

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

JOHN A. GARNER, EXECUTIVE DIRECTOR

TWINKLE ANDRESS CAVANAUGH, PRESIDENT JEREMY H. ODEN, ASSOCIATE COMMISSIONER CHRIS "CHIP" BEEKER, JR., ASSOCIATE COMMISSIONER $\underline{M} \ \underline{E} \ \underline{M} \ \underline{O} \ \underline{R} \ \underline{A} \ \underline{N} \ \underline{D} \ \underline{U} \ \underline{M}$

DATE: September 24, 2024

- TO: Commissioner Twinkle Andress Cavanaugh Commissioner Jeremy H. Oden Commissioner Chris "Chip" Beeker, Jr.
- FROM: Jeff Johnston, Director 1999 Utility Services Division

SUBJ ECT: Agenda for October 1, 2024 Commission Meeting.

The following items will be presented to the Commission during the regular October 1, 2024 Commission Meeting.

CONSUMER SERVICES REPORT

CONSUMER SERVICES ELECTRIC & GAS INQUIRIES

September

Company	Service Category	Total Inquiries	Service Outage Interruption	Service Quality	Service Connection	Service Disconnected	Billing Issues	Payment Issues	Request Info Only
Alabama Power	Residential	17	3	2		2	6	4	
	Business	2						2	2.2 1 2 2 2
Spire Alabama	Residential	3				1	1	1	
	Business				and the first the				
Spire Gulf	Residential	0	and the second						
	Business								
TOTAL	Residential	20	3	2		3	7	5	
	Business	2						2	

Company	Service Category	Total Inquiries	Service Outage	Service Quality	Service Connection	Service Disconnec tion	Billing Issues	Payment Issues	Lifeline	Request Info Only
ILEC	Residential									
	Business									11 - 14 - 14 - 19 - 19 - 19 - 19 - 19 -
CLEC	Residential	2				1				1
CLEC	Business									
TOLL	Residential					A THE REPORT				
TOLL	Business									
OTHER	Residential									
UTHER	Business							1 August of the Break of		
Total Under PSC Complaint Jurisdiction		2				1				1

BASIC SERVICE ONLY

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Service Category	Total Inquiries	Toll Service	Internet Service	Slamming Cramming	Wireless Issues	Number Porting Issues	Video CATV	Inmate Calling Service	Request Info Only
Residential	5		5						
Business	2		1		1				
Total	7		6		1				
Not Under PSC Jurisdiction	7		6		1				
Under PSC Jurisdiction									

OTHER RETAIL SERVICES/ISSUES

Other Retail Services/Issues Under PSC Jurisdiction (Above)	
Basic Service Inquiries Under PSC Jurisdiction (Previous Page)	2
Total Telecom Inquiries Under PSC Jurisdiction (Non-referrals)	2
Inquiries Not Subject to PSC Jurisdiction	7

Referred Inquiries (Waived Complaint Jurisdiction)				
Residential 6				
Business	0			
TOTAL 6				

тот	TOTAL TELECOM INQUIRIES								
Under PSC Complaint Jurisdiction	Waived Complaint Jurisdiction (Referrals)	Received But Not Under PSC Jurisdiction	Total Received						
2	6	7	15						

Utility Services Agenda Monthly Commission Meeting September 24, 2024 Page 2

Gas Agenda

NATURAL GAS

Docket 18046 and SPIRE ALABAMA INC. -- Division Report on Rate RSE as of August 31, 2024

Based on preliminary figures as of August 31, 2024, the projected RSE return on average common equity for the rate year ending September 30, 2024, was 9.72 percent. The authorized return on average common equity is 9.50 to 9.90 percent.

Docket 28101 SPIRE GULF INC. -- Division Report on Rate RSE as of August 31, 2024

Based on preliminary figures as of August 31, 2024, the projected RSE return on average common equity for the rate year ending September 30, 2024, was 9.41 percent. The authorized return on average common equity is 9.70 to 10.30 percent.

