



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

LUCY BAXLEY, PRESIDENT

JAN COOK, ASSOCIATE COMMISSIONER

SUSAN D. PARKER, PHD, ASSOCIATE COMMISSIONER

September 2, 2010

WALTER L. THOMAS, JR.

SECRETARY

MEMORANDUM

TO: Commissioner Lucy Baxley
Commissioner Jan Cook
Commissioner Susan D. Parker

THRU: Judy McLean, Director *JMC*
Advisory Division

FROM: Aquilla Spivey, Manager *AS*
Consumer Services

SUBJECT: Monthly Commission Meeting

The following items will be presented to the Commission during the regular monthly meeting to be held on Tuesday, September 7, 2010:

Monthly Activity Report of complaints, inquiries, meetings and field investigations.

Alabama Public Service Commission

Report Date: 9/2/2010

Consumer Service Section

Monthly Activity Report

Between 8/1/2010 And 8/31/2010

Utility Company Code	Needs Service	High Bills	Deposit	Service Problems	Payment Arrangement	Denied Toll	Slamming	Cramming	Billing Problems	Non-Pay Disconnect	900/Pay Per Call	No Jurisdiction	Other	Inquiries	Total
Alabama Power	5	1		4					5	1			2	21	39
Alagasco									8					5	13
Ardmore															
AT & T Southeast	3			24		1	1	1	26			2	4	12	74
Castleberry															
CenturyTel				5		1			3			1	1	5	16
Deltacom				1					2						3
Farmers															
Floral															
Frontier	1			2											3
Graceba															
Gulf															
Hayneville															
Knology of Valley															
MCI									1						1
Millry															
Mobile Gas Service															
Mon-Cre															
Moundville															
National															
New Hope															
OTELCO															
Pine Belt															
Ragland															
Roanoke															
Sprint															
TDS Telecom															
Union Springs															
Windstream													1		1
Water Companies															
Local Resellers				5			4		11					2	22
Miscellaneous Inquiries															374
Misc Jurisdiction	1						1	7	8				2	3	22
900/Pay Per Call															
No Jurisdiction	1		1	5				1	4				4	10	26
Other														1	1
Toll Resellers									1						1
TOTALS	11	1	1	46		2	6	9	69	1		3	14	59	596

Field Investigations - 2

Meetings Held/Attended - 0



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SECRETARY

August 27, 2010

MEMORANDUM

**TO: President Lucy Baxley
Commissioner Jan Cook
Commissioner Susan D. Parker**

**FROM: Janice M. Hamilton, Director
Energy Division**

SUBJECT: Agenda - September 7, 2010 Commission Meeting

The Energy Division will present the following items at the September 7, 2010 Commission Meeting.

NATURAL GAS

ALABAMA GAS CORPORATION

**Docket 18046 Division Report on Rate RSE as of July 31, 2010
and
18328**

MOBILE GAS SERVICE CORPORATION

Docket 28101 Division Report on Rate RSE as of July 31, 2010

**Docket U-4981 Application for Approval of Proposed Amended Purchased Gas Adjustment
Rider**

Recommendation: Approval with modifications

ENERGY DIVISION AGENDA
September 7, 2010 Commission Meeting
August 27, 2010
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ELECTRICITY

ALABAMA POWER COMPANY

Docket 18117 Division Report on Rate RSE and Rate ECR as of July 31, 2010
 and
 18416;
 18148



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August 26, 2010

LUCY BAXLEY, PRESIDENT
JAN COOK, ASSOCIATE COMMISSIONER
SUSAN D. PARKER, PHD, ASSOCIATE COMMISSIONER

WALTER L. THOMAS, JR.
SECRETARY

MEMORANDUM

To: President Lucy Baxley
Commissioner Jan Cook
Commissioner Susan D. Parker

Through: Janice M. Hamilton, Director
Energy Division

From: Robert E. Reed, Manager
Natural Gas Section

Subject: Division Report on Rate RSE for Alabama Gas Corporation as of July 31, 2010

As part of the Division's monitoring function, the staff has developed the return on average common equity for Alabama Gas Corporation for the twelve months ending July 31, 2010.

