



## 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: April 24, 2018

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

FROM: Darrell A. Baker, Director *DAB*  
Utility Services Division

SUBJECT: Agenda for May 1, 2018 Commission Meeting.

The following items will be presented to the Commission during the regular May 1, 2018 Commission Meeting.

# **CONSUMER SERVICES REPORT**

## CONSUMER SERVICES ELECTRIC & GAS INQUIRIES

April

Company	Service Category	Total Inquiries	Service Outage Interruption	Service Quality	Service Connection	Service Disconnected	Billing Issues	Payment Issues	Request Info Only
<b>Alabama Power</b>	Residential	<b>25</b>		1	2	1	11	6	4
	Business								
<b>Spire Alabama</b>	Residential	<b>19</b>		1		4	12	1	1
	Business								
<b>Spire Gulf</b>	Residential	<b>8</b>				2	6		
	Business								
<b>TOTAL</b>	Residential	<b>52</b>		2	2	7	29	7	5
	Business								

**BASIC SERVICE ONLY**

Company	Service Category	Total Inquiries	Service Outage	Service Quality	Service Connection	Service Disconnection	Billing Issues	Payment Issues	Lifeline Issue/Info	Request Info Only
ILEC	Residential									
	Business									
CLEC	Residential									
	Business									
TOLL	Residential									
	Business									
OTHER	Residential	1							1	
	Business	1								1
<b>Total Under PSC Complaint Jurisdiction</b>		<b>2</b>							<b>1</b>	<b>1</b>

**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	10		4	1	2	1	2		
Business									
Total	10		4	1	2	1	2		
Not Under PSC Jurisdiction	8		4		2		2		
Under PSC Jurisdiction	2			1		1			

Other Retail Services/Issues Under PSC Jurisdiction **(Above)** 2

Basic Service Inquiries Under PSC Jurisdiction **(Previous Page)** 2

Total Telecom Inquiries Under PSC Jurisdiction **(Non-referrals)** 4

<b>Referred Inquiries (Waived Complaint Jurisdiction)</b>	
Residential	12
Business	5
<b>TOTAL</b>	<b>17</b>

<b>TOTAL TELECOM INQUIRIES</b>			
Under PSC Complaint Jurisdiction	Waived Complaint Jurisdiction (Referrals)	Received But Not Under PSC Jurisdiction	Total Received
<b>4</b>	<b>17</b>	<b>8</b>	<b>29</b>

**Gas Agenda**

**NATURAL GAS**

Docket 18046 and SPIRE ALABAMA INC. -- Division Report on Rate RSE as of March 31,  
18328 2018

Based on preliminary figures as of March 31, 2018, the projected RSE return on average common equity for the rate year ending September 30, 2018, was 10.90 percent. The authorized return on average common equity is 10.50 to 10.95 percent.

Docket 28101 SPIRE GULF INC. -- Division Report on Rate RSE as of March 31, 2018

Based on preliminary figures as of March 31, 2018, the projected RSE return on average common equity for the rate year ending September 30, 2018, was 11.89 percent. The authorized return on average common equity is 10.45 to 10.95 percent.

**Water Agenda**

**WASTEWATER**

- Docket 31802      ARBOR UTILITY MANAGEMENT, LLC -- Application to renew Certificate of Financial Viability for Arbor Utility Management, LLC, an Alabama Wastewater Management Entity. Filed March 19, 2018.  
Recommend Approval.
- Docket 31803      INTEGRATED WASTEWATER MANAGEMENT, INC. -- Application to modify Certificate of Financial Viability No. 31803 by adding the Summit @ Smith Lake wastewater system located in Cullman County. Filed April 9, 2018.  
Recommend Approval.
- Docket 32553      COMMUNITY UTILITIES OF ALABAMA INC. -- Application to modify Certificate of Financial Viability No. 32553 by adding Kennebec Subdivision wastewater system located in Tallapoosa County. Filed February 26, 2018.  
Recommend Approval.

