



STATE OF ALABAMA
ALABAMA PUBLIC SERVICE COMMISSION
P.O. BOX 304260
MONTGOMERY, ALABAMA 36130-4260

TWINKLE ANDRESS CAVANAUGH, PRESIDENT

JOHN A. GARNER, EXECUTIVE DIRECTOR

JEREMY H. ODEN, ASSOCIATE COMMISSIONER

CHRIS "CHIP" BEEKER, JR., ASSOCIATE COMMISSIONER

MEMORANDUM

DATE: September 27, 2022

TO: Commissioner Twinkle Andress Cavanaugh
Commissioner Jeremy H. Oden
Commissioner Chris "Chip" Beeker, Jr.

FROM: Jeff Johnston, Director *JGJ*
Utility Services Division

SUBJECT: Agenda for October 4, 2022 Commission Meeting.

The following items will be presented to the Commission during the regular October 4, 2022 Commission Meeting.

CONSUMER SERVICES REPORT

CONSUMER SERVICES ELECTRIC & GAS INQUIRIES

September

8/25/2022 - 9/24/2022

Company	Service Category	Total Inquiries	Service Outage Interruption	Service Quality	Service Connection	Service Disconnected	Billing Issues	Payment Issues	Request Info Only
Alabama Power	Residential	14		4	1	2	2	1	4
	Business	2			1				1
Spire Alabama	Residential								
	Business								
Spire Gulf	Residential	1				1			
	Business								
TOTAL	Residential	15		4	1	3	2	1	4
	Business	2			1				1

BASIC SERVICE ONLY

Company	Service Category	Total Inquiries	Service Outage	Service Quality	Service Connection	Service Disconnection	Billing Issues	Payment Issues	Lifeline	Request Info Only
ILEC	Residential	1		1						
	Business									
CLEC	Residential									
	Business									
TOLL	Residential									
	Business									
OTHER	Residential									
	Business									
Total Under PSC Complaint Jurisdiction		1		1						

OTHER RETAIL SERVICES/ISSUES

Service Category	Total Inquiries	Toll Service	Internet Service	Slamming Cramming	Wireless Issues	Number Porting Issues	Video CATV	Inmate Calling Service	Request Info Only
Residential	7		4		1		2		
Business	1				1				
Total	8		4		2		2		
Not Under PSC Jurisdiction	8		4		2		2		
Under PSC Jurisdiction									

Other Retail Services/Issues Under PSC Jurisdiction (Above)	0
Basic Service Inquiries Under PSC Jurisdiction (Previous Page)	1
Total Telecom Inquiries Under PSC Jurisdiction (Non-referrals)	1
Inquiries Not Subject to PSC Jurisdiction	8

Referred Inquiries (Waived Complaint Jurisdiction)	
Residential	8
Business	0
TOTAL	8

TOTAL TELECOM INQUIRIES			
Under PSC Complaint Jurisdiction	Waived Complaint Jurisdiction (Referrals)	Received But Not Under PSC Jurisdiction	Total Received
1	8	8	17

Gas Agenda

NATURAL GAS

Docket 18046 and SPIRE ALABAMA INC. -- Division Report on Rate RSE as of August 31,
18328 2022

Based on preliminary figures as of August 31, 2022, the projected RSE return on average common equity for the rate year ending September 30, 2022, was 9.53 percent. The authorized return on average common equity is 10.15 to 10.65 percent.

Docket 28101 SPIRE GULF INC. -- Division Report on Rate RSE as of August 31, 2022

Based on preliminary figures as of August 31, 2022, the projected RSE return on average common equity for the rate year ending September 30, 2022, was 8.75 percent. The authorized return on average common equity is 9.70 to 10.30 percent.

Telecommunication Agenda

CANCELLATION/WITHDRAWAL (S)

Docket 29688 **NETWORK SERVICE BILLING, INC.** -- Cancels Certificate of Public Convenience and Necessity and withdraws Tariffs. Certificate granted under this docket on August 5, 2005 for the provision of Interexchange and InterLATA Toll Resale Service, with limited IntraLATA Toll Authority Telecommunications Services. By notice received September 7, 2022, the Company stated it was no longer providing any telecommunications services to consumers in the State of Alabama; therefore, no customers would be directly affected by the cancellation.