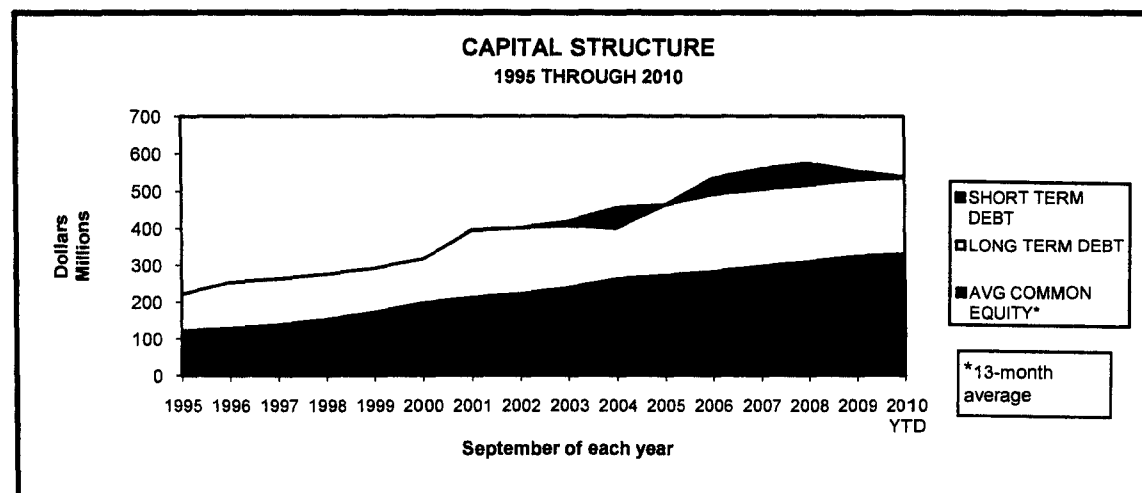
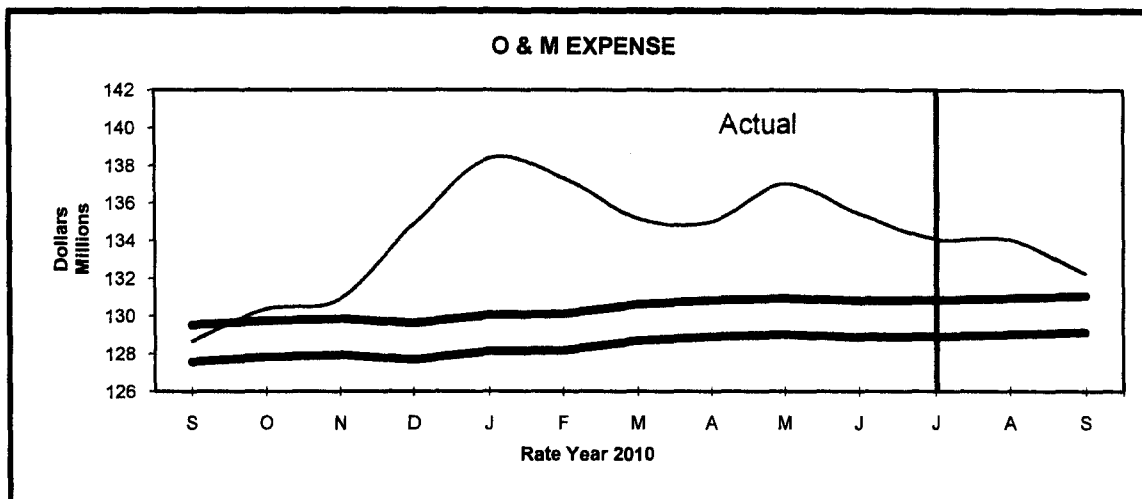
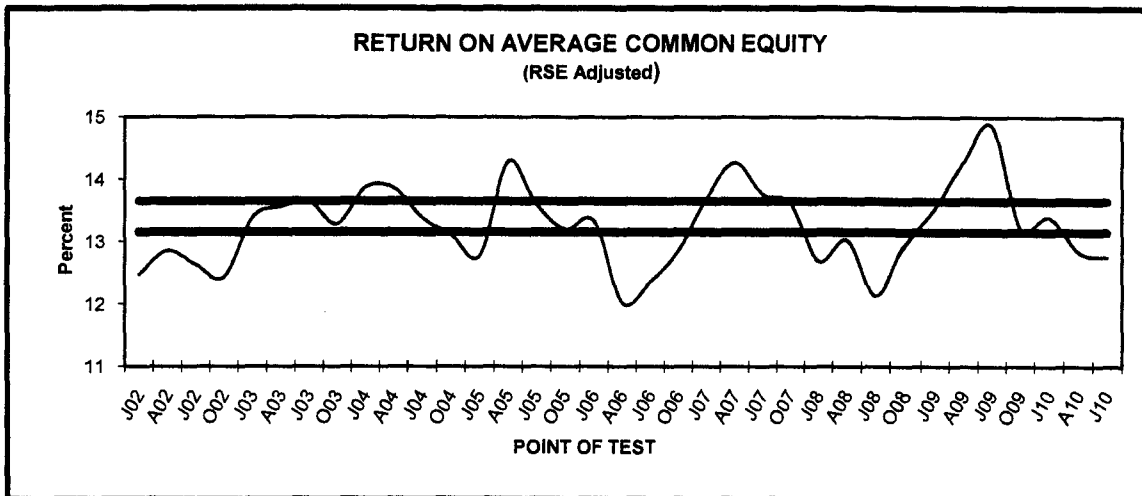
Based on preliminary figures, the return on average common equity for financial reporting purposes for the twelve months ending July 31, 2010, is 12.7 percent. When club dues, donations, and lobbying expenses are added, the RSE return is 12.8 percent. The allowed return on average common equity is 13.15 percent to 13.65 percent.