**Telecommunication Agenda**

**AMENDED INTERCONNECTION AGREEMENT (S)**

- Docket U-4148     BELLSOUTH TELECOMMUNICATIONS, LLC d/b/a AT&T ALABAMA or AT&T SOUTHEAST and US LEC OF ALABAMA, LLC d/b/a PAETEC BUSINESS SERVICES -- Approval of an Amendment to the Interconnection Agreement between BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and US LEC of Alabama, LLC pursuant to *Sections 251 and 252 of the Telecommunications Act of 1996*.  
Recommend Approval.
- Docket U-4547     BELLSOUTH TELECOMMUNICATIONS, LLC d/b/a AT&T ALABAMA or AT&T SOUTHEAST and IDT AMERICA, CORP. -- Approval of an Amendment to the Interconnection Agreement between BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and IDT America, Corp. pursuant to *Sections 251 and 252 of the Telecommunications Act of 1996*.  
Recommend Approval.
- Docket U-4571     BELLSOUTH TELECOMMUNICATIONS, LLC d/b/a AT&T ALABAMA or AT&T SOUTHEAST and WINDSTREAM NORLIGHT, LLC -- Approval of an Amendment to the Interconnection Agreement between BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and Windstream Norlight, LLC, f/k/a Windstream Norlight, Inc. pursuant to *Sections 251 and 252 of the Telecommunications Act of 1996*.  
Recommend Approval.
- Docket U-4647     BELLSOUTH TELECOMMUNICATIONS, LLC d/b/a AT&T ALABAMA or AT&T SOUTHEAST and WEST TELECOM SERVICES, LLC -- Approval of an Amendment to the Interconnection Agreement between BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and West Telecom Services, LLC f/k/a Hypercube Telecom, LLC pursuant to *Sections 251 and 252 of the Telecommunications Act of 1996*.  
Recommend Approval.



- Docket U-4738     BELLSOUTH TELECOMMUNICATIONS, LLC d/b/a AT&T ALABAMA or AT&T SOUTHEAST and YMAX COMMUNICATIONS CORP. -- Approval of an Amendment to the Interconnection Agreement between BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and YMax Communications Corp pursuant to *Sections 251 and 252 of the Telecommunications Act of 1996.*  
Recommend Approval.
- Docket U-4791     BELLSOUTH TELECOMMUNICATIONS, LLC d/b/a AT&T ALABAMA or AT&T SOUTHEAST and WINDSTREAM KDL, LLC -- Approval of an Amendment to the Interconnection Agreement between BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and Windstream KDL, LLC f/k/a Windstream KDL, Inc. pursuant to *Sections 251 and 252 of the Telecommunications Act of 1996.*  
  
Recommend Approval.
- Docket U-4818     BELLSOUTH TELECOMMUNICATIONS, LLC d/b/a AT&T ALABAMA or AT&T SOUTHEAST, and NETWORK TELEPHONE LLC d/b/a PAETEC BUSINESS SERVICES, and TALK AMERICA, LLC and THE OTHER PHONE COMPANY, LLC -- Approval of an Amendment to the Interconnection Agreement between BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and Network Telephone Corporation n/k/a Network Telephone, LLC, The Other Phone Company, Inc. n/k/a The Other Phone Company, LLC, and Talk America, Inc, n/k/a Talk America, LLC pursuant to *Sections 251 and 252 of the Telecommunications Act of 1996.*  
Recommend Approval.
- Docket U-4977     BELLSOUTH TELECOMMUNICATIONS, LLC d/b/a AT&T ALABAMA or AT&T SOUTHEAST and WINDSTREAM NUVOX, LLC -- Approval of an Amendment to the Interconnection Agreement between BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and Windstream NuVox, LLC pursuant to *Sections 251 and 252 of the Telecommunications Act of 1996.*  
Recommend Approval.

**CANCELLATION/WITHDRAWAL (S)**

- Docket 28724     NOBELTEL, LLC -- Cancels Certificate of Public Convenience and Necessity and withdraws Tariff. Certificate granted under this docket on December 4, 2002 to provide Telephone Toll Resale Service. Currently the Company is not providing any telecommunications services to consumers in the state of Alabama; therefore, no customers are directly affected by the cancellation.  
Recommend Approval.

