

MINUTES OF A MEETING
OF THE
ALABAMA PUBLIC SERVICE COMMISSION
HELD TUESDAY, DECEMBER 6, 2022

The December 2022 meeting of the Alabama Public Service Commission was held on Tuesday, December 6, 2022, in the Carl L. Evans Chief Administrative Law Judge Hearing Room Complex, 100 North Union Street, Montgomery, Alabama. Commission President Twinkle Andress Cavanaugh called the meeting to order at 10:00 a.m. with Commissioner Jeremy H. Oden and Commissioner Chris "Chip" Beeker, Jr., present. The following staff members were also present: John A. Garner, Chief Administrative Law Judge; Luke Bentley and Suellen Young, Administrative Law Judges; Chad Mason, Attorney; Jeff Johnston, Utility Services Division Director; John Free, Electricity Policy Division Director; Jonathan Kimbril, Acting Gas Pipeline Director; Patricia Smith, Public Utility Analyst Manager; Aquilla Spivey, Consumer Service Manager; Amanda Shehane, Public Utility Analyst Manager; Tanya Champion, Jennifer Lyle-Mattox, Ashia Rainey, Stacie Berry and Dee Newman, Public Utility Analysts; William Partlow, Staff Accountant; Caleb Hicks, Communication and Public Relation Manager; Terry Jackson, Public Utility Field Technician Senior Debbie Williams, Executive Assistant to Commissioner Cavanaugh; Mary Caitlyn Montgomery, Technical Assistant to Commissioner Beeker; Kaitlyn Rayborn, Executive Assistant to Commissioner Beeker; Greg Poole Technical Assistant to Commissioner Oden; Kay Oswalt, Information Systems Manager; Chalandra Tolliver, IT Technician; Tashenma Lawrence and Jerry Delancey, Administrative Assistant; Walter L. Thomas, Jr., Secretary of the Commission.

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Commissioner Cavanaugh noted that the public was informed of today's Commission meeting by notice dated October 26, 2022.

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Commissioner Cavanaugh introduced Jonathan Kimbril, who opened the meeting with prayer and led the audience in the Pledge of Allegiance.

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Commissioner Cavanaugh then open the floor for a motion to approve the minutes of the November 1, 2022 Commission Meeting.

Upon being motioned by Commissioner Oden and seconded by Commissioner Beeker, the Commissioners voted unanimously to approve the minutes.

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UTILITY SERVICES DIVISION

Mr. Johnston reported on the Utility Service Division on Consumer Service Complaint Inquires for the period November 2022 was as follows: Alabama Power Company had ten residential inquires, Spire Alabama had three residential inquires and one business, Spire Gulf had none. There were a total of eighteen telecommunication inquires consisting of seven under Public Service Commission jurisdiction, three referred back to the companies since the companies waived jurisdiction and eight which were not under PSC jurisdiction.

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Mr. Johnston reported on RSE for Spire Alabama Inc., based on preliminary figures as of October 31, 2022, the projected RSE return on average common equity for the rate year ending September 30, 2023, was 9.69 percent. The authorized return on average common equity is 9.50 percent to 9.90 percent.

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Mr. Johnston reported on RSE for Spire Gulf Inc., based on preliminary figures as of October 31, 2022, the projected RSE return on average common equity for the rate year ending September 30, 2023, was 9.64 percent. The authorized return on average common equity is 9.70 percent to 10.30 percent.

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Mr. Johnston reported on the Utility Service Division on Informal Docket U-5073, Spire Gulf, Inc., Application for approval to Terminate its Self-Insurance Reserve and Refund the Associated Regulatory Liability, and recommended granting approval of application.

Upon motion by Commissioner Cavanaugh and seconded by Commissioner Beeker, the Commissioners voted unanimously to accept the recommendation.