Return on Equity at July 2010		
	Financial	RSE
Average Common Equity	\$329,938,233	\$329,938,233
Net Income	\$41,771,192	\$41,771,192
Net Expense Adjustment		\$299,700
RSE Net Income		\$42,070,892
RSE Return on Common Equity	12.66%	12.75%

Attachment:

ALABAMA GAS CORPORATION

July 2010





STATE OF ALABAMA
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August 26, 2010

LUCY BAXLEY, PRESIDENT
JAN COOK, ASSOCIATE COMMISSIONER
SUSAN D. PARKER, PHD, ASSOCIATE COMMISSIONER

WALTER L. THOMAS, JR.
SECRETARY

MEMORANDUM

To: President Lucy Baxley
Commissioner Jan Cook
Commissioner Susan D. Parker

Through: Janice M. Hamilton, Director
Energy Division

From: Robert E. Reed, Manager
Natural Gas Section

Subject: Division Report on Rate RSE for Mobile Gas Service Corporation as of July 31, 2010

As part of the Division's monitoring function, the staff has developed the return on average common equity for Mobile Gas Service Corporation for the twelve months ending July 31, 2010.

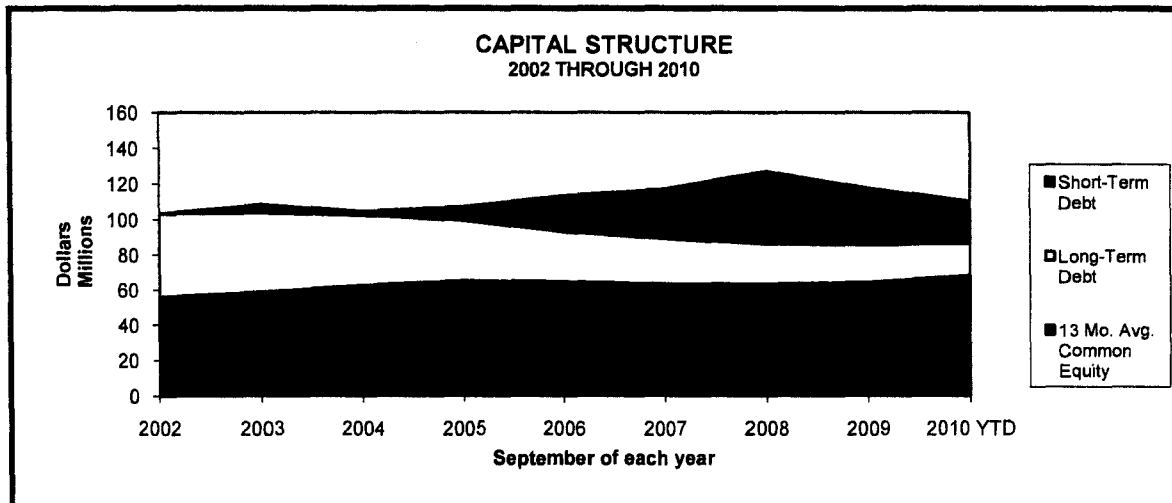
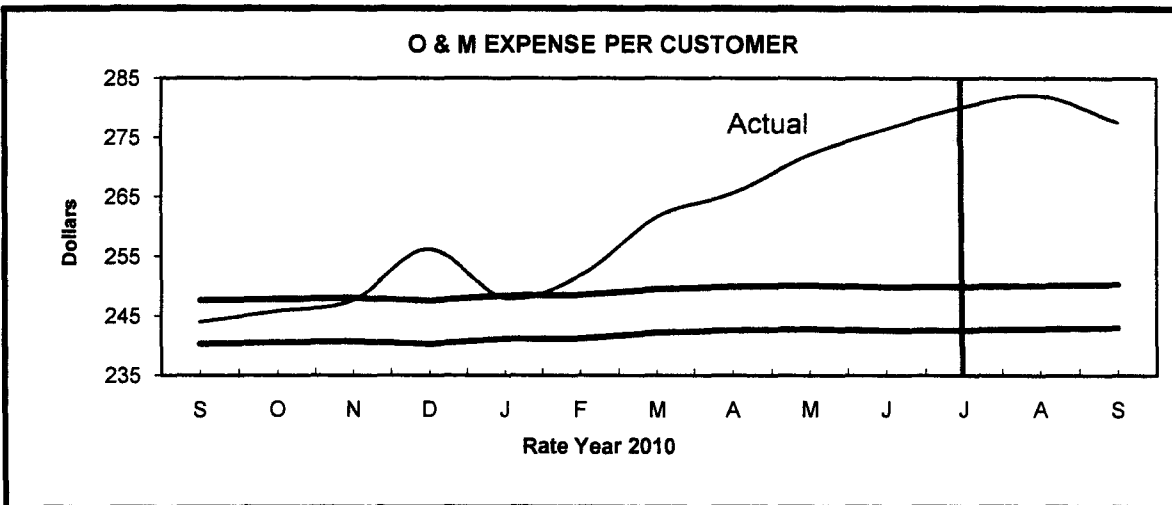
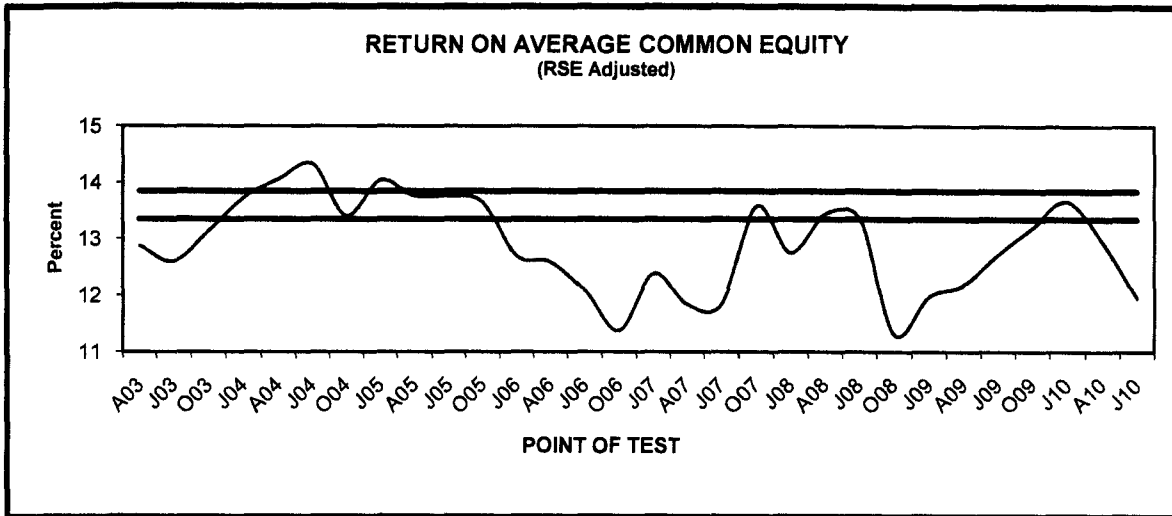
Based on preliminary figures, the return on average common equity for financial reporting purposes for the twelve months ending July 31, 2010, is 11.7 percent. When club dues, donations, and lobbying expenses are added, the RSE return is 12.0 percent. The allowed return on average common equity is 13.35 percent to 13.85 percent.

