



Alabama

2023 Annual Report

Public Service Commission



*Ensuring the balance between
consumers and regulated companies.*

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

TWINKLE ANDRESS CAVANAUGH, PRESIDENT

JOHN A. GARNER, EXECUTIVE DIRECTOR

JEREMY H. ODEN, ASSOCIATE COMMISSIONER

January 10, 2024

CHRIS "CHIP" BEEKER, JR., ASSOCIATE COMMISSIONER

The Honorable Kay Ivey
Governor of Alabama
600 Dexter Avenue
Montgomery, Alabama 36130

Dear Governor Ivey:

Attached for your review is the Annual Report of the Alabama Public Service Commission (the "APSC" or the "Commission") for the fiscal year commencing October 1, 2022, and ending September 30, 2023. Said Annual Report details the operations of the APSC for the noted period as required by the provisions of the *Code of Alabama*, 1975, §37-1-41.

Additional copies are available and will be hand delivered upon request. The report may also be accessed as a PDF file on the APSC's website at www.psc.alabama.gov.

Thank you for your attention to this matter. Should you have any questions, please do not hesitate to contact me at (334)242-5200.

Sincerely,

A blue ink signature of John A. Garner, which is stylized and cursive, written over a horizontal line.

John A. Garner
Executive Director

JAG:klr
Attachment

Mission



To provide a balance between regulated companies and consumers in order to provide consumers with safe, adequate and reliable services at affordable rates.


Since its creation over a century ago as the Railroad Commission of Alabama, the Alabama Public Service Commission (APSC) has remained committed to ensuring the citizens of Alabama receive reliable and affordable utility and transportation services at rates that are fair and reasonable. The agency's role has evolved throughout the years from the regulation of railroad transportation services to regulating all facets of public utility and transportation services. The entities regulated by the APSC include investor-owned corporations providing electric, gas and water service to the public and select providers of telecommunication and wastewater services. Additionally, railroads, buses, trucking companies and taxis operating outside police jurisdictions on a for-hire basis remain under the oversight of the APSC.

Governed by a president and two associate commissioners who are elected on a statewide basis, the APSC generates its principal funding from inspection and supervision fees received from companies regulated by the agency to carry out its vast responsibilities. Those funds are, however, appropriated by the Alabama Legislature. The work of the Commission is performed by a staff of approximately 64 competent and dedicated professionals who serve in the various divisions and offices.



Alabama Public Service Commission
P.O. Box 304260 Montgomery, AL 36130

 psc.alabama.gov

 1 (800) 392-8050

Meet the Commissioners



**Chris "Chip"
Beeker Jr.**



**Twinkle Andress
Cavanaugh**



Jeremy H. Oden

President Twinkle Andress Cavanaugh



Commissioner Twinkle Andress Cavanaugh is a wife, a mother and a small business owner committed to applying the principles of conservative governance as a public servant in Alabama.

Affectionately known as “Twinkle” by those she serves in her home state, she is passionate about empowering Alabama’s workforce and their families to realize the American Dream.

Twinkle continues tireless advocacy for state and federal energy policies, which ensure the most reliable and affordable utilities for Alabama’s citizens. This includes full use of the resources God provided for our benefit, including coal, natural gas, hydro, wind, solar and nuclear energy.

She believes sound energy policy is the foundation for providing maximum opportunity to American workers.

During her service on the Commission, Twinkle has established a model ethics policy, cut government waste to save taxpayers millions of dollars annually and assured the return of hundreds of millions of dollars to Alabama consumers.

Prior to her tenure at the APSC, Twinkle was the first female elected as chairman of the Alabama Republican Party. In 2020, she received the most votes in Alabama history for a non-presidential candidate.

Even with her status as one of the Yellowhammer State’s trailblazing women, Twinkle’s faith and her family remain the driving forces in her life.

A graduate of Auburn University, she is married to Jeff Cavanaugh, a veterinarian, and they have three children and two grandchildren. Twinkle and her family are active members of First Baptist Church in Montgomery and are involved in numerous community initiatives.



President Cavanaugh's staff from left: Lindsey Ward, Hanna Lombardi and Debbie Williams



Left photo: President Cavanaugh joined representatives from Spire Alabama and local Mobile school district and city officials in opening Mobile County Public Schools' first farm-to-table teaching program in August 2022 at Murphy High School. **Right photo:** President Cavanaugh visited with Crenshaw County farmer Christopher Hilburn to learn more about the importance of poultry production as it relates to the utilities the APSC regulates.

Commissioner, Place 1

Jeremy H. Oden



A native of the Vinemont/Eva area in Cullman County, Jeremy H. Oden was appointed to serve as Commissioner for Place 1 on the APSC beginning December 2012. Commissioner Oden was first elected by the people of Alabama in 2014 and again in 2018 and 2022, allowing him to continue serving the state through 2026.

Commissioner Oden serves in active roles on the National Association of Regulatory Utility Commissioners (NARUC). At NARUC, he currently serves as a member of the board of directors and on the Electricity Committee. He previously served as past chair of the subcommittee on Clean Coal and Carbon Management. He was appointed by President Donald Trump's Department of Energy Secretary to serve as a member of the National Coal Council and served until the end of his appointment in 2022.

Throughout the COVID-19 pandemic, Commissioner Oden stayed in close contact with key individuals at regulated utility companies. He and his fellow Commissioners requested extended grace periods be offered to protect vulnerable consumers and their concerns from pandemic layoffs.

Throughout Alabama, many natural disasters occur during the year, including hurricanes and tornadoes. He maintains close contact with the affected utilities for service to be quickly repaired and restored to customers.

Commissioner Oden is also extremely involved in the Southeastern Association of Regulatory Utility Commissions (SEARUC), where he currently serves on the Executive Committee as Treasurer. At past SEARUC meetings, he has been a featured speaker and led various panel discussions. Most recently, he led a full association panel on the impact of electric vehicles on the southeastern power grid and reliability factors of implementation of electric vehicles to the transportation arena. In addition to his involvement with NARUC and SEARUC, he has also served on the National Center for Public Utilities Advisory Council and was asked to lead a discussion at the education summit on the impact of the southern grid reliability and the electrification of the transportation grid.

Commissioner Oden also leads and attends many meetings, summits and conferences within the state concerning multiple energy-related topics. He continues to participate in safety-related industry classes and studies the effects of environmental, social and governance investing and operational motives on industries and regulated entities.

Most Alabamians would agree the past few years have been trying and challenging. Throughout various stay-at-home orders, virtual meetings and newly designed in-person meetings, Commissioner Oden and his staff continue to show their willingness to serve constituents on both the national and local levels. Even through uncertain times, he vows to continue fighting for fuel diversity in power generation and promoting safety along Alabama's roads, pipelines, transmission grid and railways.