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Mr. Johnston reported on the following dockets from the Utility Servicer Division Agenda:

Formal Docket 32553, Community Utilities of Alabama, Inc., Petition for approval to modify Certificate of Financial Viability. Expands the service territory of Community Utilities of Alabama, Inc., to own, operate and maintain the wastewater

collection and treatment facilities for Magnolia Cove Subdivision located in the Community of Dadeville in Tallapoosa County, AL, and recommended granting approval of petition;

Formal Docket 32553, Integrated Wastewater Management, Inc., Petition for approval to modify Certificate of Financial Viability. Expands the service territory of Community Utilities of Alabama, Inc., to own, operate and maintain the wastewater collection and treatment facilities for New London Mobile Home Park located in the Community of Vincent, in St. Clair County, AL, and recommended granting approval of petition; and

Formal Docket 32553, Integrated Wastewater Management, Inc., Petition for approval to modify Certificate of Financial Viability. Expands the service territory of Community Utilities of Alabama, Inc., to own, operate and maintain the wastewater collection and treatment facilities for Harmony Cove Cottages located in the Community of Eclectic, in Elmore County, AL, and recommended granting approval of petition.

Upon motion by Commissioner Oden and seconded by Commissioner Cavanaugh, the Commissioners voted unanimously to accept these recommendations.

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Mr. Johnston reported on Informal Docket U-5433, Airus, Inc., and Centurytel of Alabama, LLC d/b/a Centurylink and Gulf Telephone Company d/b/a Centurylink, Approval of an Interconnection agreement between CenturyTel of Alabama, LLC d/b/a Centurylink: Gulf Telephone Company d/b/a Centurylink and Airus, Inc., pursuant to Sections 251 and 252 of the Telecommunications Act of 1996, and recommended granting approval of agreement.

Upon motion by Commissioner Cavanaugh and seconded by Commissioner Oden, the Commissioners voted unanimously to accept the recommendation.

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Mr. Johnston reported on the following dockets for approval of an Amended Interconnection Agreement pursuant to Sections 251 and 252 of the Telecommunications Act of 1996, and recommended granting approval of the Agreements as follows:

Informal Docket U-3834, BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and Business Telecom, LLC d/b/a Earthlink Business;

Informal Docket U-3943, BellSouth Telecommunications, LLC

d/b/a AT&T Southeast and Level 3 Communications, LLC;

Informal Docket U-3964, BellSouth Telecommunications, LLC AT&T Alabama or AT&T Southeast and The Other Phone Company, LLC;

Informal Docket U-4120, BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and Windstream New Edge, LLC;

Informal Docket U-4131, BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and Network Telephone LLC, LLC;

Informal 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;

Informal Docket U-4450, BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and Centurylink Communications, LLC d/b/a Centurylink and Centurylink Communications, LLC d/b/a Lumen, d/b/a Lumen Technologies, d/b/a Lumen Technologies Group;

Informal Docket U-4571, BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and Windstream Nuvox, LLC;

Informal Docket U-4791, BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and Windstream KDL, LLC;

Informal Docket U-4818, BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and Talk America, LLC;

Informal Docket U-4865, BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and Level 3 Telecom of Alabama, LLC;

Informal Docket U-4977, BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and Windstream Nuvox, LLC;

Informal Docket U-5038, BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and Deltacom, LLC d/b/a Earthlink Business; and

Informal Docket U-5143, Centurylink Communications, LLC d/b/a Centureylink and Centurylink Communications, LLC d/b/a and Lumen, d/b/a Lumen Technologies d/b/a Lumen Technologies Group and Frontier Communications of the South, LLC.

Upon motion by Commissioner Cavanaugh and seconded by Commissioner Oden, the Commissioners voted unanimously to accept these recommendations.

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Mr. Johnson reported on Informal Docket U-5102, Centurytel of Alabama, LLC d/b/a Centurylink and Gulf Telephone Company d/b/a Centurylink and Metropolitan Telecommunications of Alabama, Inc., Approval of a Resale Forbearance Amendment to the Interconnection Agreement between Centurytel of Alabama, LLC d/b/a Centurytel; Gulf Telephone Company d/b/a Centurylink and Metropolitan Telecommunications of Alabama of Alabama d/b/a MetTel pursuant to Sections 251 and 252 of the Telecommunications Act of 1996, and recommended granting approval agreement.

Upon motion by Commissioner Cavanaugh and seconded by Commissioner Beeker, the Commissioners voted unanimously to accept the recommendation.

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Mr. Johnston then reported on Formal Docket 25601, Gulf Telephone Company, LLC d/b/a Centurylink, Changes company name to Brightspeed of Southern Alabama, LLC. Filed November 9, 2022 with an immediate effective date, and recommended granting approval of name change.