Docket U-5470 <u>SPIRE ALABAMA INC.</u> -- Application for Approval of a Base Contract for the Sale and Purchase of Natural Gas with Vitol Inc. Recommend Approval Utility Services Agenda Monthly Commission Meeting September 24, 2024 Page 3

Water Agenda

WATER

Docket 33279 <u>BLUE HOLE WATER COMPANY, INC.</u> -- Request approval for water rate increase for all customers. Staff has reviewed the filing and recommends that the filing be suspended for 180 days to and through April 13, 2025. Recommend Approval. **DOCKET 32151** - TELECOMMUNICATION PROVIDERS FILING NOTICE OF THEIR ELECTION TO WAIVE THE COMMISSION'S RETAIL SERVICE COMPLAINT AND DISPUTE JURISDICTION IN ACCORDANCE WITH §37-2A-4(K) of ALABAMA LEGISLATIVE ACT 2014-082.

SEPTEMBER 2024 ELECTIONS:	
NONE	
PRIOR ELECTIONS:	Network Telephone Corporation
ACN Communications Services, Inc.	Paetec Communications, Inc.
BellSouth Telecommunications, LLC d/b/a AT&T Alabama (Effective June 1, 2014)	Roanoke Telephone Company, Inc.
	Spectrotel of Alabama, LLC
CenturyTel of Alabama, LLC d/b/a CenturyLink	TEC of Jackson, Inc.
Knology of Alabama, Inc. d/b/a WOW!	The Other Phone Company
Internet, Cable and Phone	US LEC of Alabama, LLC
Knology of the Valley, Inc. d/b/a WOW! Internet, Cable and Phone	Valley Telephone Co., LLC d/b/a WOW! Internet, Cable and Phone
Knology Total Communications, Inc. d/b/a WOW! Internet, Cable and Phone	Wiregrass Telecom, Inc. d/b/a WOW! Internet, Cable and Phone
Frontier Communications of Alabama, LLC	Windstream Alabama, LLC
Frontier Communications of Lamar County, LLC	Windstream Communications, Inc.
Frontier Communications of the South, LLC	Windstream KDL, Inc.
Gulf Telephone Company d/b/a CenturyLink	Windstream Norlight, Inc.
McLeodUSA Telecommunication Services	Windstream NuVox, Inc.
National Telephone of Alabama, Inc.	YMax Communications Corp.
LLC Frontier Communications of the South, LLC Gulf Telephone Company d/b/a CenturyLink McLeodUSA Telecommunication Services	Windstream KDL, Inc. Windstream Norlight, Inc. Windstream NuVox, Inc.

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TWINKLE ANDRESS CAVANAUGH, PRESIDENT JEREMY H. ODEN, ASSOCIATE COMMISSIONER CHRIS "CHIP" BEEKER, JR., ASSOCIATE COMMISSIONER

<u>MEMORANDUM</u>

DATE: September 24, 2024

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

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

SUBJECT: Agenda for October 1st, 2024, Commission Meeting

The following items will be presented to the Commission during the regular October 1, 2024, Commission Meeting.

GAS PIPELINE SAFETY DIVISION ACTIVITIES

August 2024

Inspections

During the month of August, a total of thirty-seven (37) inspections were conducted utilizing one hundred and a half (100.5) person-days. The inspections are as follows:

		STANDARD INSPECTION	CONSTRUCTION	OPERATOR QUALIFACTION	PUBLIC AWARENESS	IMP / DIMP	CONTROL ROOM MGMT	INCIDENT / ACCIDENT	SECTION 114	DRUG & ALCOHOL	FOLLOW-UP	
	PRIVATE		1								1	
MS	MUNICIPAL	5	11	1		1		1			1	
STEN	MASTER METER										7	F
ΕSY	LIQUID PROPANE (LP)											TOTAL
GAS PIPELINE SYSTEMS	LIQUIFIED NATURAL GAS (LNG)	4										L
IId S	INTRASTATE TRANSMISSION	1		1			1					
GA	GAS GATHERING		2									
	OFFSHORE GAS							-				
Щ	REFINED PETROLEUM PRODUCTS											
ELIN AS	CRUDE OIL										1	
LIQUID PIPELINE SYSTEMS	HVL FLAMMABLE / TOXIC											
IQUII	CARBON DIOXIDE											
L I	BIOFUEL											
	TOTALS	10	12	2		1	1	1			10	37