Return on Equity at July 2010		
	Financial	RSE
Average Common Equity	\$68,000,971	\$68,000,971
Net Income	\$7,978,873	\$7,978,873
Net Expense Adjustment		\$150,656
RSE Net Income		\$8,129,529
RSE Return on Common Equity	11.73%	11.96%

Attachment:

MOBILE GAS SERVICE CORPORATION

July 2010





STATE OF ALABAMA
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August 25, 2010

LUCY BAXLEY, PRESIDENT
JAN COOK, ASSOCIATE COMMISSIONER
SUSAN D. PARKER, PHD, ASSOCIATE COMMISSIONER

WALTER L. THOMAS, JR.
SECRETARY

MEMORANDUM

TO: President Lucy Baxley
Commissioner Jan Cook
Commissioner Susan D. Parker

THROUGH: Janice M. Hamilton, Director
Energy Division

FROM: Bernard W. Givan, Manager
Electricity Section

SUBJECT: Division Report on Rate RSE and Rate ECR for Alabama Power Company as of
July 31, 2010

The Energy Division performed the regular monthly examination of the books and records of Alabama Power Company. The attached report, prepared for review by the Commission, presents the Energy Division's computations and determinations of the December 2010 Retail Return on Average Common Equity. In addition, the current and projected status pertaining to the accumulated Over and Under Recovery for Rate ECR is presented. The financial highlights are presented in the tables below:

Rate RSE Forecast
12 Months Ending DECEMBER 31, 2010
 *13.99%

Rate ECR Summary	
Recovery for JULY 2010	Balance as of JULY 31, 2010
 \$7,805,928 Under-Recovered	 \$90,944,748 Over-Recovered

