



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: October 24, 2022

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

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

SUBJECT: Agenda for November 1, 2022 Commission Meeting.

The following items will be presented to the Commission during the regular November 1, 2022 Commission Meeting.

CONSUMER SERVICES REPORT

CONSUMER SERVICES ELECTRIC & GAS INQUIRIES

October

9/25/2022 -10/24/2022

Company	Service Category	Total Inquiries	Service Outage Interruption	Service Quality	Service Connection	Service Disconnected	Billing Issues	Payment Issues	Request Info Only
Alabama Power	Residential	16		1	3	1	3	6	2
	Business								
Spire Alabama	Residential	3			2		1		
	Business								
Spire Gulf	Residential	1				1			
	Business								
TOTAL	Residential	20		1	5	2	4	6	2
	Business								

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	3	2	1						
	Business									
CLEC	Residential	1	1							
	Business									
TOLL	Residential									
	Business									
OTHER	Residential									
	Business									
Total Under PSC Complaint Jurisdiction		4	3	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	9		3	1	1		1	2	1
Business									
Total									
Not Under PSC Jurisdiction	5		3		1		1		
Under PSC Jurisdiction	4			1				2	1

Other Retail Services/Issues Under PSC Jurisdiction (Above)	4
Basic Service Inquiries Under PSC Jurisdiction (Previous Page)	4
Total Telecom Inquiries Under PSC Jurisdiction (Non-referrals)	8
Inquiries Not Subject to PSC Jurisdiction	5

Referred Inquiries (Waived Complaint Jurisdiction)	
Residential	14
Business	4
TOTAL	18

TOTAL TELECOM INQUIRIES			
Under PSC Complaint Jurisdiction	Waived Complaint Jurisdiction (Referrals)	Received But Not Under PSC Jurisdiction	Total Received
8	18	5	31

Gas Agenda

NATURAL GAS

Docket 18046 and SPIRE ALABAMA INC. -- Division Report on Rate RSE as of September
18328 30, 2022

Based on preliminary figures at point-of-test September 30, 2022, the RSE return on average common equity for the rate year ending September 30, 2022, was 9.55 percent, which was below the authorized range and results in no adjustment to rates. The authorized return on average common equity is 10.15 to 10.65 percent.

The preliminary indication is that the company ended Rate Year 2022 below the Cost Control Measurement Range.

Docket 28101 SPIRE GULF INC. -- Division Report on Rate RSE as of September 30,
2022

Based on preliminary figures at point-of-test September 30, 2022, the RSE return on average common equity for the fiscal year ending September 30, 2022, was 8.68 percent, which was below the authorized range and results in no adjustment to rates. The authorized return on average common equity is 9.70 percent to 10.30 percent.

The preliminary indication is that the company ended Rate Year 2022 below the Cost Control Measurement Range.

Docket U-5432 SPIRE GULF INC. -- Application for Approval of a Utility Transportation
Agreement with Evonik Corporation
Recommend Approval.

Water Agenda

WASTEWATER

- Docket 31803 INTEGRATED WASTEWATER MANAGEMENT, INC. -- Petition for approval to modify Certificate of Financial Viability. Expands the service territory of Integrated Wastewater Management, Inc. to own, operate and maintain the wastewater collection and treatment facilities for both Farmstead School Subdivision located in the Community of Jasper in Walker County, AL and Weatherstone Phase II subdivision located in Jefferson County, AL.
Recommend approval.
- Docket 32606 PINNACLE WASTEWATER SYSTEMS, LLC -- Petition for Approval to modify Certificate of Financial Viability. Expands the service territory of Pinnacle Wastewater Systems, LLC to own, operate and maintain the wastewater collection and treatment facility for Copeland Community Wastewater System located in St. Clair County, AL.
Recommend approval.