Training

Three (3) operator/contractor training session on Polyethylene (PE) plastic fusion and one (1) fire response training were conducted in August:

\triangleright	8/6/2024	Dadeville Utilities	PE	21	Personnel Trained
\geqslant	8/20/2024	Riviera Utilities	PE	23	Personnel Trained
\geqslant	8/27/2024	Leak City (ANGA Fall)	PE	24	Personnel Trained
\succ	8/27/2024	Leak City (ANGA Fall)	Fire	28	Personnel Trained

Enforcement Actions

From the thirty-seven (37) inspections shown above, four (4) enforcement letters of notification were issued noting sixteen (16) non-compliance issues. There were eighteen (18) non-compliance items corrected during the month of August.

Incidents / Accidents

There was one (1) state reportable incident and zero (0) federal incidents reported during the month of August.

8/18/2024 Clarke-Mobile Counties Gas District – A house fire with reported explosion occurred. It was determined the explosion was oxygen tanks exploding from a fire not related to natural gas. There was loss of life.

Miscellaneous

Gas Pipeline Safety (GPS) had personnel attend eight (8) public awareness meetings, each sponsored by different Operators.

GPS also participated in groundbreaking ceremonies with the cities of Graysville and Cordova, where both projects aim to replace leak-prone cast-iron pipelines with new Polyethylene mains.

Additionally, GPS co-sponsored and attended the Louisiana Gas Association's annual pipeline safety conference. GPS uses this conference to provide training for Alabama Hazardous Liquid Operators.



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JOHN A. GARNER, EXECUTIVE DIRECTOR

<u>MEMORANDUM</u>

- DATE: September 24, 2024
- TO: President Twinkle Andress Cavanaugh Commissioner Jeremy H. Oden Commissioner Chris Beeker, III
- FROM: Amanda D. Shehane, Director AD& Utility Enforcement Division

SUBJECT: Agenda for the October 1, 2024, Commission Meeting

This memorandum reflects the Utility Enforcement Division's (UED) report describing the major tasks, inspections and activities accomplished by its staff during August 2024.

RAILWAY SAFETY

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

Rail Carriers	Regular Track	Track Defects	Violations	Track Miles	Track Turnouts
Visited	Inspections	Identified	Recommended	Inspected	Inspected
5	17	56	0	286	96

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

Railroad Bridge	Roadway Worker	Roadway Maintenance	Bridge Worker
Observations	Protection	Machines	Safety
8	11	18	0

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

Rail Carriers	Regular Eqpt.	Defects	Violations	Number of
Visited	Inspections	Identified	Recommended	Units Inspected
5	17	111	0	692

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

Air Brake	Blue Flag	End of Train
Tests	Protection	Devices
1	2	0

	Track Inspection Records	MP&E Railcar & Locomotive Repair Records	Highway Grade Crossings
Inspections	7	3	0
Units Inspected	506	99	0
Defects	0	0	0

Both track and MP&E inspectors performed record inspection reviews on railroad inspections, repair records, and highway grade crossings, as shown below.

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

- 1. A railcar explosion involving two tank cars resulting in a derailment, a chlorine release, and minor injuries of three employees in Mobile on **Evonik**.
- 2. A fuel truck strike in a rail yard with a 2,000-gallon release in Irondale on NS.

The RWS Administrator completed the FRA Operating Practices Fundamentals II training in Pueblo, Colorado.