Commissioner Oden's staff: Aisha Smith



Left photo: Commissioner Oden regularly attends meetings across the U.S. regarding energy policy, production and regulation.
Right photo: Commissioner Oden visited the Lowman Pipeline Compressor Station in Choctaw County and discussed the station's conversion from coal to natural gas.

Commissioner, Place 2

Chris "Chip" Beeker Jr.



A native of Greene County, Alabama, Commissioner Chris "Chip" Beeker Jr. was elected to the APSC in 2014 and was reelected in 2018. During the 2022 primary election, he faced two republican opponents, which ended in a runoff. He went on to win all 67 of Alabama's counties in the primary runoff election and was reelected for a third term in November 2022. He will continue to serve Alabama through 2026.

Commissioner Beeker brings a lifelong commitment to service and a successful business record to the APSC. After completing eight years of post-high school service with the National Guard, he attended the University of West Alabama, where he was a member of Phi Kappa Phi and graduated with a degree in commerce and business. He then worked at the James M. Barry Steam Plant and the William Crawford Gorgas Electric Generating Plant, which provided him first-hand opportunities to see how vital reliable energy is to Alabama's citizens and economy.

After a brief stint in the timber industry, Commissioner Beeker started Beeker Timber Company, which managed, bought and sold timber. He also founded Beeker Catfish and the Beeker Cattle Company in the early '90s. His farms have received national acclaim for achieving high standards of quality.

Commissioner Beeker has been an integral part of his community over the years. He has served on numerous advisory boards throughout the area and was the head junior varsity coach in basketball and head varsity coach in baseball at Warrior Academy. In 2012, The Community Foundation of West Alabama selected him as a Pillar of West Alabama.

From 1986 through 2006, he was a member of the Greene County Commission and served as chairman for 10 years. During his tenure, the Greene County Commission achieved great success in economic development.

A man of faith, Commissioner Beeker has served more than 30 years as an elder and Sunday School teacher at First Presbyterian Church in Eutaw. He began a prison ministry at the Greene County Jail and has also received a degree from the New Covenant School of Ministry.

He and his wife of more than 50 years, Teresa, have three children: Diana Beeker Browning (Brandon), Inge Beeker (Elizabeth) and Chris Beeker III (Carley). The couple have been blessed with 11 grandchildren.

Commissioner Beeker promises to oppose crippling federal mandates and has consistently lived up to that commitment. Since being elected to the APSC, he has established a conservative voting record and promoted and protected Alabama industries. He continues to work to oppose the federal government's reckless environmental agenda while making sure Alabamians receive the most reliable and affordable energy possible.



Commissioner Beeker's staff: Kaitlyn Rayborn and Mary Caitlyn Montgomery



Left photo: Commissioner Beeker visited a pipeline construction site to view different phases of construction. He saw firsthand how extensive the footprint of pipeline construction is and its importance to Alabama. **Right photo:** Commissioner Beeker visited a gas line inspection with APSC pipeline safety inspectors in residential Tuscaloosa.

Commission Staff

Executive Director of the Commission/Legal Division

Office of the Executive Director of the Commission

John A. Garner
Executive Director

Personnel Section

Rachel Archer
Departmental Personnel Specialist

Rozetta Parker
Personnel Assistant III

Public Affairs Section

Caleb Hicks
*Communications and Public Relations
Manager*

Information Systems Services Section

Kay Oswalt
IT Systems Specialist, Senior

Chalandra Betts
IT Systems Technician, Senior

Dana Cheek
Programmer/Analyst

State Legislative Affairs

Clarence Duncan
Public Utility Analyst Manager

Legal Division

John A. Garner
Chief Administrative Law Judge

Suellen Young
Administrative Law Judge

Luke Bentley
Administrative Law Judge

Chad Mason
Attorney III

Karen Rogers
Departmental Operations Specialist

Ann Titus
Administrative Support Assistant III

Administrative Division

Walter L. Thomas Jr.
Commission Secretary

Tashenma Lawrence
Public Utility Analyst I

Ariel Minard
Administrative Support Assistant I

Finance Section

Stephanie Hamil
Accounting Manager

Kimberly Holt
Senior Accountant

Ernestine Huffman
Senior Accountant

Amber Green
Account Clerk

Motor Carrier Records Section

Vacant

Electricity Policy Division

John D. Free
Director

Jerry Delancey
Administrative Support Assistant III

Electricity Section

Patricia W. Smith
Public Utility Analyst Manager

Tanya Champion
Public Utility Analyst III

Dont'e Fair
Public Utility Analyst I

Matthew Singleton
Public Utility Analyst I

Federal Affairs Section

John D. Free
Director

Utility Services Division

Jeff Johnston
Director

Natural Gas Section

Donald C. Powell
Public Utility Analyst Manager

Stacie Berry
Public Utility Analyst I

William Partlow Jr.
Staff Accountant

Services Section

David Peeler
Public Utility Analyst Manager

Telecommunications Section

Dee Newman
Public Utility Analyst II

Field Services Section

H. Terry Jackson
*Public Utility Services Technician,
Senior (retired 5/1/2023)*

Consumer Services Staff

Aquilla Spivey
Consumer Services Manager

Stephanie Sweet
Consumer Services Specialist

Water and Wastewater Staff

Jennifer Lyle-Mattox
Public Utility Analyst I

McKenzie Crouch
Administrative Support Assistant II

Utility Enforcement Division

G. Scott Morris
Director (retired 8/1/23)

Amanda D. Shehane
Director (promoted 8/16/23)

Monica J. White
Administrative Support Assistant III

Motor Carrier Services Section

Devon D. Beaty
Public Utility Analyst II

Jennifer S. Morgan
Account Clerk

Retha K. Bryant
Administrative Support Assistant I

Railway Safety Section

Chris W. Hester
*Railway Safety Administrator and
State Rail Safety Program Manager*