**SUMMARY OF OTHER FILING (S)**

- D-7560     BUTLER TELEPHONE COMPANY -- Grandfathers Digital Transport Service, Integrated Service Digital Network - PRI and Dedicated DS1 Service to existing customers. These services will no longer be offered to new customers. Filed March 28, 2018, with a requested effective date of May 1, 2018.
- D-7561     OAKMAN TELEPHONE COMPANY -- Adds concurrence exceptions to the General Exchange Tariff to indicate that Digital Transport and Dedicated DS1 Services are not grandfathered and will be available to new customers. Currently the Company concurs with the service offerings provided by Butler Telephone Company which are scheduled to be grandfathered. Since Oakman has elected to continue providing these services, exceptions needed to be added to clarify that these options would still be readily available. Filed March 28, 2018, with a requested effective date of May 1, 2018.
- D-7562     PEOPLES TELEPHONE COMPANY d/b/a TDS TELECOM -- Adds concurrence exceptions to the General Exchange Tariff to indicate that Digital Transport and Dedicated DS1 Services are not grandfathered and will be available to new customers. Currently the Company concurs with the service offerings provided by Butler Telephone Company which are scheduled to be grandfathered. Since People has elected to continue providing these services, exceptions needed to be added to clarify that these options would still be readily available. Filed March 28, 2018, with a requested effective date of May 1, 2018.



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**MEMORANDUM**

**DATE:** April 24, 2018

**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 May 1, 2018 Commission Meeting

This memorandum reflects activities of the Gas Pipeline Safety (GPS) Division that will be presented at the May 1, 2018 Commission Meeting.

- GPS performed the following inspections during the month of March 2018:

Standard Inspection	Construction	IMP/DIMP	Operator Qualification	Incident	Damage Prevention	Follow-Up	TOTAL Inspections
11	16	4	5			15	51

- There were five enforcement letters of notification issued, noting 12 non-compliance items. There were 19 non-compliance items corrected during the month of February.
- One operator/contractor training session on Polyethylene (PE) plastic fusion and two classes on natural gas fire-fighting techniques were conducted during the month of March. Forty-nine (49) personnel were certified on PE fusion and thirty-three (33) were trained on natural gas fire-fighting.
- No Pipeline and Hazardous Materials Safety Administration (PHMSA)-reportable incidents were reported during the month of March. DeKalb-Cherokee Gas District reported a third-party damage from a contractor boring into a 3" HP steel main. This created an outage for approximately 80 customers and lasted 6 hours. The contractor was installing a telephone line.

- The Alabama Natural Gas Association (ANGA) held its Spring Engineering and Safety Conference at the Embassy Suites Hotel in Hoover on March 5 – 8. Mr. Wallace Jones, Director of Gas Pipeline Safety Division (GPS) made a presentation on current updates to the PHMSA and Alabama Public Service Commission regulations. The GPS staff attended, assisting the ANGA staff when needed.
- Governor Kay Ivey signed the 2018 “April is Safe Digging Month” Proclamation on Wednesday, March 21. Commission President Twinkle Andress Cavanaugh and several other Commission staff members, as well as Alabama 811 and the Alabama Damage Prevention Alliance (ADPA) participated in the proclamation signing ceremony.



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**M E M O R A N D U M**

**DATE:** April 25, 2018

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

**FROM:** Janice M. Hamilton, Director  
Utility Enforcement Division

**SUBJECT:** Agenda for the May 1, 2018 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 March 2018.

**RAILWAY SAFETY**

The track inspection results below reflect activity by our Railway Safety (RWS) Staff in the field including an ATIP (Automated Track Inspection Program) Geometry Car inspection.

Rail Carriers Visited	Regular Track Inspections	Track Defects Identified	Violations Recommended	Track Miles Inspected	Track Turnouts Inspected
5	12	76	8	187	85

The table below depicts track safety observations made in which no non-compliant conditions were found.