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	Intra Applic		NOL Processed/ Closed Intra	Under Legal Division	New Authority	Motor Carrier Authority Inquiries		
Numbers	Processed	Returned	Applications	Review	Approved	Phone	E-mails	Others
12	11	3	0	11	10	62	58	26

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

Insurance Revocation		Reinstatement	Miscellaneous	Letters	Insurance Inquiries	
Filings	Orders	Orders	Actions	Sent	Phone	E-mails
320	23	17	5	41	63	92

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

UCR Applications		UCR Mailouts	UCR Audit	UCR Inquiries	
Received	Returned	for 2024	Correspondence	Phone	E-mail
0	0	82	0	23	4

As of August 31st, 9,105 Alabama carriers (92%) were registered for 2024 UCR with 745 remaining unregistered.

MCS staff participated in the UCR Enforcement Subcommittee and UCR Board calls during the month.

The staff also assisted motor carriers in making necessary changes to their operating status with the Federal Motor Carrier Safety Administration (FMCSA). One MCS-150 form containing updates to the motor carriers' USDOT number data was processed.

Five For Non-Profit quarterly reports for the second quarter 2024 were received in August.

In August, five annual reports were received for the year ended 2023.

Staff met with **Crocker Moving Service**, L.L.C. (C4106) regarding its June 27th audit. The carrier was educated on their current tariff on file with the Commission and staff answered questions they may have had.

During the month one desk audit was completed on **Teague Brothers Transfer & Storage Co. Inc.** (C3378). Two issues were found and the carrier was advised to follow their tariff or submit a new tariff/supplement.

The MCS staff participated in two transportation network company hearings on August 13th.



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JOHN A. GARNER, EXECUTIVE DIRECTOR

September 24, 2024

MEMORANDUM

- TO: President Twinkle Andress Cavanaugh Commissioner Jeremy H. Oden Commissioner Chris "Chip" Beeker, Jr.
- FROM:John D. Free, Director JDFElectricity Policy Division

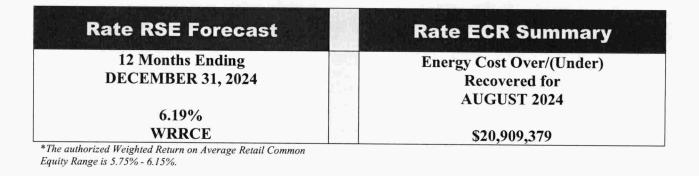
SUBJECT: Agenda – October 1, 2024 Commission Meeting

The Electricity Policy Division will present the following items at the October 1, 2024 Commission Meeting.

ELECTRICITY

ALABAMA POWER COMPANY

Dockets18117
and
18416;
18148Division Report on Rate RSE and Rate ECR as of August 31, 2024The Electricity Policy Division performed the regular monthly examination
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
2024 Weighted Return on Average Retail Common Equity (WRRCE),
actualized through August 2024, can be found on page 2 of this report.



ELECTRICITY POLICY DIVISION

Alabama Power Company Weighted Return on Average Retail Common Equity Calculation Forecast - 12 Months Ending December 31, 2024

Common Equity as of August 31, 2024		\$13,002,853,308
Add Budgeted Net Income:		
September through December 2024	\$383,242,814	
Add Budgeted Capital Contributions:		
September through December 2024	\$22,155,555	
Add Other Adjustments:		
September through December 2024	\$0	\$405,398,369
Deduct Budgeted Stock Dividends:		
September through December 2024	\$291,022,990	\$291,022,990
Projected Common Equity for December 31, 2024		\$13,117,228,687
Projected Average Common Equity		
For the 12 Months Ending December 31, 2024		\$12,865,940,814
Projected Retail Investment Separation Factor		95.28%
Projected Average Retail Common Equity		
For the 12 Months Ending December 31, 2024		\$12,258,668,408
Projected Retail Net Income		
For the 12 Months Ending December 31, 2024		\$1,422,039,217
Projected Common Equity Percentage of Capital Structure		
For the 12 Months Ending December 31, 2024		53.34%
Projected Weighted Return on Average Retail Common Equity (WRRCE)	
For the 12 Months Ending December 31, 2024		6.19%

The Common Equity as of August 31, 2024 (Actual) was adjusted using net income, payment of Common Stock and Preferred Stock dividends, Capital Contributions, and Other Adjustments from the Company's 2024 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 95.28%. 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, 2024, and then adding four months of budget data for September through December 2024. 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.