Blake Conway
Railway Safety Inspector

J. Eddie Nix
Railway Safety Inspector

Heath G. Thompson
Railway Safety Inspector

Gas Pipeline Safety Division

Jonathan M. Kimbril
Director

Felisa A. Webster
Administrative Support Assistant III

Gas Pipeline Safety Section

Gregory E. Meadows
*Pipeline Safety Investigations
Supervisor*

Daniel E. Trapp
*Pipeline Safety Investigations
Supervisor*

Jamar F. Robinson
Pipeline Safety Engineer

Asia D. Skillman
Pipeline Safety Engineer, Senior

Randall D. Hand
Pipeline Safety Investigator, Senior

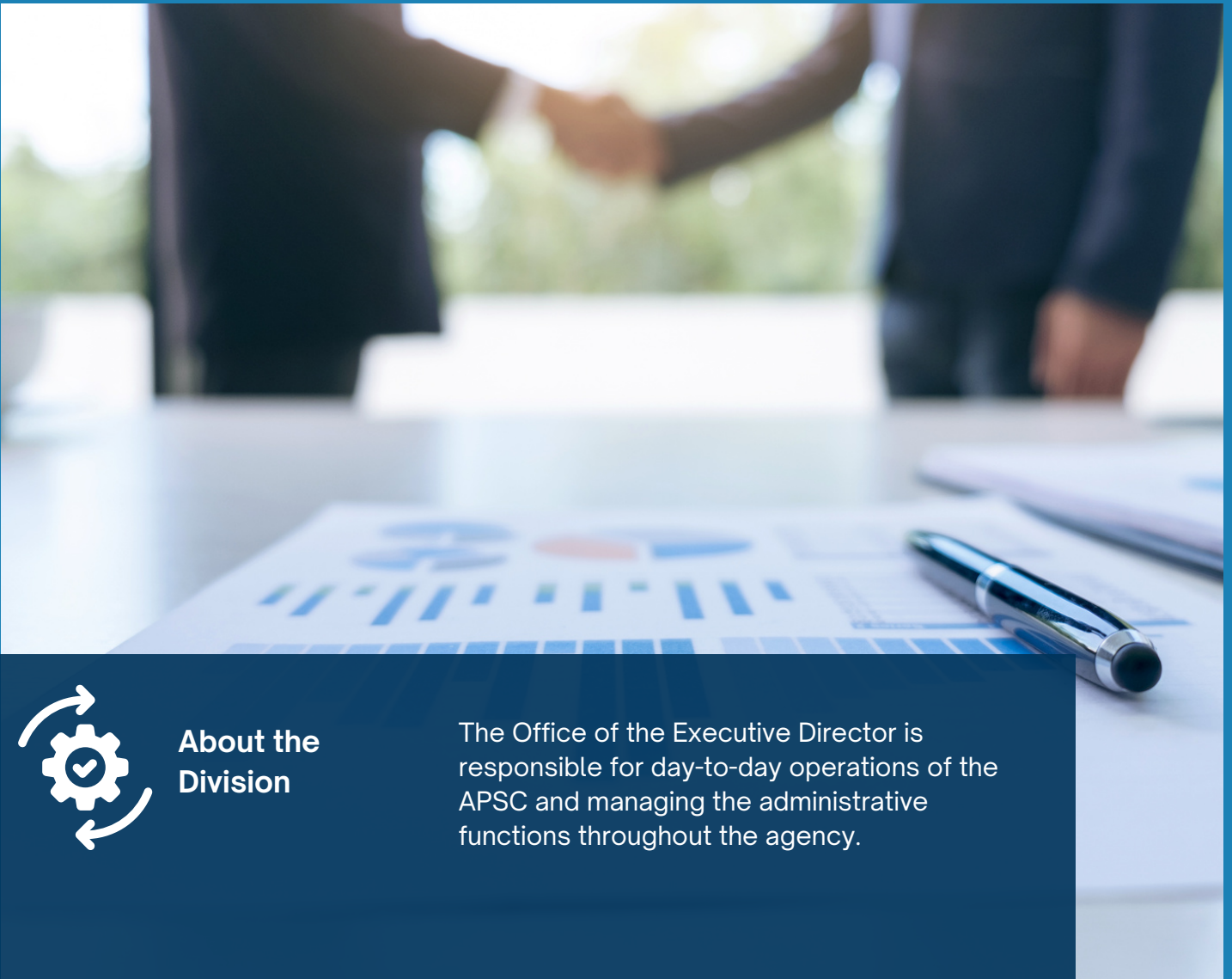
Randall H. Hammond
Pipeline Safety Investigator, Senior

Kyle Childs
Pipeline Safety Investigator

Shawn Emmons
Pipeline Safety Investigator, Senior

Brett Cochran
Pipeline Safety Investigator

Executive Director



About the Division

The Office of the Executive Director is responsible for day-to-day operations of the APSC and managing the administrative functions throughout the agency.

Executive

Director: John A. Garner



Executive Director of the Commission
John A. Garner

In December 2010, the Commission created the position of Executive Director of the Commission to facilitate more efficient day-to-day operations. Chief Administrative Law Judge, John A. Garner was named as Executive Director and was delegated the responsibility for the overall management of the Commission's daily functions, per the direction of the Commissioners. The Commission determined the Executive Director would report directly to the Commissioners, with each division director within the Commission reporting to the Executive Director.

In addition to being delegated the responsibility for managing the agency's administrative functions, the Executive Director is also responsible for acting on all personnel matters brought before the Executive Director by the various divisions, except those involving the separation of employees from service through suspension or termination. The Executive Director is also charged with uniformly implementing and enforcing the administrative policies established in the Commission's Employee Guidelines and Procedures Manual and other policies recommended by the Commission. The Executive Director is further charged with recommending any policy changes appearing necessary for the agency's betterment.

To assist the Executive Director in fulfillment of all assigned responsibilities, the agency employees with responsibility in the areas of personnel matters, information technology services, state legislative affairs and public affairs were assigned to report directly to the Executive Director. The functions performed by these personnel complement the primary areas of responsibility of the Executive Director and involve all divisions of the agency.

PERSONNEL SECTION

The Personnel Section consists of Rachel Archer, Departmental Personnel Specialist and Rozetta Parker, Personnel Assistant III, who perform the many day-to-day functions necessary to implement the requirements of the State Merit System. The Personnel Section is responsible for all actions affecting Commission employees' employment status and maintaining all records of those actions. A primary function of the Personnel Section is to identify and implement changes in payroll expenditures resulting from appointments, resignations, promotions, terminations, etc. and using the Government Human Resource System, an automated payroll/personnel system. The Personnel Section also has primary responsibility for the administration of the Commission's eStart functions, which relate to all aspects of the time and attendance records of Commission employees.

Executive

The Personnel Section additionally oversees the in-processing and orientation of new employees and the out-processing of employees who are separated from service at the Commission. As the source for state and departmental rules, regulations and benefits that apply to employees, the Personnel Section provides information through the agency handbook, the State Personnel Department (SPD) Procedures Manual and various manuals provided by the SPD Training Division. Personnel processes requests to fill vacancies in the Commission with division director coordination.