**The authorized Rate of Return on Average
Common Equity Range is 13.0% - 14.5%*

ENERGY DIVISION

**Alabama Power Company
Forecast of Retail Return on Average Common Equity
For the 12 Months Ending December 31, 2010**

Common Equity as of July 31, 2010		\$5,346,181,780
Add Budgeted Net Income:		
August through December 2010	\$240,193,000	
Add Budgeted Capital Contributions:		
August through December 2010	(\$13,294,000)	
Add Other Adjustments:		
August through December 2010	<u>\$318,000</u>	\$227,217,000
Deduct Budgeted Stock Dividends:		
August through December 2010	<u>\$147,892,000</u>	<u>\$147,892,000</u>
Projected Common Equity as of December 31, 2010		<u>\$5,425,506,780</u>
Projected Average Common Equity For the 12 Months Ending December 31, 2010		\$5,357,879,780
Projected Retail Investment Separation Factor		91.57%
Projected Average Retail Common Equity For the 12 Months Ending December 31, 2010		\$4,906,210,515
Projected Retail Net Income For the 12 Months Ending December 31, 2010		\$686,591,528
Projected Retail Return On Average Common Equity For the 12 Months Ending December 31, 2010		13.99%

The Common Equity as of July 31, 2010 (Actual) was adjusted using net income, payment of Common Stock and Preferred Stock dividends, Capital Contributions, and Other Adjustments from the Company's 2010 budget. The average common equity is a 12-month average using actual and budgeted data. The average retail common equity (RCE) was calculated using an estimated retail separation factor of 91.57%. The retail net income (RNI) for average common equity was calculated by using actual data for the seven months ended July 31, 2010, and then adding five months of budget data for August through December 2010. 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.

ENERGY DIVISION

**Alabama Power Company
Forecast of Energy Cost Recovery
For the Period Ending December 31, 2010**

	Energy Cost (\$/MWH)		ECR Seasonal Factor (\$/MWH)	Over/(Under) Recovery	
	Month	12 Months Ended		Month (\$)	Cumulative (\$)
JAN 09 Act	32.138	33.133	37.866	17,588,864	(288,043,939)
FEB 09 Act	29.225	33.478	37.866	46,249,431	(241,794,508)
MAR 09 Act	23.725	33.803	37.866	52,791,864	(189,002,644)
APR 09 Act	27.981	34.265	37.866	30,703,964	(158,298,681)
MAY 09 Act	25.204	34.415	37.866	36,175,778	(122,122,904)
JUN 09 Act	34.087	34.193	40.242	20,010,617	(102,112,288)
JUL 09 Act	29.265	33.319	40.242	50,306,061	(51,806,227)
AUG 09 Act	31.816	32.718	40.242	40,669,269	(11,136,958)
SEP 09 Act	26.389	31.100	40.242	65,908,449	54,771,491
OCT 09 Act	21.259	29.801	35.490	61,913,104	116,684,595
NOV 09 Act	21.901	28.270	35.490	44,431,206	161,115,801
DEC 09 Act	24.622	27.542	35.490	38,503,045	199,618,846
JAN 10 Act	29.084	27.297	22.845	(27,590,450)	172,028,395
FEB 10 Act	22.707	26.751	22.845	2,750,793	174,779,188
MAR 10 Act	24.155	26.762	22.845	(2,033,517)	172,745,671
APR 10 Act	27.956	26.766	22.845	(16,239,193)	156,506,478
MAY 10 Act	28.921	27.066	22.845	(36,852,368)	119,654,110
JUN 10 Act	28.257	26.585	25.904	(20,903,434)	98,750,676
JUL 10 Act	26.118	26.279	25.904	(7,805,928)	90,944,748
AUG 10 Bud	28.969	26.044	25.904	(20,097,168)	70,847,580
SEP 10 Bud	26.582	26.060	25.904	9,385,432	80,233,012
OCT 10 Bud	27.257	26.492	22.845	(17,102,745)	63,130,267
NOV 10 Bud	27.128	26.858	22.845	(18,012,960)	45,117,307
DEC 10 Bud	25.236	26.905	22.845	(13,977,355)	31,139,952

The estimates used in the above table are subject to change due to uncertainties associated with weather, customer usage patterns, and economic conditions across the state.