Telecommunication Agenda

AMENDED INTERCONNECTION AGREEMENT (S)

- Docket U-4230 BELLSOUTH TELECOMMUNICATIONS, LLC d/b/a AT&T ALABAMA or AT&T SOUTHEAST and FUSION CLOUD SERVICES, LLC -- Approval of an Amendment to the Interconnection Agreement between BellSouth Telecommunications, Inc. d/b/a AT&T Alabama or AT&T Southeast and Fusion Cloud Services, LLC pursuant to Sections 251 and 252 of the Telecommunications Act of 1996.
Recommend Approval.
- Docket U-4426 BELLSOUTH TELECOMMUNICATIONS, LLC d/b/a AT&T ALABAMA or AT&T SOUTHEAST, and MATRIX TELECOM, LLC d/b/a EXCEL TELECOMMUNICATIONS, and MATRIX TELECOM, LLC d/b/a LINGO, and MATRIX TELECOM, LLC d/b/a TRINSIC COMMUNICATIONS and MATRIX TELECOM, LLC d/b/a VARTEC TELECOM -- Approval of an Amendment to the Interconnection Agreement between BellSouth Telecommunications, Inc. d/b/a AT&T Alabama or AT&T Southeast and Matrix Telecom, LLC d/b/a Excel Telecommunications d/b/a Trinsic Communications d/b/a VarTec Telecom d/b/a Lingo pursuant to Sections 251 and 252 of the Telecommunications Act of 1996.
Recommend Approval.
- Docket U-4527 BELLSOUTH TELECOMMUNICATIONS, LLC d/b/a AT&T ALABAMA or AT&T SOUTHEAST and BIG RIVER TELEPHONE COMPANY, LLC -- Approval of an Amendment to the Interconnection Agreement between BellSouth Telecommunications, Inc. d/b/a AT&T Alabama or AT&T Southeast and Big River Telephone Company, LLC pursuant to Sections 251 and 252 of the Telecommunications Act of 1996.
Recommend Approval.

CANCELLATION/WITHDRAWAL (S)

- Docket 20416 HAYMAKER COMMUNICATIONS, INC. d/b/a IC SOLUTIONS -- Cancels Certificate of Public Convenience and Necessity and withdraws Tariff. Certificate granted under this docket on January 12, 1988 for the provision of Customer-Owned, Coin- Operated Telephone Service. By notice received October 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.
- Docket 31709 COMMUNICATION TELEFONICAS LATINAS CORP. -- Cancels Certificate of Public Convenience and Necessity and withdraws Tariffs. Certificate granted under this docket on November 11, 2011 for the provision of InterLATA and IntraLATA Telephone Toll Resale and Interexchange Service. By notice received October 11, 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.

MISCELLANEOUS

- Docket U-5431 BELLSOUTH TELECOMMUNICATIONS, LLC d/b/a AT&T ALABAMA or AT&T SOUTHEAST -- Grandfathers the High-Capacity Service Channel Service Payment Plans greater than 24 months in the Access Services Tariff. This is to keep Intrastate Services in parity with the Interstate filings. Filed September 30, 2022, with a requested effective date of November 1, 2022.
Recommend Approval.

SUMMARY OF OTHER FILING (S)

- D-7756 KNOLOGY OF ALABAMA, INC. d/b/a Knology or dba WOW! Internet, Cable and Phone -- Modifies the Intrastate Domestic Access Services Tariff to comply with the Federal Communications Commission (FCC) Report and Order in WC Docket No. 18-156, FCC Release No. 20-143 issued October 9, 2020. These modifications reduce intercarrier compensation charges to increase efficiencies in call routing and decrease incentives for fraud in 8YY (toll-free) calls. Filed September 29, 2022, with a requested effective date of July 1, 2022.
- D-7757 CHARTER FIBERLINK-ALABAMA, LLC -- Approval of a rate for new customers to the SpectrumVoice service when bundled with a qualifying internet service. There is no increase for existing customers.



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MEMORANDUM

DATE: October 25, 2022

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

**FROM: Jonathan M Kimbril, Acting Director *JMK*
Gas Pipeline Safety Division**

SUBJECT: Agenda for November 1, 2022, Commission Meeting

This memorandum reflects activities of the Gas Pipeline Safety (GPS) Division that will be presented at the November 1, 2022, Commission Meeting.

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

Standard Inspection	Construction	IMP/DIMP	Operator Qualification	Incident	Damage Prevention	Section 114	Control Room	Follow-Up	Total Inspections
13	11	2	7			17		6	56

From the fifty-six (56) inspections shown above, three (3) enforcement letters of notification were issued, noting seven (7) non-compliance issues. There were eight (8) non-compliance items corrected during the month of September.

Incidents/Accidents

No State level Accidents or Federal level incidents were reported during the month of September.