As Departmental Personnel Specialist, Rachel Archer, acts as the liaison with SPD, ensuring all personnel transactions align with state laws and SPD rules and regulations. She also represents the Commission at SPD Board meetings and the Council of Personnel Administrators. The Personnel Section also develops and assists in developing and updating job descriptions for Commission employees when necessary. This ensures appropriate classifications are selected for a particular job and may also be used as an indicator for change in classification and pay.



Personnel Section staff: Rozetta Parker and Rachel Archer

INFORMATION SYSTEMS SERVICES SECTION

The Information Systems Services Section (IT Section) is another important section organized under the Executive Director. Kay Oswalt, IT Systems Specialist, senior, is the IT Section supervisor. Along with her, Dana Cheek, Programmer/Analyst, and Chalandra Betts, IT Systems Technician, senior, provide a variety of information technology services to the agency, including the operation of a local area network, which links the APSC divisions electronically to facilitate the sharing of data and information.

The IT Section also operates a bank of servers, including the primary file server, where users store information in secure folders that are backed up daily. This section is also responsible for running virus protection software and following best practices for information security and disaster preparedness.

Several systems are in place for consumer and user needs, which were established and maintained by the IT Section. These include small-scale database applications tracking regulated motor carrier registrations, consumer complaints, information technology help desk requests and some telecommunications data. The section also coordinates and oversees the maintenance of the agency's document imaging system with an outside vendor.

The IT Section staff also establishes email and network user accounts and provides help desk support for hardware and software issues experienced by end-users. Custom applications are also designed, primarily using Microsoft Access.

The IT Section created and updated the APSC website, which offers the functionality of allowing consumers to file complaints online.

Executive

Commission orders and filings in APSC proceedings can also be accessed through the agency's website. Similarly, the IT Section captures the video footage of each monthly APSC public meeting and makes it available for viewing on the agency's website.



IT Section staff: Dana Cheek, Chalandra Betts and Kay Oswalt

STATE LEGISLATIVE AFFAIRS SECTION

Clarence Duncan, Manager of the State Legislative Affairs Section, is responsible for researching and recommending changes in law deemed necessary to enable the Commission to effectively perform its duties and functions. He is also responsible for monitoring all state legislative activity as it pertains to the Commission and keeping the Commission and its staff fully informed of the status of such matters in a timely manner.

Additionally, he produces and distributes documents that reflect the status of legislation pending before the Alabama Legislature and performs assignments regarding matters of interest to the Commission as directed by the Commission's Executive Director.



State Legislative Affairs Manager Clarence Duncan

PUBLIC AFFAIRS SECTION

Communications and Public Relations Manager Caleb Hicks manages communications and public information duties of the Commission. The responsibilities of the section include distributing information to news media and providing news briefings to Commissioners.

He also produces informational materials, including the APSC's annual report, brochures, presentation aids and other graphic materials. Additionally, he provides content to be posted to the Commission's website and Facebook page. He attends Commission hearings, meetings and other functions and monitors related media coverage.



Communications and PR Manager Caleb Hicks

Legal Division



About the Division

The Legal Division consists of Chief Administrative Law Judge John A. Garner, Administrative Law Judges Suellen Young and Luke Bentley, Attorney III Chad Mason, Departmental Operations Specialist Karen Rogers and Administrative Support Assistant III Ann Titus.

Legal

Chief Administrative Law Judge: John A. Garner

The Legal Division's administrative law judges preside over all legal proceedings before the Commission and make recommendations for the disposition of the cases they hear. Those recommendations are presented at the monthly Commission meetings for a decision.

The Commission can adopt the recommendations of the administrative law judges in their entirety or vote to effectuate other outcomes when supported by appropriate evidence. Once the Commissioners render a decision, the administrative law judges typically draft orders that reflect the decision of the Commission and are signed by the Commissioners. The Legal Division's Attorney III, Chad Mason, participates in hearings to assist in the development of appropriate records, which

allow the Administrative Law Judges to arrive at soundly supported recommendations and decisions.

In addition to hearing cases and making recommendations for the disposition of pending cases, the Legal Division's administrative law judges and attorney III provide legal advice and guidance to the Commissioners, Commission staff, representatives of utilities regulated by the Commission and the public. The administrative law judges and attorney III also handle any other legal responsibilities that arise. Such matters can range from representing the Commission in court cases and personnel proceedings to representing the agency in administrative proceedings conducted by other state agencies and federal agencies.



From left: Ann Titus, Chad Mason, John A. Garner, Luke Bentley, Suellen Young and Karen Rogers

Administrative Division



About the Division

The Administrative Division receives all filings made to the APSC and distributes them to the appropriate divisions. The division also assigns docket numbers to cases requiring public hearings and maintains an electronic file on cases so the status of any case may be obtained quickly.

Administrative

Commission Secretary: Walter Thomas Jr.

Other division responsibilities include recording and distributing the minutes of each Commission meeting and attesting to and filing orders of the Commission. The division also certifies copies of orders and other documents of record in the official files. Filings include the Commission oaths of office, surety bonds covering each railway police officer appointed by the Governor, furnishing certification of the policeman's appointment along with the oath and bonding to the Secretary of State. The Commission

Secretary signs orders to authorize transportation companies to place reduced rates into effect on less-than statutory time to meet an emergency. The division provides public officials, attorneys, transportation and utility executives and other interested parties with the operating policies of the Commission upon request.

The Administrative Division is responsible for the retention and destruction of all APSC records and coordinates the transfer of



From left: Tashenma Lawrence, Ernestine Huffman, Kim Holt, Stephanie Hamil, Amber Green and Walter Thomas Jr.

Administrative

records to the Department of Archives and History, according to record retention policies. The division acknowledges receipt of filings and advises parties of requirements of the Rules of Practice and statutes governing proceedings in which they are involved. The division also gives general procedural information and answers inquiries requiring research into APSC records.

Lastly, the division is responsible for coordinating parking deck cards and departmental telecommunications services, which entails ensuring telephone and data lines are working properly. A tabulation of the principal activities of the division during FY-2023 is outlined in the table below.

Commission Orders Issued	921
Public Hearings Held	31
Report and Recommended Orders Issued	2

FINANCE SECTION

The Finance Section plans, coordinates and directs the fiscal functions of the APSC and oversees such activities as accounts, budgets, purchases, equipment and custodial care. Its responsibilities include maintaining the general books, consolidating operating budget requirements and preparing budget requests and operations plans.