Upon motion by Commissioner Cavanaugh and seconded by Commissioner Beeker, the Commissioners voted unanimously to accept the recommendation.

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Mr. Johnson noted that the remaining item on the Telecommunications Agenda under "Summary of Other Filings" are for informational purpose only.

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Mr. Johnston also reported on The Field Services Section (FSS) Staff inspected the Hayneville Ridge wastewater treatment plant managed by Alabama Wastewater Systems Inc., and permitted ADEM. The System, located in Montgomery County, Provides wastewater treatment for 36 residential homes with a potential for growth of up to 54 residents. The attached growth system begins at each home with inceptor tanks. Effluent is then pumped to a sand filter for continued filtering and then time dosed to 22,000 feet of drip field for final disposition. The system was functioning as designed with no discrepancies noted at the time of this inspection.

GAS PIPELINE SAFETY DIVISION

Mr. Jonathan Kimbril, reported for the Gas Pipeline Safety

(GPS) Division on major activities during the month of October 2022.

Standard Inspection	Construction	Operator Qualification	Public Awareness	IMP / DIMP	Control Room	Incident /Accident	Section 114	Drug & Alcohol	Follow-Up	Total Inspections
16	6			1		2	6	2	6	39

From the thirty-nine (39) inspections shown above, three (3) enforcement letters of notification were issued, noting four (4) non-compliance issues. There were seven (7) non-compliance items corrected during the month of October.

Incidents/Accidents

No PHMSA reportable incidents were reported during the month of October. There were two State reportable incidents that were reported during the month of October. One in the northern section and the other in the southern section. Neither had fire, explosion, or injuries that occurred.

- 10/5/2022 - North Alabama Gas District - Power Contractor struck a 6" (PE) main at Hughes Road and Eastview Drive, Madison, AL. A locate had been called in for this particular work.
- 10/18/2022 - Spire Gulf - Mobile, AL - Contractor struck a 4" (PE) main. At the intersection of Ziegler Blvd and University Blvd. The contractor was adding a turn lane to the intersection. Fire evacuated near by businesses. Media was on scene reporting.

Training

Five (5) operator/contractor training sessions on Polyethylene (PE) plastic fusion were conducted during the month of October:

- 10/4/2022 - Sylacauga Utilities (PE) 24 Personnel Qualified
- 10/6/2022 - Hartselle Utilities (PE) 14 Personnel Qualified
- 10/12/2022 - Huntsville Utilities (PE) 76 Personnel Qualified
- 10/18/2022 - Leak City (PE) 60 Personnel Qualified
- 10/19/2022 - Scottsboro WSG (PE) 24 Personnel Qualified

The total personnel trained was 198 (138 operator personnel and 60 contractors).

Miscellaneous

Mr. Mark Burgess, CEO of South Alabama Gas District, has started the change in management of the Pine Energies Pipeline. South Alabama Gas District is in the process of taking over the operations of the Pine Energies pipeline. It is currently inactive with nitrogen inserted for safety. There is no current demand for the pipeline but it has the possibility of future use in transporting natural gas. South Alabama Gas District is to take over the maintenance and operation of the pipeline and to allow it to remain in active status. This will bring Pine Energies into compliance once completed.

Plains Pipeline LP has submitted a supplemental Annual Report to PHMSA changing the jurisdictional classification of the their pipeline segment from State to PHMSA based on its current use. This asset will now be inspected by PHMSA.

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UTILITY ENFORCEMENT DIVISION

In the absence of Scott Morris, Amanda Shehane reported from the Utility Enforcement Division on major activities during the month of October 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
4	12	94	2	119	77

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

Railroad Bridge Observations	Roadway Worker Protection	Roadway Maintenance Machines	Bridge Worker Safety
0	9	5	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	11	125	0	599

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 three incidents reported by the National Response Center (NRC) in October:

1. A pedestrian was struck at a grade crossing resulting in a fatality in Birmingham on NS
2. A vehicle strike at a grade crossing resulted in unknown injuries in Tuscaloosa on NS
3. A battery acid spill resulting from arson on a railroad right of way in Cullman on CSX

The UED Director and RSW Administrator attended a round table meeting that was hosted by Congresswoman Terri Sewell with FRA Administrator Amit Bose, FRA Staff, and local government leaders. The primary topic of discussion was blocked crossing concerns throughout Alabama.