Training

Three (3) operator/contractor training sessions on Polyethylene (PE) for a total of twenty-six (26) people. Plastic fusion training conducted during the month of September were as follows:

- | | |
|---|------------------------|
| ➤ 9/7/2022 – Pickens County Gas District (PE) | 11 Personnel Qualified |
| ➤ 9/8/2022 – Piedmont Gas Board (PE) | 14 Personnel Qualified |
| ➤ 9/9/2022 – Calera Gas Department (PE) | 1 Personnel Qualified |

Miscellaneous

The GPS Division completed the States Program renewal application in the System for Award Management (SAM). This system is used for receiving grant payments. This has to be renewed every three years. Alabama's current application runs out in January 2023. The renewed application will run till January 2026.

The GPS Staff participated in the National Association of Pipeline Safety Representatives (NAPSR) National Meeting on September 19 – September 23, 2022. This conference involves many different training classes for state personnel and also presents an informal situation for the GPS staff to discuss current issues with the Pipeline and Hazardous Materials Safety Administration (PHMSA) state liaisons.



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JOHN A. GARNER, EXECUTIVE DIRECTOR

MEMORANDUM

DATE: October 25, 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 November 1, 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 September 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
7	17	50	1	115	58

The table below reflects track safety observations made in which one non-compliant condition was identified. Forty-two roadway workers, bridge workers, and practices were observed.

Railroad Bridge Observations	Roadway Worker Protection	Roadway Maintenance Machines	Bridge Worker Safety
6	5	9	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
5	13	187	0	917

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	0	0

There were two incidents reported by the National Response Center (NRC) in September:

1. A 1-gallon iron chloride release was reported in Maplesville on NS
2. A train collision with a 50-gallon diesel release was reported in Birmingham on NS

RWS staff observed a contractor roadway work group working without proper on-track protection. The situation was corrected, and a coaching session was held on the job site to ensure that proper protection is used in the future. Staff also participated in a Microsoft Teams call with FRA Specialists and Legal team members to discuss the findings.

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
8	7	2	1	5	4	43	30	27

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
353	39	13	1	26	54	322

The MCS 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	1	157	4	58	5

As of September 30, there were 10,760 Alabama carriers (82%) registered for 2022 UCR with 2,343 that remain unregistered.

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

MCS staff attended the UCR Board Audit Subcommittee call, UCR Education & Training Subcommittee call, and the UCR Finance Subcommittee call all held in September.

The staff sent out 74 For Non-Profit (FNP) quarterly reports for the third quarter of 2022 by mail and e-mail.

There were eight show-cause hearing notices sent by certified mail to intrastate carriers for failure to file their 2021 annual reports. Two notices were for household goods carriers and six notices were for passenger carriers.

There was one household goods supplement tariff for **Park Transfer and Storage Company, Inc. (C661)** accepted in September.

There were two passenger carrier hearings held in September for:

- **Birmingham Regional Paratransit Consortium d/b/a Clastran**
- **Les M Walker d/b/a Walker Taxi** - protested

Staff completed two compliance audits for the following carriers:

- **Carbine Enterprises, Inc. d/b/a Quad Cities Taxi & Limousine Service (C3941)** – The carrier was advised to continue adhering to its current tariff.
- **Wheelchair Transportation & Taxi Cab Services, LLC d/b/a Wheelchair Shuttle (C3979)** – The carrier was advised to submit a new tariff with updated rates.

FIELD SERVICES

The Field Services Section (FSS) Staff inspected four facilities of **Community Utilities of Alabama's** wastewater treatment plants: River Bend located in Jefferson County, The Falls at Highland Lakes (Phase 1) located in Cleburne County, The Falls at Highland Lakes (Phase 2) located in Calhoun County, and Water's Edge Development located in Etowah County. The systems ranged from small to medium in size. Three systems are permitted by the local health departments and one is permitted by ADEM. Each system was functioning as designed with no discrepancies noted during each inspection.



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October 25, 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 – November 1, 2022 Commission Meeting

The Electricity Policy Division will present the following items at the November 1, 2022 Commission Meeting.