This section also prepares budgetary performance reports; monitors the budget for possible deviations and makes any necessary corrections; verifies and processes invoices and expense reports for payment; coordinates and maintains payroll and associated records; bills and maintains collection records of utility inspection and supervision fees; notifies the Legal Division of any delinquent companies; collects Transportation Network Company (TNC) local assessment fees and distributes a portion of these fees to the jurisdictions where the TNC rides originated; and conducts special studies or assignments, as requested.

In addition, the Finance Section maintains the agency's office supplies; develops and administers internal accounting procedures and a centralized purchasing service of approved materials, supplies and equipment; and is responsible for maintaining and coordinating the APSC motor vehicle fleet, property records and conducting an annual physical inventory inspection.

MOTOR CARRIER RECORDS SECTION

The Motor Carrier Records Section is responsible for preserving and maintaining the records of transportation companies using a complex database and recordkeeping system. The system is used on all motor carriers who are required to register with the APSC according to applicable state and federal laws and motor carrier rules and regulations of the Commission. Records retained by this section include, but are not limited to, motor carrier applications, vehicle identifications, transfers, name changes, transcripts, revocation and reinstatement orders and insurance filings on both active and inactive motor carriers.

Administrative

Dual Party Relay Fund Statement of Operations For the Fiscal Year Ending September 30, 2022 and 2023

	Total Sept. 30, 2023	Total Sept. 30, 2022
Comptroller's Beg. Cash Balance :	\$ 5,014,853	\$ 5,837,938
Dual Party Relay	-	-
Total Cash Available:	5,014,853	5,837,938
Disbursement of Encumbrances:		
Utilities & Communications	39,515	53,175
Grants and Benefits	-	-
Total Encumbrances:	39,515	53,175
Disbursement of Operating Costs:		
Travel In-State	-	-
Utilities & Communications	178,353	230,285
Grants and Benefits	532,202	539,625
Total Operating Costs:	710,555	769,910
Transfer to General Fund	-	-
Transfer to General Fund: Prior year cash	-	-
Total Disbursements & Transfers:	750,070	823,085
Comptroller's Cash Balance, Ending:	4,264,783	5,014,853
Encumbrances	120,147	53,715
Unencumbered Cash Balance, Ending	\$ 4,144,636	\$ 4,961,139



As Commission Secretary, Walter Thomas Jr. is charged with accurately distributing all filings made to appropriate divisions and managing the APSC operating fund.

Administrative

**Alabama Public Service Commission Operating Fund and Gas Pipeline Safety Fund
Statement of Operations
For the Fiscal Year Ending September 30, 2022 and 2023**

	PSC Operating Fund	Gas Pipeline Safety Fund	Total Sept. 30, 2023	Total Sept. 30, 2022
Comptroller's Beg. Cash Balance:	\$ 843,726	\$ 1,409,085	\$ 2,252,811	\$ 3,470,272
Inspection & Supervision Fees -				
Utility/Water Companies	13,826,375	-	13,826,375	11,815,311
Telecommunications/Railroads	954,987	-	954,987	1,003,406
Motor Carrier Ins. & Reg. Fees	2,451,830	-	2,451,830	2,450,800
Gas Service Line Fees	-	539,438	539,438	540,691
Federal Dept. of Transportation	-	966,001	966,001	819,142
Alabama Dept. of Transportation	50,000	-	50,000	50,000
TNC Local Assessment Fees	376,801	-	376,801	292,783
Miscellaneous Receipts	26,464	19,880	46,344	13,746
Total Receipts:	<u>17,686,457</u>	<u>1,525,319</u>	<u>19,211,776</u>	<u>16,985,879</u>
Total Cash Available:	<u>18,530,183</u>	<u>2,934,404</u>	<u>21,464,587</u>	<u>20,456,151</u>
Disbursement of Encumbrances:				
Personnel Costs	-	-	-	-
Employee Benefits	-	-	-	-
Travel- In State	3,200	7,752	10,952	8,823
Travel- Out of State	-	3,770	3,770	1,737
Repairs & Maintenance	-	-	-	299
Rentals & Leases	26,728	478	27,206	7,519
Utilities & Communications	9,078	2,331	11,409	11,309
Professional Services	12,205	1,355	13,561	10,552
Supplies & Operating Expenses	2,132	3,700	5,832	4,315
Transportation Equipment Operations	2,358	3,595	5,953	6,544
Grants and Benefits	-	2,500	2,500	-
Transportation Equipment Purchases	-	-	-	-
Other Equipment Purchases	17,112	-	17,112	9,141
Transfer to State General Fund 100	-	-	-	-
Total Encumbrances:	<u>72,814</u>	<u>25,480</u>	<u>98,294</u>	<u>60,240</u>
Disbursement of Operating Costs:				
Personnel Costs	4,237,088	817,391	5,054,479	4,763,890
Employee Benefits	1,476,563	302,473	1,779,036	1,674,356
Travel- In state	24,302	31,308	55,610	53,243
Travel- Out of State	30,875	26,337	57,212	36,764
Repairs & Maintenance	52,865	-	52,865	2,428
Rentals & Leases	801,679	63,903	865,582	840,136
Utilities & Communications	106,655	25,756	132,411	131,148
Professional Services	200,450	13,678	214,128	212,585
Supplies & Operating Expenses	208,408	19,737	228,145	207,024
Transportation Equipment Operations	29,626	39,765	69,391	58,319
Grants and Benefits	-	-	-	-
Transportation Equipment Purchases	82,977	2,210	85,187	118,195
Other Equipment Purchases	77,849	2,024	79,873	45,013
Total Operating Costs:	<u>7,329,337</u>	<u>1,344,583</u>	<u>8,673,920</u>	<u>8,143,101</u>
Transfer to General Fund / Other Agencies	7,000,000	-	7,000,000	10,000,000
Transfer to General Fund: Prior year cash	-	-	-	-
Total Disbursements & Transfers:	<u>14,402,151</u>	<u>1,370,063</u>	<u>15,772,214</u>	<u>18,203,340</u>
Comptroller's Cash Balance, Ending:	<u>4,128,032</u>	<u>1,564,341</u>	<u>5,692,373</u>	<u>2,252,811</u>
Encumbrances	179,732	104,260	283,992	122,686
Unencumbered Cash Balance, Ending	<u>\$ 3,948,300</u>	<u>\$ 1,460,081</u>	<u>\$ 5,408,381</u>	<u>\$ 2,130,125</u>

Electricity Policy Division



About the Division

The Electricity Policy Division is organized into two sections: Electricity and Federal Affairs. The primary responsibilities of this division are to oversee the regulation of investor-owned electric utilities (IOUs) in Alabama, while also monitoring and participating in federal policy issues affecting the electric industry.