Recommend Approval.



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MEMORANDUM

DATE: September 27, 2022

TO: President Twinkle Andress Cavanaugh
Commissioner Jeremy H. Oden
Commissioner Chris "Chip" Beeker, Jr.

FROM: Wallace R. Jones, Director *WRJ*
Gas Pipeline Safety Division

SUBJECT: Agenda for October 4, 2022, Commission Meeting

This memorandum reflects activities of the Gas Pipeline Safety (GPS) Division that will be presented at the October 4, 2022, Commission Meeting.

- GPS performed the following inspections during the month of August 2022:

Standard Inspection	Construction	IMP/DIMP	Operator Qualification	Incident	Damage Prevention	Section 114	Control Room	Follow-Up	Total Inspections
12	4	1	7			9		2	35

From the thirty-five (35) inspections shown above, four (4) enforcement letters of notification were issued, noting four (4) non-compliance issues. There were no non-compliance items corrected during the month of August.

Incidents/Accidents

No incidents were reported during the month of August.

Training

Five (5) operator/contractor training sessions on Polyethylene (PE) plastic fusion and fire training were conducted during the month of August:

- | | |
|---|------------------------|
| ➤ 8/10/2022 – Dadeville Utilities (PE) | 17 Personnel Qualified |
| ➤ 8/16/2022 – Leak City (Athens) (PE) | 21 Personnel Qualified |
| ➤ 8/24/2022 – Riviera Utilities (PE) | 49 Personnel Qualified |
| ➤ 8/30/2022 – Leak City (Athens) (PE) | 25 Personnel Qualified |
| ➤ 8/30/2022 – Leak City (Athens) (Fire) | 25 Personnel Qualified |

Miscellaneous

Mr. Chad Mason, Legal Division, and Judge John A. Garner, Executive Director, met with Mr. Wallace Jones, Gas Pipeline Safety Division Director on August 17, 2022 to review the duties of the Administrator of the Alabama Underground Damage Prevention Authority (ALUDPA). Mr. Mason will begin working as Administrator of the ALUDPA until a new Director is hired to replace Mr. Jones.

The GPS Division participated in the Commission's *Inventory Audit* on August 19, 2022. No discrepancies were found during the audit.

The GPS Staff participated in, and assisted with, the Alabama Natural Gas Association's (ANGA) Fall Conference on August 29 – September 1, 2022. This conference involves many different training classes for operations personnel and also presents an informal situation for the GPS staff to discuss current issues with the operators.



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JOHN A. GARNER, EXECUTIVE DIRECTOR

MEMORANDUM

DATE: September 27, 2022

TO: President Twinkle Andress Cavanaugh
Commissioner Jeremy H. Oden
Commissioner Chris "Chip" Beeker, Jr.

FROM: G. Scott Morris, Director *GSM*
Utility Enforcement Division

SUBJECT: Agenda for the October 4, 2022, Commission Meeting

This memorandum reflects the Utility Enforcement Division's (UED) report describing the major tasks, inspections and activities accomplished by its staff during the month of August 2022.

RAILWAY SAFETY

The track inspection results below reflect activity by our Railway Safety (RWS) Staff in the field.

Rail Carriers Visited	Regular Track Inspections	Track Defects Identified	Violations Recommended	Track Miles Inspected	Track Turnouts Inspected
8	17	49	0	38	120

The table below reflects track safety observations made in which no non-compliant conditions were identified. Twenty-four roadway workers, bridge workers, and practices were observed.

Railroad Bridge Observations	Roadway Worker Protection	Roadway Maintenance Machines	Bridge Worker Safety
4	5	5	0

The data in the table shown below was collected from Motive Power & Equipment (MP&E) inspections that were performed on locomotives, freight cars, tank cars, and other railroad equipment.

Rail Carriers Visited	Regular Eqpt. Inspections	Defects Identified	Violations Recommended	Number of Units Inspected
6	15	171	0	870

The table below shows observations completed by the MP&E Inspector in which no non-compliant condition was identified.