Railroad Bridge Observations	Roadway Worker Protection	Roadway Maintenance Machines	Bridge Worker Safety
0	6	3	0

There were three inspections of rail carrier track records performed during the month in which one non-compliant condition was identified and one violation was recommended to the Federal Railroad Administration (FRA) for further review out of 92 records that were inspected.

The data in the table 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 Inspections	Defects Identified	Violations Recommended	Number of Devices Inspected
4	10	85	0	658

The table below depicts safety observations completed by the MP&E Inspector.

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

There were no incidents reported in the month of March that required RWS response.

A follow-up inspection was performed on the CSX Boyles Terminal that revealed a non-compliant condition that was previously identified had not been repaired or protected as required by regulations. The carrier was cited for the non-compliance and a violation was recommended.

### **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
16	12	1	0	10	8	64	43	84

Two reports were received from For Non-Profit (FNP) carriers for the fourth quarter of 2017. Sixty-four reports were mailed to FNP carriers for the first quarter of 2018.

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
582	24	21	6	49	69	335

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

UCR Applications		UCR Mail outs for 2018	UCR Audit Correspondence	UCR Inquiries	
Processed	Returned			Phone	E-mail
145	17	0	87	220	44

The Unified Carrier Registration (UCR) Board discussed an issue involving Intermodal Equipment Providers (IEP) which is a fairly new category that carriers can choose when obtaining their USDOT numbers with the Federal Motor Carrier Safety Administration (FMCSA). An IEP is a carrier that hauls chassis and are required to obtain a USDOT only for safety enforcement and are not subject to the

UCR. The IEP category is often selected by mistake; therefore, removing carriers that are subject to pay annual UCR registration. As of February, there were 2,768 carriers registered as IEPs. The UCR Board is preparing a letter to send to affected carriers explaining their potential mistake.

There were 57 MCS-150 forms processed indicating that 19 motor carriers' USDOT number were deactivated and 38 forms contained updates to carriers' USDOT number data. This service, provided by the MCS Staff, has protected Alabama motor carriers from receiving unnecessary traffic tickets when leaving the state or prevented them from paying needless fees.

In March, a regular passenger tariff supplement [**Dothan Ambulance Service, Inc. (C4028)**] and one household goods tariff supplement [**Office Movers, Inc. d/b/a Movedaddy.com (C4029)**] were filed and accepted by our staff.

The staff attended three passenger carrier hearings that were held during the month of March for the following companies:

- (1) **M & M Mobility Incorporated d/b/a Caliber Patient Care** - Intervention in this case was brought by another competing carrier.
- (2) **Pelican Pete Party Rentals, L.L.C.**
- (3) **Al Transit, LLC** - Intervention in this case was brought by another competing carrier.

Regarding Transportation Network Companies (TNCs), members of the Motor Carrier Services section participated in a teleconference call with a sister state's regulatory staff and a Commission-sponsored workshop with companies desiring to do business in Alabama, competitors and other interested parties.

### **FIELD SERVICES**

The Field Services Section (FSS) staff reviewed Alabama Power Company's (APCo) Haleyville Business Office in March 2018. There were five major construction projects in progress that included upgrades to distribution feeders and substations in the Phil Campbell, Vina, Ashridge and Haleyville areas.

The staff also inspected APCo's Lewis Smith Hydroelectric Power Plant which was currently in the process of making several upgrades to the plant.

An inspection of the Bethune Lakes wastewater treatment plant, which is managed by Arbor Utility Management, LLC, was completed. As a result of a complaint, equipment was added to reduce the odor produced by materials used during plant operation. Otherwise, the system appeared to be functional and free from defects and leaks at the time of this inspection.



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**April 24, 2018**

**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 – May 1, 2018 Commission Meeting**

The Electricity Policy Division will present the following items at the May 1, 2018 Commission Meeting.