Electricity Policy

Director: John D. Free

ELECTRICITY SECTION

The Electricity Section is responsible for regulatory oversight of rates and services of electric IOUs in the state, as prescribed in Title 37, *Code of Alabama, 1975*, as amended. In Alabama, this jurisdiction applies to Alabama Power Company (APC), the only electric IOU in the state. In the execution of its duties, the staff performs financial analyses, economic evaluations and statistical data assimilation. In addition, staff submits various inquiries to utility management to remain informed as to the manner and methods in which APC conducts its business.

This section also evaluates certain aspects of Southern Electric Generating Company (SEGCo) and the Alabama Municipal Electric Authority (AMEA). APC and Georgia Power Company jointly own SEGCo.



ALABAMA POWER COMPANY

Rate Stabilization and Equalization (Rate RSE)

Rate RSE is designed to lessen the impact, frequency and size of retail rate increase requests by permitting APC to adjust its charges periodically to provide a reasonable opportunity to achieve the rate of return allowed by the rate order of the APSC. Rate RSE is the rate approved by the APSC in Dockets 18117 and 18416. These rates are determined through the operation of a formula rate that was filed and approved by the APSC.

By provisions in the rate, the charges are increased if projections for the upcoming year show the designated rate of return range will not be met and are decreased if such projections show the designated rate of return range will be exceeded. Other provisions limit the impact of any one adjustment (as well as the impact of any consecutive increases) and test whether actual results exceed the return range. In the latter event, RSE provides for the calculation of the amount that is returned to customers.

The point-of-test for Rate RSE is December 31 of each year with an approved Weighted Return on Average Retail Common Equity (WRRCE) range of 5.75% - 6.15%. The adjusting point is 5.98% with an opportunity for an additional seven basis points if certain performance criteria are met.

Electricity Policy



From left: Dont'e Fair, Patricia Smith, John Free, Jerry Delancey, Tanya Champion and Matthew Singleton

Actual results for 2022 indicated APC's WRRCE exceeded the top of the RSE range.

Accordingly, APC established a regulatory liability of \$61.6 million for Rate RSE refunds, which were distributed to customers through bill credits issued with August 2023 billings. See the Reliability Reserve and NDR sections for additional details.

On December 1, 2022, APC filed the 2023 Information and Calculations required by Appendix B to Rate RSE and the Special

Rules. Based on this filing, the projected WRRCE for the 12-months ending December 31, 2023, was 5.81%.

The staff in the Electricity Section examines APC's books and records monthly to determine the WRRCE for the current 12-month period. The staff also prepares a summary report of this information for presentation at each monthly Commission meeting. As of September 30, 2023, the re-projected WRRCE for the 12-month period ending December 31, 2023, was 6.19%.

Electricity Policy

Energy Cost Recovery (Rate ECR)

Rate ECR, the rate approved by the APSC in Docket 18148, is the mechanism used to recover retail customers' portion of certain energy-related costs. The ECR factor (ECRF) is 59.10 mills/kWh (5.910 cents/kWh), as established under the APSC's Order dated October 8, 2008. With APC's consent, interim factors have been put in place for prescribed periods of time to reduce the over/under collections accumulated in the energy cost recovery account. The Electricity Section staff evaluates the monthly Rate ECR reports filed by APC and prepares a summary report for the monthly Commission meetings.

By Consent Order dated November 1, 2022, the APSC adjusted the interim ECRF of 25.57 mills/kWh (2.557 cents/kWh) to 35.10 mills/kWh (3.510 cents/kWh) for the billing months of December 2022 through December 2024. Absent a further order from the Commission, the ECRF for billing months January 2025 and thereafter will be as established under the APSC's Order, dated October 8, 2008, with an ECRF of 59.10 mills/kWh (5.910 cents/kWh).

As part of its routine oversight, staff performs a monthly review of the over- and under-recovery of APC's energy-related costs. On September 30, 2023, the accumulated energy cost balance was approximately \$287.9 million under-recovered.

Certified New Plant (Rate CNP, Part A)

Rate CNP, Part A (Part A) was established in 1982 in conjunction with Rate RSE in Dockets

18117 and 18416. The original rate provided for the certification of newly constructed generating facilities and rate recovery of the revenue requirement related to the capital cost of such facilities. In March 2017, Part A was updated to encompass the addition of new plant through acquisition and to provide for the recovery of projected operation and maintenance expenses related to new resources.

On July 12, 2022, in Docket 33182, the Commission approved APC's petition concerning the acquisition of Calhoun Power Company LLC, including its four simple-cycle combustion turbine generating units (Calhoun Power Facility). The acquisition closed on September 30, 2022. In accordance with the provisions of Part A, APC filed the associated factors and calculations on October 3, 2022, that became effective with November 2022 billings.

On August 14, 2020, the APSC approved the issuance of a certificate of convenience and necessity for the acquisition of the Central Alabama Generating Station in Docket No. 32953. Central Alabama Generating Station is a combined cycle (CC) generating facility located in Autauga County and provides 885 MW of baseload generating capacity. Upon acquisition on August 31, 2020, APC assumed an existing power sales agreement under which the full output of the generating facility remained committed through May 2023. The unit was included in retail service beginning June 2023. On March 24, 2023, APC filed the associated factors and calculations to recover costs associated with the acquisition of the Central Alabama Generating Station effective with June 2023 billings.

Electricity Policy

(Rate CNP, Part B)

Active Purchase Power Agreements with Alabama Power Company

Order Date	Docket No.	Company	Generation Capacity	Initial Term	Commercial Operation Date	Initial End Date	Extension Term and End Date	Cost Recovery Mechanism
9/9/2011	31653	Chisholm View Wind Project LLC	202 MW Wind Energy (Oklahoma)	20 years	12/2012	12/2032	NA	Rate ECR (All Costs)
9/17/2012	31859	Buffalo Dunes Wind Project LLC	202 MW Wind Energy (Kansas)	20 years	12/2013	12/2033	NA	Rate ECR (All Costs)
6/9/2016	32382	AL Solar A LLC (Lafayette Solar Project)	72 MW (AC) Solar (Chambers County, AL)	28 years	12/2017	12/2045	NA	Rate ECR (All Costs)
8/14/2020	32953	Hog Bayou Energy Center	224 MW Combustion Turbine Gas	18 years	9/2020	11/2038	NA	Rate ECR (Energy); Rate CNP-B (Capacity)
7/13/2021	32382	HEP Greenville Solar LLC	80 MW (AC) Solar	*15 years	1/2024	1/2039	NA	Rate ECR (All Costs)
10/4/2022	32382	AL Solar G LLC (Walker Springs I Solar Project)	80 MW (AC) Solar (Clark County, AL)	15 years	6/2025	6/2040	NA	Rate ECR (All Costs)
10/4/2022	32382	AL Solar H LLC (Walker Springs II Solar Project)	80 MW (AC) Solar (Clark County, AL)	15 years	6/2025	6/2040	NA	Rate ECR (All Costs)
4/4/2023	32382	AL Solar E LLC (4 Notch Solar Project)	80 MW (AC) Solar (Covington County, AL)	15 years	12/2025	12/2040	NA	Rate ECR (All Costs)
4/4/2023	32382	AL Solar F LLC (5 Notch Solar Project)	80 MW (AC) Solar (Covington County, AL)	15 years	12/2025	12/2040	NA	Rate ECR (All Costs)

*Per letter dated June 21, 2022, from APC, the term of the HEP Greenville Solar Project was reduced from 25 years to 15 years.