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SECRETARY

MEMORANDUM

DATE: August 26, 2010

TO: Commissioner Lucy Baxley
Commissioner Jan Cook
Commissioner Susan D. Parker

FROM: Darrell A. Baker **DAB**
Telecommunications Division

SUBJECT: Agenda for September 7, 2010 Commission Meeting.

The following items will be presented to the Commission during the regular September 7, 2010 Commission Meeting.

CERTIFICATION (S)

Docket U-4978 CONSOLIDATED TELECOM, INC. -- Application for Certificate of Public Convenience and Necessity to provide Inmate Phone Service in the state of Alabama.
Recommend Approval.

CANCELLATION/WITHDRAWAL (S)

Docket U-4664 ITI INMATE TELEPHONE, INC. -- Discontinues the provision of Inmate Phone Service in the state of Alabama.
Recommend Approval.

NAME CHANGE (S)

Docket 21793 MATRIX TELECOM, INC. d/b/a MATRIX BUSINESS TECHNOLOGIES and MATRIX TELECOM, INC. d/b/a TRINSIC COMMUNICATIONS -- Changes the Company name to Matrix Telecom, Inc. d/b/a Trinsic Communications; also d/b/a Excel Telecommunications; also d/b/a VarTec Telecom.
Recommend Approval.

MISCELLANEOUS

Docket 30934 ALL TELECOMMUNICATIONS COMPANIES -- Registration of Third-Party Providers for Telecommunications Billings. Third-Party Providers and Billing Aggregators request approval/deletion of their registration with the Commission for purposes of including their charges on the consumer bills of regulated telecommunications carriers.
Recommend Approval.

SUMMARY OF OTHER FILING (S)

- D-6523 GLOBAL CONNECTION INC. OF AMERICA -- Introduces Lifeline and Linkup programs, and makes minor textual changes. Filed November 13, 2009, with a requested effective date of November 30, 2009.
- D-6527 GLOBAL TEL*LINK CORPORATION -- Reduces the Single Bill Fee. The Single Bill Fee applies to a Customer's bill each month in which local or long distance collect calls are accepted from an inmate institution. Filed November 17, 2009, with a requested effective date of November 18, 2009.
- D-6598 KNOLOGY OF THE VALLEY, INC. d/b/a KNOLOGY -- Increases charges for various Operator Assisted Services, Directory Assistance, and the reconnect charge after a soft disconnect for business customers. Filed August 17, 2010, with a requested effective date of October 1, 2010.
- D-6599 VALLEY TELEPHONE CO., LLC d/b/a KNOLOGY -- Increases charges for various Operator Assisted Services, Directory Assistance, and the reconnect charge after a soft disconnect for business customers. Filed August 17, 2010, with a requested effective date of October 1, 2010.
- D-6600 WINDSTREAM NUVOX, INC. -- Introduces "Business Line" as a new marketing name for NetPlus Service, and makes minor textual changes. NetPlus Service provides local exchange service to business subscribers. Filed July 14, 2010, with a requested effective date of July 15, 2010.
- D-6601 KNOLOGY OF ALABAMA, INC. -- Revises Local Directory Assistance rate for the Local Services tariff. Filed August 20, 2010, with a requested effective date of September 18, 2010.

- D-6602 KNOLOGY OF ALABAMA, INC. -- Revises Local Directory Assistance rate for the Intrastate Message Telecommunications Services and Operator Services tariff. Filed August 20, 2010, with a requested effective date of September 18, 2010.



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WALTER THOMAS JR.

SECRETARY

MEMORANDUM

DATE: August 26, 2010

TO: Commission President Lucy Baxley
Commissioner Jan Cook
Commissioner Susan D. Parker
Division Directors

FROM: Legal Division

SUBJECT: Agenda - September 7, 2010 Commission Meeting

The Legal Division will present the following at the September 7, 2010 Commission Meeting:

DOCKET C-16038 (M) - Petition of Weeks Construction LLC for approval of cargo self-insurance.