**ELECTRICITY**

**ALABAMA POWER COMPANY**

**Dockets** 18117 Division Report on Rate RSE and Rate ECR as of March 31, 2018  
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 determinations of the December  
2018 Weighted Retail Return on Average Common Equity (WRRCE),  
actualized through March 2018, can be found on page 4 of this report.

<b>Rate RSE Forecast</b>		<b>Rate ECR Summary</b>
<b>12 Months Ending DECEMBER 31, 2018</b>		<b>Recovery for MARCH 2018</b>
<b>6.14% WRRCE</b>		<b>\$14,296,387 Under-Recovered</b>

\*The authorized Weighted Retail Return on Average Common Equity  
Range is 5.75% - 6.21%.



ELECTRICITY POLICY DIVISION AGENDA

May 1, 2018 Commission Meeting

Page 2

**Docket 18148**

This item is an informational update concerning the Tax Cuts and Jobs Act of 2017. As you know, the 2017 tax act reduced the federal income tax rate from 35 percent to 21 percent, effective January 1, 2018. Because the act became effective after Alabama Power Company filed its annual calculations under Rate RSE (Rate Stabilization and Equalization), the Company will be applying an Income Tax Adjustment Percentage to customer billings, in accordance with Rate T (Tax Adjustment).

The calculated Income Tax Adjustment Percentage represents an approximate 9.0 percent, or \$257 million, reduction to customer billings. This adjustment will commence with July 2018 billings and terminate after December 2018 billings.

No Commission action is required for this item.

**Docket U-5266**

By letter dated April 17, 2018, Alabama Power Company is requesting authority from the Alabama Public Service Commission ("the Commission") to establish a regulatory liability for the flow back of excess federal deferred income taxes for the calendar year ending December 31, 2018. The excess deferred income taxes are a result of the Tax Cuts and Jobs Act of 2017 and are estimated to be between \$30-\$50 million.

The Company further seeks authority to create a regulatory asset in which to record up to \$30 million of the under-recovered balance that would otherwise be included in the calculation of Rate ECR (Energy Cost Recovery), thereby reducing the under-recovered balance in Rate ECR.

If the actual amount of excess federal deferred income taxes exceeds \$30 million, the Company will record the additional amount in the regulatory liability account pending Commission direction as to its disposition.

**Recommendation:** Approval

# ELECTRICITY POLICY DIVISION AGENDA

May 1, 2018 Commission Meeting

Page 3

**Dockets** 18117 By letter dated April 17, 2018, Alabama Power Company submitted several  
and proposed revisions to Rate RSE (Rate Stabilization and Equalization). The  
18416 purpose of these revisions is to enable the Company to take steps to mitigate  
the credit quality impacts resulting from the passage of the Tax Cuts and Jobs  
Act of 2017, while preserving rate stability for customers.

1. The proposed revisions to Rate RSE include:
  - i. Lowering the top of the weighted equity return range from 6.21 percent to 6.15 percent;
  - ii. Modifying the refund provision for prior year actual results by allowing a portion of future refunds to be used to increase the Company's equity component. There are restrictions in place for any cost year in which there is an upward adjustment under Rate RSE, along with a ceiling on the amounts the Company will be allowed to utilize for adjusting its capital structure; and
  - iii. Various ministerial revisions, both to the body of the rate and to its Appendices, which clarify existing provisions of the rate and specify additional accounts to be reflected in the determination of projected retail common equity.

These revisions are proposed to become effective June 1, for application to January 2019 billings and thereafter.

2. In conjunction with the described modifications to Rate RSE, the Company would commit to a moratorium on any upward adjustments under Rate RSE for calendar years 2019 and 2020; and
3. The Company would also credit to customers \$50 million in 2019.

**Recommendation:** Approval

**Docket** 18148 Alabama Public Service Commission vs. Alabama Power Company  
Investigation of Rate ECR (Energy Cost Recovery)

By Consent Order dated December 5, 2017, the Alabama Public Service Commission approved an interim energy cost recovery factor of 20.15 mills per kilowatt-hour (2.015 cents per kilowatt-hour) for January 2018 through December 2018.

