
7 Alicia Carter-Thomas Date
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9  June 2, 2025
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12  June 2, 2025
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21  June 5, 2025
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