ELECTRICITY

ALABAMA POWER COMPANY

Dockets 18117 Division Report on Rate RSE and Rate ECR as of September 30, 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 September 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 SEPTEMBER 2022
6.95% WRRCE		(\$54,686,440)

*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 September 30, 2022		\$11,882,859,880
Add Budgeted Net Income:		
October through December 2022	\$251,164,346	
Add Budgeted Capital Contributions:		
October through December 2022	\$13,640,182	
Add Other Adjustments:		
October through December 2022	\$0	\$264,804,527
Deduct Budgeted Stock Dividends:		
October through December 2022	\$267,977,086	\$267,977,086
Projected Common Equity for December 31, 2022		\$11,879,687,321
<hr/>		
Projected Average Common Equity		
For the 12 Months Ending December 31, 2022		\$11,570,121,814
Projected Retail Investment Separation Factor		95.06%
Projected Average Retail Common Equity		
For the 12 Months Ending December 31, 2022		\$10,998,557,796
Projected Retail Net Income		
For the 12 Months Ending December 31, 2022		\$1,445,970,442
Projected Common Equity Percentage of Capital Structure		
For the 12 Months Ending December 31, 2022		52.84%
Projected Weighted Return on Average Retail Common Equity (WRRCE)		
For the 12 Months Ending December 31, 2022		6.95%

The Common Equity as of September 30, 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 nine months ended September 30, 2022, and then adding three months of budget data for October 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

November 1, 2022 Commission Meeting

Page 3

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

By Consent Order dated July 12, 2022, the Alabama Public Service Commission ("the Commission") approved an interim energy cost recovery factor of 2.557 cents per kilowatt-hour for the billing months of August 2022 through December 2024. Absent a further order from the Commission, the ECR factor for billing months January 2025 and thereafter would be 5.910 cents per kilowatt-hour.

Recommendation: Based on the current and projected status of Rate ECR, the Staff recommends that the current interim energy cost recovery factor of 2.557 cents per kilowatt-hour be increased to 3.510 cents per kilowatt-hour for the billing months of December 2022 through December 2024, 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. Absent a further order from the Commission, the ECR factor for billing months January 2025 and thereafter will be 5.910 cents per kilowatt-hour.

Docket U-5208 On October 17, 2022, Alabama Power Company filed a petition with the Alabama Public Service Commission requesting the Commission modify existing accounting treatment previously authorized by the Commission by order dated February 17, 2017. The purpose of the modification is to give effect to the original intent of the 2017 accounting treatment and provide for the amortization of an existing regulatory asset, which would commence January 1, 2023, in a way that mitigates upward pressure on the rates of customers.

Recommendation: Approval



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JOHN A. GARNER, EXECUTIVE DIRECTOR

MEMORANDUM

DATE: October 25, 2022

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

FROM: Legal Division

SUBJECT: Agenda - November 1, 2022 Commission Meeting

The Legal Division will present the following at the November 1, 2022
Commission Meeting:

DOCKET 33277 (Y) - Unopposed motor carrier application of Birmingham Regional Paratransit Consortium d/b/a Clastran, of Birmingham, Alabama, for a certificate to transport passengers and their baggage. The Applicant waived its right to a Report and Recommended Order.

Recommend: Grant

DOCKET C-20361 (Y) - Petition of Adesa Birmingham, LLC, of Moody, Alabama, for reinstatement of Motor Carrier Certificate F580 which was revoked due to Petitioner's failure to maintain proper proof of liability insurance coverage.

Recommend: Grant/Reinstatement

DOCKET 29661 (Y) - Petition of Rickie O. Richardson d/b/a Richardson Trucking, of Midland City, Alabama, for cancellation of Motor Carrier Certificate F3258.

Recommend: Grant cancellation as requested

LEGAL DIVISION AGENDA

November 1, 2022 Commission Meeting

October 25, 2022

PAGE #2

DOCKET 33285; (B) - Approval of unopposed application to transfer Motor Carrier
C-20372 Certificate F3672 FROM: Barry Cox d/b/a Cox Farms, of Haleyville, Alabama, TO: Cox Farms, L.L.C., of Haleyville, Alabama (Docket 33285) and reinstatement of Motor Carrier Certificate F3672 (C-20372) for the sole purpose of transferring Certificate F3672 in good standing.

Recommend: Grant Reinstatement of Motor Carrier Certificate F3672 for the sole purpose of transferring Certificate F3672 in good standing and approval of transfer application.