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JOHN A. GARNER, EXECUTIVE DIRECTOR

<u>MEMORANDUM</u>

- DATE: September 25, 2024
- TO: Commission President Twinkle Andress Cavanaugh Commissioner Jeremy H. Oden Commissioner Chris "Chip" Beeker, Jr. Division Directors

FROM: Legal Division

SUBJ ECT: Agenda - October 1, 2024 Commission Meeting

The Legal Division will present the following at the October 1, 2024 Commission Meeting:

DOCKET C-21007 (Y) - Petition of Cooper Trucking, LLC, of Macon, Mississippi, for reinstatement of Motor Carrier Certificate F2748 which was revoked due to Petitioner's failure to maintain proper proof of liability and cargo insurance coverage.

Recommend: Grant/Reinstatement

DOCKET C-20892 (Y) - Petition of Tide Delivery, Inc., of Northport, Alabama, for reinstatement of Motor Carrier Certificate F1224 which was revoked due to Petitioner's failure to maintain proper proof of cargo insurance coverage.

Recommend: Grant/Reinstatement

DOCKET 33464 (Y) - Petition of Inspirational NEMT Services, LLC, of Phenix City, Alabama, for an extension of time to make the required filings.

Recommend: Grant additional 90 days to allow applicant to make the required filings.

LEGAL DIVISION AGENDA October 1, 2024 Commission Meeting September 25, 2024 PAGE #2

DOCKET 33500 (Y) - Unopposed motor carrier application of J & S Prestige, LLC, of Wetumpka, Alabama, for a certificate to transport passengers. A hearing was held, at which time the applicant presented evidence to fulfill the statutory requirements for the authority sought to be granted. The Applicant waived its right to a Report and Recommended Order.

Recommend: Grant

DOCKET 33204 (Y) - Unopposed contract carrier application of Enterprise Rescue, Inc., of Enterprise, Alabama, for contract carrier authority, and to extend an existing common carrier operation under Motor Carrier Certificate 4136. A hearing was held, at which time the applicant presented evidence to fulfill the statutory requirements for the authority sought to be granted. The Applicant waived its right to a Report and Recommended Order at the hearing.

Recommend: Grant

DOCKET 33319 (B) - BIF IV Intrepid OpCo LLC ("Intrepid") was granted a certificate of public convenience and necessity to provide telecommunications services through Commission order dated March 9, 2023. The Commission required Intrepid to submit an interconnection agreement/resale agreement within one year of that order. On March 7, 2024, the Commission granted Intrepid a six-month extension of that requirement. Intrepid now requests an additional six-month extension of that requirement, to March 8, 2025.

Recommend: Grant request for six month extension.

DOCKET 22671

(B) - Tishomingo County Water District ("Tishomingo Water") requests a finding that it is not subject to regulation by the Commission. In support of this request, Tishomingo Water provided documentation to show that it is a non-profit entity that provides water service only to its own members, not to the general public. It also submitted its governance documents as evidence that its members elect and may remove its board members.

Recommend: Issue an order finding that, based on provided documents, Tishomingo County Water District is not a public utility and therefore not subject to Commission regulation. LEGAL DIVISION AGENDA October 1, 2024 Commission Meeting September 25, 2024 PAGE #3

DOCKET 33501 (M) - Unopposed motor carrier application of Johnny on the Spot Car Service LLC, of Fairhope, Alabama, for a certificate to transport passengers. The Applicant waived its right to a Report and Recommended Order.

Recommend: Grant