**Recommendation:** Based on the current and projected status of Rate ECR, the staff recommends that the current interim energy cost recovery factor of 20.15 mills per kilowatt-hour be increased to 23.53 mills per kilowatt-hour (2.353 cents per kilowatt-hour) for the billing months of July 2018 through December 2018; and 59.10 mills per kilowatt-hour (5.910 cents per kilowatt-hour) for the billing months beginning January 2019, and thereafter, unless a further change is agreed to sooner as a result of monitoring of operations or until changed by Commission order pursuant to Rate ECR and applicable Rules and Regulations.

ELECTRICITY POLICY DIVISION  
**Alabama Power Company**  
**Weighted Retail Return on Average Common Equity Calculation**  
**Forecast - 12 Months Ending December 31, 2018**

Common Equity as of March 31, 2018		\$7,366,461,742
Add Budgeted Net Income:		
April through December 2018	\$689,969,000	
Add Budgeted Capital Contributions:		
April through December 2018	\$37,899,000	
Add Other Adjustments:		
April through December 2018	\$0	\$727,868,000
Deduct Budgeted Stock Dividends:		
April through December 2018	\$617,754,000	\$617,754,000
Projected Common Equity for December 31, 2018		\$7,476,575,742
<hr/>		
Projected Average Common Equity		
For the 12 Months Ending December 31, 2018		\$7,327,555,062
Projected Retail Investment Separation Factor		95.24%
Projected Average Retail Common Equity		
For the 12 Months Ending December 31, 2018		\$6,978,763,441
Projected Retail Net Income		
For the 12 Months Ending December 31, 2018		\$910,918,338
Projected Common Equity Percentage of Capital Structure		
For the 12 Months Ending December 31, 2018		47.05%
Projected Weighted Retail Return on Average Common Equity		
For the 12 Months Ending December 31, 2018		6.14%

The Common Equity as of March 31, 2018 (Actual) was adjusted using net income, payment of Common Stock and Preferred Stock dividends, Capital Contributions, and Other Adjustments from the Company's 2018 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 95.24%. The retail net income (RNI) for average common equity and the common equity percentage (CEP) were calculated by using actual data for the three months ended March 31, 2018, and then adding nine months of budget data for April through December 2018. The Other Adjustments added to projected common equity is 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.



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## MEMORANDUM

DATE: April 24, 2018

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

FROM: Legal Division

SUBJECT: Agenda - May 1, 2018 Commission Meeting

The Legal Division will present the following at the May 1, 2018 Commission Meeting:

**DOCKET 32707** (Y) - Motor carrier application of Tuscaloosa Non-Emergency Transport LLC, of Tuscaloosa, Alabama, for a Certificate to transport passengers and their baggage. A Report and Recommended Order ("RRO") was entered in this cause on March 26, 2018, which recommended a partial grant of authority including a restriction against the provision of non-emergency medical transportation. No exceptions to the RRO were filed within 20 days from the date of service.

**Recommend:** Entry of an order recognizing that the RRO entered in this cause became the order of the Commission by operation of law due to the fact that no Exceptions to the RRO were filed within the statutorily established timeframe of 20 days.

**DOCKET 32709** (B) - Motor carrier application of Riding With Care, LLC, of Bessemer, Alabama, for a Certificate to transport passengers in non-emergency transportation service. A Report and Recommended Order ("RRO") was entered in this cause on March 29, 2018, which recommended the application be denied. No exceptions to the RRO were filed within 20 days from the date of service.

**Recommend:** Entry of an order recognizing that the RRO entered in this cause became the order of the Commission by operation of law due to the fact that no Exceptions to the RRO were filed within the statutorily established timeframe of 20 days.

**DOCKET C-12711** (B) - Petition of Thomas Brady d/b/a Brady Transport, of McCalla, Alabama, for cancellation of cargo self-insurance authority.