Air Brake Tests	Blue Flag Protection	End of Train Devices
0	1	0

There were five incidents reported by the National Response Center (NRC) in August:

1. A 5-gallon sulfuric acid release was reported in Prattville on **International Paper**
2. A vehicle strike resulting in unknown injuries was reported in Birmingham on **NS**
3. An 18-wheeler strike resulting in no injuries was reported in Birmingham on **NS**
4. A trespasser strike resulting in a fatality was reported in Huntsville on **NS**
5. A small sulfuric acid (battery acid) release was reported in Birmingham on **NS**

RWS staff also responded to a complaint in Tuscaloosa concerning vegetation and dumping on railroad property. The complaint was investigated, and it was discovered the specific condition reported did not fall under our jurisdiction for regulatory enforcement. The complainant was informed of our findings and was advised to work with the city and the rail carrier directly in an attempt to find a resolution.

MOTOR CARRIER SERVICES

The Motor Carrier Services (MCS) staff accomplished the following matters regarding state authority to operate as a motor carrier in Alabama with proof of insurance coverage:

Vehicle Registration Numbers	Intrastate Applications		NOL Processed/ Closed Intra Applications	Under Legal Division Review	New Authority Approved	Motor Carrier Authority Inquiries		
	Processed	Returned				Phone	E-mails	Others
20	9	2	4	6	4	49	41	23

MCS staff members handled the tasks shown below regarding insurance coverage, prepared correspondence that challenged incorrect filings and addressed related inquiries:

Insurance Filings Received	Revocation Orders	Reinstatement Orders	Miscellaneous Actions	Letters Sent	Insurance Inquiries	
					Phone	E-mails
329	24	11	2	53	43	310

The Section addressed the following Unified Carrier Registration (UCR) responsibilities:

UCR Applications		UCR Mailouts for 2022	UCR Audit Correspondence	UCR Inquiries	
Received	Returned			Phone	E-mail
0	0	352	25	74	10

As of August 31, there were 10,541 Alabama carriers (81%) registered for 2022 UCR with 2,477 that remain unregistered. Our office received funds from the UCR Depository for July online payments processed through the National Registration System (NRS) that came from 280 carriers that were domiciled in Alabama and some that were in non-participating states. Alabama has now reached its cap for the 2022 UCR registration year. Going forward, all 2022 UCR payments will stay with the UCR Depository.

During August, the staff mailed one pending payment letter to a carrier that created a voucher several weeks prior where payment had not been received for the 2022 UCR registration year.

In August, \$873 was collected for retreat audits and \$1,926 was collected for Focused Anomaly Reviews (FARs) audits for the 2022 UCR registration year.

The staff also assisted motor carriers in making necessary changes to their operating status with the Federal Motor Carrier Safety Administration (FMCSA). There were six MCS-150 forms processed indicating that two motor carriers' USDOT numbers were deactivated and four forms contained updates to carriers' USDOT number data.

MCS staff attended the UCR Board Industry Advisory Subcommittee call, UCR Education & Training Subcommittee call, and the UCR Board call all held in August.

The staff received one For Non-Profit (FNP) quarterly report from an FNP carrier for the second quarter of 2022.

There were three annual reports for 2021 received during the month.

There was one household goods supplement tariff for **This Side Up Moving, Inc. (C3959)** accepted in August.

There was one passenger carrier hearing held in August for **Madison City Cab and Black Cars LLC** which was protested.

Staff completed two compliance audits for the following carriers:

- **GBPB, LLC d/b/a Black Tie Moving Services Huntsville, AL (C4111)** – The carrier was advised to rectify some issues with its tariff and get them corrected before the next audit.
- **American Safety Movers, Inc. (C4034)** – The carrier was advised to remit \$160.36 for incorrect charges to the shipper.

The Commission received the local assessment fee audit results from the third-party auditors hired by **Lyft, Inc.** and **Rasier, LLC (Uber)**. Both audits came back showing that the local assessment fees received by the Commission appear to be calculated and processed correctly.