Electricity Policy

Rate CNP was modified April 2000 to include a second provision, Rate CNP, Part B (Part B), that would allow for the certification of purchase power agreements (PPAs) and the recovery of costs (excluding fuel) associated with each agreement. Since the approval of Part B, APC has entered into various PPAs with companies to acquire the rights and assume payment obligations for third-party supply resources. Under all the described PPAs involving renewable generation, APC has obtained rights to the environmental attributes, including renewable energy credits (RECs) associated with the energy provided under those agreements. Under the terms of those PPAs, APC retains the flexibility to retire RECs and serve its customers with renewable energy or to sell RECs, either bundled with energy or sold separately, to third parties.

In accordance with the provisions of Part B, APC filed with the APSC on February 1, 2023, the Information and Calculations Associated with CNP Purchase Factors. Although the filing reflected a projected under-recovery of costs that would be recoverable under the terms of Part B in the billing months of April 1, 2023, through March 31, 2024, APC agreed to the current factors remaining in place for cost year 2023, as provided under the APSC's Consent Order dated March 7, 2023.

(Rate CNP, Part C)

Rate CNP was further modified in October 2004 to include a third provision, Rate CNP, Part C (Part C), which provided a mechanism to recover compliance costs associated with "environmental mandates." Beginning December 2004 and each December thereafter, APC is required to file its annual Environmental Compliance Plan subject to Part C. The first adjustment under the Part C provision went into effect in January 2005.

By Order dated March 3, 2015, in Dockets 18117 and 18416, the APSC authorized further revisions to Part C. APC's filing for these revisions complied with the Commission's December 9, 2014, Accounting Order in Docket U-5135 that directed APC to file an appropriate rate mechanism, outside of Rate RSE, for the recovery of such costs associated with non-environmental (governmental) mandates. This revision allows the APSC, as well as APC, to readily identify cost pressures that are beyond APC's reasonable control. These costs resulting from laws, regulations and other mandates directed at the utility industry (both environmental and non-environmental) have thus been recovered through the revised Part C mechanism, which took effect January 2016.

In accordance with the provisions of Part C, APC filed with the APSC on December 1, 2022, the calculations associated with its costs of complying with governmental mandates. The filing reflected a projected under-recovery of such costs that would be recoverable under the terms of Part C in the billing months of January 2023 through December 2023.

Electricity Policy

(Rate CNP, Part D)

Rate CNP was further modified in December 2022 to include a fourth provision, Rate CNP, Part D (Part D), which would serve as a dedicated recovery mechanism for a change in depreciation expense that APC periodically experiences — specifically, the change arising from the effectiveness of updated depreciation rates that is not otherwise recovered through the existing provisions of Subparts A and C of Rate CNP or associated with the capitalization of asset retirement costs.

In accordance with the provisions of Part D, APC filed with the APSC on December 1, 2022, the factors and calculations associated with the change in depreciation expenses resulting from the effectiveness of updated depreciation rates. On December 6, 2022, the APSC made a motion that APC fully offset bill impacts to customers in 2023 related to this filing by accelerating the return of Excess Federal Accumulated Deferred Income Taxes (ADITs) through the application of bill credits.

Certificates of Convenience and Necessity

Section 37-4-28, *Code of Alabama, 1975*, as amended, requires APSC certification for the construction by a public utility of facilities to produce electricity, except for ordinary extensions of existing systems in the usual course of business (Certificate).

By Order dated August 11, 2021, in Docket 32382, the APSC approved the petition of APC for a limited modification to the Renewable Generation Certificate (RGC). Originally granted by Order dated September 16, 2015, the RGC authorized APC to develop or procure up to 500 MW of capacity and energy from renewable energy and environmentally specialized generating resources for six years. The modification extended the term by another six years (to September 16, 2027), with all criteria, conditions and procedures applicable to the exercise of authority under the RGC Certificate remaining in effect. To date, APC has issued four Requests for Proposals (RFP) for renewable or environmentally specialized energy resources for projects ranging from 5 MW to 80 MW, with the most recent RFP issued in 2022. Projects approved by the APSC under the RGC are also discussed in the Part B section of this report.

By Order dated June 14, 2023, in Docket 32382, the APSC approved the petition of APC to modify the RGC to provide further authorization and to implement certain changes that will enhance the process and allow APC to secure additional cost-effective projects in an efficient and timely manner.

Electricity Policy

Natural Disaster Reserve (Rate Rider NDR)

In October 1994 in Docket U-3556, the APSC granted APC authority to establish a Natural Disaster Reserve (NDR) of \$32 million for which the costs of extraordinary operation and maintenance expenses resulting from natural disasters would be charged. The NDR was established to help mitigate the disruptive effects of significant natural disasters in APC's service territory. Over time, the APSC has modified the NDR in furtherance of its purpose. These include authorizing discretionary accruals by APC, increasing the authorized balance to \$75 million and expanding the costs chargeable against the NDR to include reliability-related expenditures. The APSC also implemented Rate Rider NDR, which is designed to address a negative balance in the NDR and reestablish a balance sufficient to address the costs of future natural disasters. Rate Rider NDR applies a small monthly charge to each account served under the APC's retail rate schedules until the approved balance is restored.

By Order dated July 12, 2022, in Docket U-3556, the APSC authorized APC to make certain revisions to Rate Rider NDR, including a reduction to the maximum negative balance charge that could be assessed under the rate. The APSC also transitioned existing authority relating to the use of NDR amounts for reliability-related expenditures to a newly established Reliability Reserve, as authorized by Order issued July 12, 2022, in Docket U-5425. The revisions to Rate Rider NDR were effective with August 2022 billings.