Recommend: Approval

DOCKET C-15916 (M) - Petition of Charles F. Rivers, d/b/a C&P Trucking for approval of cargo self-insurer status approved May 2010 meeting. Application process not completed.

Recommend: Vacate Commission's previous vote.

DOCKET 30105 (M) - Petition of Wyman's Superior Hauling, Inc. for cancellation of Motor Carrier Certificate F3543.

Recommend: Grant cancellation as requested.

DOCKET 31286 (M) - Petition of David Allen Hudson, d/b/a D Hudson Trucking for cancellation of Motor Carrier Certificate F4298.

Recommend: Grant cancellation as requested.

DOCKET 31170 (M) - Petition of Mohammad Aftabazam Janjua, d/b/a American Cab Company to withdraw its motor carrier application seeking approval to extend its authority under Motor Carrier Certificate 3627.

Recommend: Grant

DOCKET 31458 (M) - Unopposed application to transfer Motor Carrier Certificate F4342 FROM: Lamont Glen Howard, d/b/a Howard Trucking, TO: L Howard Trucking, Inc.

Recommend: Grant

DOCKET 31459 (M) - Unopposed application to transfer Motor Carrier Certificate 3763 FROM: First Klass Moving & Storage, Inc., TO: First Klass Movers, L.L.C.

Recommend: Grant

DOCKET 31460 (M) - Unopposed application to transfer Motor Carrier Certificate 3744 FROM: Varavuti Saebsaisakul & Clarence Portis, d/b/a The Birmingham Cab Company TO: Tariq Qureshi, d/b/a The Birmingham Metro Cab Company.

Recommend: Grant

DOCKET 31427 (M) - Application of WiMacTel, Inc. for a Certificate of Public Convenience and Necessity to provide resold and facilities based local exchange and resold interexchange telecommunications services in Alabama. There was no intervention. A hearing was held in which staff participated.

Recommend: Approval

DOCKET 31436 (G) - Application of Tower Cloud, Inc. for approval of a Certificate of Public Convenience and Necessity to provide Intrastate Interexchange Telecommunications Service in the State of Alabama. Hearing held; no intervenors; staff participated.

Recommend: Grant



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WALTER THOMAS JR.

SECRETARY

MEMORANDUM

DATE: September 1, 2010

TO: Commission President Lucy Baxley
Commissioner Jan Cook
Commissioner Susan D. Parker
Division Directors

FROM: Legal Division

SUBJECT: Supplemental Agenda (1) - September 7, 2010 Commission Meeting

The Legal Division will present the following at the September 7, 2010 Commission Meeting:

DOCKET C-16039 (M) - Petition of Danny E. Isbell, d/b/a Isbell Excavating for approval of cargo self-insurance.

Recommend: Approval

DOCKET C-16040 (M) - Petition of James Thompson, Sr., d/b/a L & J Thompson Construction for approval of cargo self-insurance.

Recommend: Approval

DOCKET 31435 (M) - Application of United Telecom, Inc, d/b/a Rodeo Telecom, Inc., for a Certificate of Public Convenience and Necessity to provide resold interexchange telecommunications services in Alabama. There was no intervention. A hearing was held in which staff participated.

Recommend: Approval

DOCKET 31092 (M) - Alabama Public Service Commission v. Benchmark Communications, LLC, et. al. Petition of Intrado Communications, Inc. for an extension of time to file an Interconnection Agreement.

Recommend: Grant four (4) month extension.

LEGAL DIVISION AGENDA

September 7, 2010 Commission Meeting

September 1, 2010

PAGE #2

DOCKET 25980 (G) - Universal Service Proceedings. All ETCs eligible for high cost funding seek certification of their eligibility and expenditure plans for 2011 USF high cost funds.

Recommend: Certify the eligibility of the Petitioning ETCs and notify the FCC of that certification.