FIELD SERVICES

The Field Services Section (FSS) Staff inspected three facilities of **Community Utilities of Alabama's** wastewater treatment plants: the Cottages at Eagle Point in Alexander City, Bolton Cove located in Equality, and the Cottages at Honeysuckle located in Eclectic. Each system was functioning as designed with no discrepancies noted during each inspection.

Two wastewater treatment plants managed by **Integrated Wastewater Management Inc.** were inspected. The James Hill facility provides wastewater treatment for 213 customers. At the time of this inspection, serious discrepancies were discovered allowing sewage to spill onto the ground. A clog in between two portions of the system had the system backed up. Also, a pump used to aerate the system, was down adding to the problem. The clog was addressed immediately and a pump was already on order. The system began operating normally after repairs were made. The second system inspected was Legacy Point located in Northport. While the system was operating normally, tall weeds and limbs from trees cluttered the area making it hard to inspect. A thirty-day suspension was issued, but the company had the area cleared within three days.

Staff inspected **Escambia Community Utilities LLC's** facilities which provide water to the 505 residents of the Canoe and Huxford communities. All visible aspects of their plant appeared in excellent working order with no discrepancies noted during this inspection.



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September 27, 2022

MEMORANDUM

**TO: President Twinkle Andress Cavanaugh
Commissioner Jeremy H. Oden
Commissioner Chris "Chip" Beeker, Jr.**

**FROM: John D. Free, Director *JDF*
Electricity Policy Division**

SUBJECT: Agenda – October 4, 2022 Commission Meeting

The Electricity Policy Division will present the following items at the October 4, 2022 Commission Meeting.

ELECTRICITY

ALABAMA POWER COMPANY

Dockets 18117 Division Report on Rate RSE and Rate ECR as of August 31, 2022
and
18416; The Electricity Policy Division performed the regular monthly examination
18148 of the books and records of Alabama Power Company. Included in the table
below are selected financial highlights concerning Rate RSE and Rate ECR.
In addition, the Division's computations and determination of the December
2022 Weighted Return on Average Retail Common Equity (WRRCE),
actualized through August 2022, can be found on page 2 of this report.

Rate RSE Forecast		Rate ECR Summary
12 Months Ending DECEMBER 31, 2022		Energy Cost Over/(Under) Recovered for AUGUST 2022
6.90% WRRCE		(\$88,894,706)

*The authorized Weighted Return on Average Retail Common
Equity Range is 5.75% - 6.15%.

ELECTRICITY POLICY DIVISION
Alabama Power Company
Weighted Return on Average Retail Common Equity Calculation
Forecast - 12 Months Ending December 31, 2022

Common Equity as of August 31, 2022		\$11,742,139,089
Add Budgeted Net Income:		
September through December 2022	\$367,366,465	
Add Budgeted Capital Contributions:		
September through December 2022	\$27,280,363	
Add Other Adjustments:		
September through December 2022	\$0	\$394,646,828
Deduct Budgeted Stock Dividends:		
September through December 2022	\$269,198,876	\$269,198,876
Projected Common Equity for December 31, 2022		\$11,867,587,040
<hr/>		
Projected Average Common Equity		
For the 12 Months Ending December 31, 2022		\$11,566,088,387
Projected Retail Investment Separation Factor		95.06%
Projected Average Retail Common Equity		
For the 12 Months Ending December 31, 2022		\$10,994,723,621
Projected Retail Net Income		
For the 12 Months Ending December 31, 2022		\$1,431,625,177
Projected Common Equity Percentage of Capital Structure		
For the 12 Months Ending December 31, 2022		53.02%
Projected Weighted Return on Average Retail Common Equity (WRRCE)		
For the 12 Months Ending December 31, 2022		6.90%

The Common Equity as of August 31, 2022 (Actual) was adjusted using net income, payment of Common Stock and Preferred Stock dividends, Capital Contributions, and Other Adjustments from the Company's 2022 budget. The average common equity is a 12-month average using actual and budgeted data. The average retail common equity (RCE) was calculated using the retail separation factor of 95.06%. The retail net income (RNI) for average common equity and the common equity percentage (CEP) were calculated by using actual data for the eight months ended August 31, 2022, and then adding four months of budget data for September through December 2022. The Other Adjustments, if any, are the result of the Company adopting FASB Statement 123 (R), which requires the reporting of stock option expenses

The Forecast is subject to change due to uncertainties associated with weather, customer usage patterns and economic conditions across the state.