RWS Administrator attended the Association of State Railway Safety Managers Annual Meeting in Phoenix, Arizona during the week of October 31. Presentations were given by participating states, including Alabama, where information was shared on activities that affect railway safety in each state. Presentations were also given by the FRA discussing topics that affect railway safety and regulatory updates and/or changes that are taking place.

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
10	6	0	4	4	4	45	23	16

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
361	18	13	2	35	35	335

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

UCR Applications		UCR Mail outs for 2022/2023	UCR Audit Correspondence	UCR Inquiries	
Received	Returned			Phone	E-mail
16	4	2,106	20	130	43

As of October 31, there were 10,977 Alabama carriers (83%) registered for 2022 UCR with 2,282 that remain unregistered. The 2023 UCR registration opened on October 1. As of October 31, there were 2,778 Alabama carriers (23%) registered for 2023 UCR with 9,305 that remain unregistered.

During October, the staff mailed seven pending payment letters to carriers that created a voucher several weeks prior where payment had not been received for the 2023 UCR registration year.

In October, \$4,024 was collected for Focused Anomaly Reviews (FARs) audits for the 2023 UCR registration year.

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 call held in October.

The staff received 17 For Non-Profit (FNP) quarterly reports from FNP carriers for the third quarter of 2022.

A show cause hearing was held for eight carriers that failed to submit their 2021 annual reports as required for all household goods and passenger carriers. One annual report was received during the hearing.

There was one household goods supplement tariff for SWS Investments & Holdings, LLC d/b/a Two Men and A Truck (C4053) and one passenger tariff for Taylor's House of Camellias LLC d/b/a Taylor's House of Camellias Transportation (C4139) accepted in October.

Staff conducted an on-site visit in Huntsville for GBPB, LLC d/b/a Black Tie Moving Services Huntsville, AL (C4111) as a follow-up to the carrier's previous audit. Discussed during the meeting were issues found in the audit, solutions to resolve those issues, and the process of how to file a supplement to their existing tariff rates on file with the Commission.

There was an on-site compliance audit conducted in September and resolved in October for Unique Car Care, LLC (C3721). The carrier was advised to immediately update its tariff.

ELECTRICITY POLICY DIVISION

Mrs. Smith reported for the Electricity Policy Division on RSE for Alabama Power Company stating that the Weighted Retail Return on Average Common Equity Forecast as of December 31, 2022, is 6.95 percent. The authorized Weighted Retail Return on Average Common Equity Range is 5.75-6.15 percent. Mrs. Smith also reported for the month of October 2022 energy cost applicable to Rate ECR was under-recovered by \$20,744,748.

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Mr. Free reported on Informal Docket 18117 and 18416, On November 21, 2022, Alabama Power Company filed a proposed revision to Rate CNP (Adjustment for Commercial Operation of Certificated New Plant). The purpose of the revision is to place into effect a dedicated recovery mechanism for changes in depreciation expense that result from periodic updates to depreciation rates, and which would not otherwise be recovered through the existing provisions of Subparts A and C to Rate CNP or associated with the capitalization of asset retirement costs. This new Subpart D to Rate CNP would be effective as of the date of a Commission order approving the filing, and recommended approval of revision.

Upon motion by Commissioner Cavanaugh and seconded by Commissioner Oden, the Commissioners voted unanimously to accept the recommendation.

Informal Docket U-5266, Commissioner Cavanaugh stated that Alabama Power will be experiencing upward cost pressures in 2023, largely due to various federal mandates and other requirements. Commissioner Cavanaugh urged the Commission to consider feasible options that are available to help mitigate the resulting impacts on customers. She further stated that, based on routine Staff monitoring and auditing activities, the Company has a significant amount of excess federal Accumulated Deferred Income Taxes, or

ADIT. That excess amount, which resulted from the Tax Cuts and Jobs Act, is currently being flowed back for the benefit of retail customers over a multi-year period pursuant to a Commission accounting order that was issued in 2018. To help customers during these challenging times, Commissioner Cavanaugh made a motion to modify the flow back of excess federal ADIT under that 2018 order and accelerate the return to retail customers of an amount designed to offset the effect in 2023 of the operation of Rate CNP-Subpart D, as approved earlier today. This offset would be accomplished through credits to monthly billings for 2023, starting in January. As an additional modification to the 2018 accounting order, there would be no further flow back of any remaining excess federal ADIT unless and until otherwise directed by this Commission. This will afford the Commission with greater flexibility regarding the future use of that remaining amount for the benefit of customers. Given that this plan, if approved, would modify aspects of a prior Commission order on which the Company is currently relying, Commissioner Cavanaugh proposed the implementation in the form of an order providing a timeframe for Company consent. The Commission Staff would thereafter work with the Company to review, confirm and monitor the bill crediting process.

