

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

<u>MEMORANDUM</u>

DATE:

September 24, 2024

TO:

Commissioner Twinkle Andress Cavanaugh

Commissioner Jeremy H. Oden

Commissioner Chris "Chip" Beeker, Jr.

FROM:

Jeff Johnston, Director 999

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					-100	2	
Spire Alabama	Residential Business	3				1	1	1	
Spire Gulf	Residential Business	0							
TOTAL	Residential	20	3	2	高速信息 文	3	7	5	
	Business	2	3			3	,	2	

BASIC SERVICE ONLY

Company	Service Category	Total Inquiries	Service Outage	Service Quality	Service Connection	Service Disconnec tion	Billing Issues	Payment Issues	Lifeline	Request Info
ILEC	Residential									
ILEC	Business									992
CLEC	Residential	2			ing classes of the law	1			to and the specific	1
CLEC	Business			10.50 A 1 V = 1 + 1	President Pages			75 m 2 7 7 2 m 1		
TOLL	Residential									
TOLL	Business									TELESCOPE SE
OTHER	Residential		علاج ليساج والمشاب			1 4 Mart 1 1 Mart 1 Mar			California iki ibi.	
OTHER	Business									
otal Under PSC omplaint urisdiction		2				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	5		5					1	
Business	2		1		1				
Total	7		6		1				
Not Under PSC Jurisdiction	7		6		1				
Under PSC Jurisdiction									

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, 18328 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 SPIRE ALABAMA INC. -- 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

BLUE HOLE WATER COMPANY, INC. -- 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:

ACN Communications Services, Inc.

BellSouth Telecommunications, LLC d/b/a AT&T Alabama (Effective June 1, 2014)

CenturyTel of Alabama, LLC d/b/a CenturyLink

Knology of Alabama, Inc. d/b/a WOW! Internet, Cable and Phone

Knology of the Valley, Inc. d/b/a WOW! Internet, Cable and Phone

Knology Total Communications, Inc. d/b/a WOW! Internet, Cable and Phone

Frontier Communications of Alabama, LLC

Frontier Communications of Lamar County, LLC

Frontier Communications of the South, LLC

Gulf Telephone Company d/b/a CenturyLink

McLeodUSA Telecommunication Services

National Telephone of Alabama, Inc.

Network Telephone Corporation

Paetec Communications, Inc.

Roanoke Telephone Company, Inc.

Spectrotel of Alabama, LLC

TEC of Jackson, Inc.

The Other Phone Company

US LEC of Alabama, LLC

Valley Telephone Co., LLC d/b/a WOW! Internet, Cable and Phone

Wiregrass Telecom, Inc. d/b/a WOW! Internet, Cable and Phone

Windstream Alabama, LLC

Windstream Communications, Inc.

Windstream KDL, Inc.

Windstream Norlight, Inc.

Windstream NuVox, Inc.

YMax Communications Corp.



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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	
МS	MUNICIPAL	5	11	1		1		1			1	
STE	MASTER METER										7	Ţ
E SY	LIQUID PROPANE (LP)											TOTAL
GAS PIPELINE SYSTEMS	LIQUIFIED NATURAL GAS (LNG)	4										I
S PII	INTRASTATE TRANSMISSION	1		1			1					
GA	GAS GATHERING		-									
	OFFSHORE GAS											
Э	REFINED PETROLEUM PRODUCTS											
ELIN	CRUDE OIL										1	
UID PIPEL SYSTEMS	HVL FLAMMABLE / TOXIC											
LIQUID PIPELINE SYSTEMS	CARBON DIOXIDE											
Γ	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:

	8/6/2024	Dadeville Utilities	PE	21	Personnel Trained
	8/20/2024	Riviera Utilities	PE	23	Personnel Trained
	8/27/2024	Leak City (ANGA Fall)	PE	24	Personnel Trained
>	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) noncompliance 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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CHRIS "CHIP" BEEKER, JR., ASSOCIATE COMMISSIONER

JOHN A. GARNER, EXECUTIVE DIRECTOR

MEMORANDUM

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 Turnouts
Visited	Inspections	Identified	Recommended		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

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

	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

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	Intrastate Applications		NOL Processed/ Closed Intra	Under Legal Division	New Authority		otor Carr ority Inq	
Numbers	Processed	Returned	Applications		Approved		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 Received Orders	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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September 24, 2024

MEMORANDUM

TO:

President Twinkle Andress Cavanaugh

Commissioner Jeremy H. Oden

Commissioner Chris "Chip" Beeker, Jr.

FROM:

John D. Free, Director IDF

Electricity 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

Dockets 18117 Division Report on Rate RSE and Rate ECR as of August 31, 2024

and

18416:

18148

The 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.

Rate RSE Forecast	Rate ECR Summary
12 Months Ending	Energy Cost Over/(Under)
DECEMBER 31, 2024	Recovered for
	AUGUST 2024
6.19%	
WRRCE	\$20,909,379

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

ELECTRICITY POLICY DIVISION AGENDA October 1, 2024 Commission Meeting Page 2

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

CHRIS "CHIP" BEEKER, JR., ASSOCIATE COMMISSIONER

MEMORANDUM

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