ELECTRICITY POLICY DIVISION AGENDA

October 4, 2022 Commission Meeting

Page 3

Docket U-3170 Alabama Power Company is requesting to modify its Rules and Regulations for Electric Service to include a new Rule 1.15. The new rule would state the Company's longstanding policy regarding the customer's responsibility to keep tree branches and other vegetation from potentially interfering with the overhead service line that runs between a pole and the service connection at the customer's premises.

Recommendation: Approval

Docket 32382 Consistent with the requirements of the Certificate of Convenience and Necessity granted in Docket No. 32382, Alabama Power Company ("the Company") is proposing two fifteen-year Energy Purchase Agreements in connection with the Walker Springs I & II Solar Projects. The projects will be constructed, owned, operated, and maintained by Alabama Solar G, LLC and Alabama Solar H, LLC. Detailed project information was submitted to the Alabama Public Service Commission ("the Commission") Staff on September 1, 2022.

As part of its proposal, the Company is also requesting approval of two customer participation contracts (Renewable Subscription Program) between Alabama Power and Mercedes-Benz U.S. International, Inc. ("Mercedes"). Mercedes has subscribed to 100% of the environmental attributes related to Walker Springs I and 77.92% of Walker Springs II.

The Staff has reviewed the information provided by the Company, together with other information obtained throughout the review process, and has determined that the Walker Springs I & II Solar Projects meet the criteria specified in the Certificate granted in Docket No. 32382. The Staff likewise finds the customer participation contracts to be in furtherance of the objectives of Docket No. 32382.

If approved by the Commission, the Walker Springs I & II Solar Projects are expected to commence commercial operation on or before June 30, 2025.

Recommendation: Approval



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MEMORANDUM

DATE: September 28, 2022

TO: Commission President Twinkle Andress Cavanaugh
Commissioner Jeremy H. Oden
Commissioner Chris "Chip" Beeker, Jr.
Division Directors

FROM: Legal Division

SUBJECT: Agenda - October 4, 2022 Commission Meeting

The Legal Division will present the following at the October 4, 2022
Commission Meeting:

DOCKET C-20309 (Y) - Petition of Courier Express/Birmingham, Inc., of Birmingham, Alabama, for reinstatement of Motor Carrier Certificate F1053 which was revoked due to Petitioner's failure to maintain proper proof of liability and cargo insurance coverage.

Recommend: Grant/Reinstatement

DOCKET 33045 (Y) - Petition of Needham Farms, Incorporated, of Cullman, Alabama, to suspend operations under Motor Carrier Certificate F5218 for an additional period of one-year. Motor Carrier Certificate F5218 was suspended for a period of one year by Commission Order entered in this Docket dated September 15, 2021.

Recommend: Grant additional one-year suspension

DOCKET C-20410 (B) - Petition of David Eddy Trucking, LLC, of Moulton, Alabama, for approval of cargo self-insurance.

Recommend: Approval

DOCKET C-20356 (B) - Petition of David Eddy Trucking, LLC, of Moulton, Alabama, for reinstatement of Motor Carrier Certificate F3998 which was revoked due to Petitioner's failure to maintain proper proof of cargo insurance coverage.

Recommend: Grant/Reinstatement

DOCKET C-20340 (B) - Petition of Sullivan Contracting, Inc., of Northport, Alabama, for reinstatement of Motor Carrier Certificate F3912 which was revoked due to Petitioner's failure to maintain proper proof of liability and cargo insurance coverage.

Recommend: Grant/Reinstatement

DOCKET 33268 (M) - On July 25, 2022, Bradley R. Hightower ("Complainant") filed a formal complaint ("Complaint") against Alabama Power Company ("Alabama Power"). Complainant alleged Alabama Power violated the General Rules of the Alabama Public Service Commission. After discussions with counsel for Alabama Power, where counsel provided Complainant with additional information, Complainant has requested a voluntary dismissal of its Complaint.

Recommend: Dismissal of Complaint