**Recommend:** Grant cancellation of cargo self-insurance as requested

**DOCKET 31560** (B) - Petition of Cross Creek Transportation, Inc., of Calera, Alabama, for cancellation of Motor Carrier Certificate F4449.

**Recommend:** Grant cancellation as requested

**DOCKET 19721; 26679** (B) - Petition of A & A Transfer & Storage, Inc., of Fort Walton Beach, Florida, for cancellation of Motor Carrier Certificates 2558 (Docket 19721) and F1540 (Docket 26679).

**Recommend:** Grant cancellation as requested

**DOCKET C-19061** (M) - Petition of David Eddy Trucking, LLC, of Mt. Hope, Alabama, for reinstatement of Motor Carrier Certificate F3998 which was revoked due to Petitioner's failure to maintain proper proof of liability insurance coverage.

**Recommend:** Grant/Reinstatement

**DOCKET C-19068; 31995** (M) - Petition of Panther Trucking LLC, of Russellville, Alabama, to suspend operations under Motor Carrier Certificate F4680 (Docket 31995) for a period of one year. Motor Carrier Certificate F4680 was revoked by Commission Order dated March 6, 2018, due to Petitioner's failure to maintain proper proof of liability and cargo insurance coverage (Informal Docket C-19068).

**Recommend:** Reinstatement of Motor Carrier Certificate F4680 (Informal Docket C-19068) for the sole purpose of suspending Certificate F4680 in good standing (Docket 31995). Grant one-year suspension.

**DOCKET 25161; C-19064** (M) - Petition of Raymon H. Bodiford d/b/a Executive Couriers of Montgomery, Alabama, for cancellation of Motor Carrier Certificate F746 (Docket 25161). Motor Carrier Certificate F746 was revoked by Commission Order dated March 6, 2018, due to Petitioner's failure to maintain proper proof of liability insurance coverage (Informal Docket C-19064).

**Recommend:** Reinstatement of Motor Carrier Certificate F746 (Informal Docket C-19064) for the sole purpose of cancelling Motor Carrier Certificate F746 in good standing. Grant cancelation as requested (Docket 25161).

**DOCKET 32713** (M) - Motor Carrier Certificate F287 and P387 was transferred to Oglesby Trucking LLC, of Munford, Alabama, by Commission Order dated January 3, 2018. Said Order required Oglesby Trucking LLC to file proof of cargo and liability insurance coverage and obtain registration numbers and properly identify its vehicles within 90 days.

**Recommend:** Grant additional 60 days to allow applicant to make the required filings

**DOCKET 31691** (M) - Petition of BLG Logistics, Inc., of Vance, Alabama, to recommence operations under Motor Carrier Certificate F4518. Motor Carrier Certificate F4518 was suspended at the request of BLG Logistics, Inc. for a period of one year by Commission Order dated March 2, 2017.

**Recommend:** Grant request to recommence operations under Motor Carrier Certificate F4518



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

TWINKLE ANDRESS CAVANAUGH, PRESIDENT

JOHN A. GARNER, EXECUTIVE DIRECTOR

JEREMY H. ODEN, ASSOCIATE COMMISSIONER

CHRIS "CHIP" BEEKER, JR., ASSOCIATE COMMISSIONER

**MEMORANDUM**

**DATE:** April 26, 2018

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

**FROM:** Legal Division

**SUBJECT:** Off Agenda Item – May 1, 2018 Commission Meeting

In addition to the items listed on our previous agenda, the Legal Division will present the following item at the May 1, 2018 Commission Meeting:

**OFF AGENDA ITEM**  
**MAY 1, 2018 COMMISSION MEETING**

**DOCKET 32759(Y)** – Unopposed motor carrier application, as restrictively amended, of Andre Ellis d/b/a Elegance Limousine Services, of Troy, Alabama, for a Certificate to transport passengers and their baggage. Two protests were filed, but withdrawn upon acceptance of the restrictive amendment and the application went forward unopposed. The Applicant waived its right to a Report and Recommended Order at the hearing.

**RECOMMEND:** Grant of authority sought as restrictively amended