Upon a seconded by Commissioner Oden, the Commissioners voted unanimously to accept the recommendation.

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LEGAL DIVISION

Judge Young then reported from the Legal Division Agenda on Formal Docket 33288, Unopposed application to transfer motor carrier certificate F4937 FROM: RMS Trucking L.L.C. of Dadeville, Alabama TO: Gary Ingram Grading & Paving, Inc., of Dadeville, Alabama; and recommended granting approval of application.

Upon motion by Commissioner Cavanaugh and seconded by Commissioner Oden, the Commissioners voted unanimously to accept the recommendation.

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Judge Young reported on formal Docket 33274, Alabama Public Service Commission v All Motor Carriers who failed to file Annual Reports for 2021 operations. Hearing held for all motor carriers who failed to file their Annual Reports for 2021 operations, and recommended granting revocation of all carriers who failed to

appear at the Show Cause hearing; dismissal of all carriers from proceeding who have now complied or otherwise shown good cause why they should be dismissed from this proceeding.

Upon motion by Commissioner Cavanaugh and seconded by Commissioner Beeker, the Commissioners voted unanimously to accept the recommendation.

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Judge Young then reported on Formal Docket 31175, motor carrier certificate F4235 held by Houndstooth Transportation, Inc., of Tuscaloosa, Alabama was suspended by Commission order dated September 15, 2021, for a period of one year. Houndstooth Transportation Inc., has failed to notify the Commission of its intent to recommence operations or relinquish motor carrier certificate F4235 despite a request by Commission staff to do so, and recommended granting cancellation on 30 days' notice.

Upon motion by Commissioner Oden and seconded by Commissioner Cavanaugh, the Commissioners voted unanimously to accept the recommendation.

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Judge Bentley reported on the following dockets from the Legal Division Agenda:

Informal Docket C-20419 Petition of Selma Health and Rehab LLC d/b/a Selma Health and Rehab, of Selma, Alabama for reinstatement of motor carrier certificate FNP B-99 which was revoked due to Petitioner's failure to maintain proper proof of liability insurance coverage, and recommended granting reinstatement of petition;

Informal Docket C-20408, Petition of James W Thompson d/b/a R&J Hauling, of Ashville, Alabama, for reinstatement of motor carrier certificate F4983 which was revoked due to petitioner's failure to maintain proper proof of liability cargo insurance coverage, and recommended granting reinstatement; and

Formal Docket 32412, Petition of Pearson Delivery Inc., of Mobile, Alabama for cancellation of motor carrier certificate F3823, and recommended granting cancellation as requested.

Upon motion by Commissioner Cavanaugh and seconded by Commissioner Beeker, the Commissioners voted unanimously to accept these recommendations.

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Judge Bentley then reported on Formal Docket 33231, APSC v. Delinquent Companies (that failed to timely pay inspection/supervision fees). The Commission has received the inspection and supervision fee and late fee from Mississippi Central Railroad, and recommended granting reinstatement of Mississippi Central Railroad.

Upon motion by Commissioner Beeker and seconded by Commissioner Cavanaugh, the Commissioners voted unanimously to accept the recommendation.

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Judge Garner recommended approval of the administrative items.

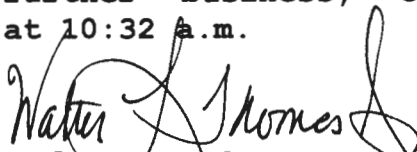
Upon motion by Commissioner Cavanaugh and seconded by Commissioner Oden, the Commissioners voted unanimously to accept the recommendation.

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Commissioner Cavanaugh concluded with stating that the next Commission meeting is scheduled for Tuesday, January 10, 2023.

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There being no further business, Commissioner Cavanaugh adjourned the meeting at 10:32 a.m.


Walter L. Thomas, Jr.
Secretary