As noted earlier, APC's actual results for 2022 exceeded the approved Rate RSE range. Approximately \$5.9 million in undistributed amounts following the customer-specific RSE refunds was applied to the NDR.

In FY-2023, as a result of storm damages, APC incurred additional operation and maintenance costs of approximately \$34.6 million. As of September 30, 2023, the NDR had a positive balance of approximately \$71.4 million.

Reliability Reserve

By Order dated July 12, 2022, in Docket U-5425, the APSC approved the request by APC to (i) establish a Reliability Reserve and the associated regulatory liability account; and (ii) authorize APC to make discretionary accruals to the Reliability Reserve.

By Order dated July 11, 2023, the APSC approved a petition by APC to revise the accounting authorization for the Reliability Reserve, as previously granted in Docket U-5425. The revision would expand the allowed use of funds in the reserve to include certain production-related operation and maintenance expenses that are intended to maintain the reliability of such facilities in periods between routine planned maintenance outages.

As noted earlier, APC's actual results for 2022 exceeded the approved Rate RSE range. After determining the refund amount for customers, APC made a discretionary accrual of \$166 million to the Reliability Reserve. As of September 30, 2023, the Reliability Reserve had a positive balance of \$166 million.

Electricity Policy

Other Activities and Functions

Title 37, *Code of Alabama, 1975*, as amended, identifies numerous responsibilities of the APSC regarding utility regulation in Alabama. The Electricity Policy Division staff performs various activities and functions, in addition to those listed previously. This furthers the staff's responsibility in regulatory oversight of APC.

The table below identifies filings and petitions by APC that were reviewed, analyzed, evaluated and/or researched during FY-2023 by staff, which were subsequently presented for APSC action.

Order Date	Docket No.	Filing Date	Description
10/4/2022	U-3170	9/14/2022	Petition to Modify Rules and Regulations for Electric Service (Rule 1.15 – Service Line Vegetation Management).
3/7/2023	18005	2/15/2023	Petition for approval of the 44th Revision to Rate PAE (Purchase of Alternate Energy).
3/7/2023	U-5213	2/15/2023	Petition for approval of the 6th Revision to Rate CPE (Contract for Purchased Energy).
5/2/2023	U-5040	4/14/2023	Petition for proposed Rate ODL (Unmetered Outdoor Lighting).
9/12/2023	U-5451	8/24/2023	Petition for approval of Financing Authority for Alabama Power Company for 2023-2025.
9/12/2023	U-5452	8/24/2023	Petition for approval of Financing Authority for Southern Electric Generating Company for 2023-2025.



Lay Dam in Clanton, Alabama, produces hydro electricity.



Public Utility Analyst Manager Patricia Smith delivers a report during a monthly Commission meeting.

Electricity Policy

The auditing function of the Electricity Section's staff includes monthly analytical reviews and/or audits to test completeness and reasonable accuracy of financial information and/or other data submitted by APC. For this activity, the staff's monthly fuel audit is particularly important, because APC's fuel-related costs account for a significant percentage of total operation and maintenance expense.

In addition to the fuel audit, staff engages in various other audits/reviews, including, but not limited to, the audit of Rate CNP, Part B Factors (filed annually by February 1), the Jurisdictional Separation Study review, also referred to as the "Cost of Service Study," (filed annually by May 1), the monthly analysis to test the billing accuracy of APC's standard residential rate, and the audit/review of APC's compliance activities associated with environmental and governmental regulations.

ALABAMA MUNICIPAL ELECTRIC AUTHORITY

Pursuant to the provisions of Section 11-50A-25, *Code of Alabama, 1975*, as amended, the Commission reviews and approves certain activities of the Alabama Municipal Electric Authority (AMEA). During FY-2023, AMEA did not file a petition with the APSC.

FEDERAL AFFAIRS

The Federal Affairs Section monitors the activities of various federal agencies and other industry groups. These include the Federal Energy Regulatory Commission, the Environmental Protection Agency, the Nuclear Regulatory Commission and the Department of Energy.

The Federal Affairs Section, in conjunction with the APSC's Legal Division, also reviews federal judicial appeals and decisions on electric utility issues and makes recommendations to the APSC regarding appropriate actions to be taken. This section also reviews proposed federal legislation affecting the electric industry and Alabama electric consumers and prepares summary documentation for the Commission's review, as needed. The section monitors and reports to the APSC on various positions taken by other state commissions and the National Association of Regulatory Utility Commissioners on issues affecting electric utility regulation, as needed.

To remain informed of these matters, Federal Affairs staff conducts research, monitors news briefings, participates in conference calls and may attend various industry conferences for affiliated organizations. In some cases, the appropriate action involves filing comments on behalf of the APSC in a particular federal proceeding.



Utility Services Division



About the Division

The Utility Services Division is responsible for the regulation of telecommunications, natural gas, water and wastewater utilities in Alabama. Additionally, the division receives and attempts to resolve consumer complaints, disputes and inquiries related to telecommunications, electricity, natural gas, water and wastewater service. The division is organized into four sections: the Natural Gas Section, the Telecommunications Section, the Services Section and the Field Services Section.

Utility Services

Director: Jeff Johnston

NATURAL GAS SECTION

The Natural Gas Section is responsible for regulating all publicly owned natural gas distribution, transportation, storage and intrastate natural gas and oil pipelines in Alabama. This section is also responsible for monitoring the Rate Stabilization and Equalization and related programs for Spire Alabama Inc. and Spire Gulf Inc.

Rate Stabilization and Equalization

The Commission regulates the rates for the two largest investor-owned gas utilities in the state under a Rate Stabilization and Equalization (Rate RSE) plan. Rate RSE has been in use since 1984 as a method to keep rates as low as possible while assuring quality service.

Spire Alabama Inc.

Each month, the Natural Gas Section examines books and records of Spire Alabama Inc., determines the return on average common equity for the preceding 12-month period and reports the financial and operational results of the previous month, including the return on average common equity, to the Commission. It also graphically summarizes Spire Alabama's recent operating history.

Under the RSE plan, rates for Spire Alabama are established each year based on the budget approved by the utility's board of directors and an authorized return range

determined by the Commission. Those rates are reviewed throughout the year at points-of-test, which can yield only decreases or no change to the rate. For FY-2023, the authorized return range for Spire Alabama was 9.50% - 9.90%.

Spire Alabama also has an incentive program, the Cost Control Measure (CCM), under which it must keep growth in operation and maintenance expenses below a specified range or face penalties. The utility has a temperature adjustment that tracks the effect of abnormally high or low temperatures on the recovery of non-gas costs. The section monitored both programs to ensure they were conducted in accordance with the approved tariff.

Spire Alabama has an Off System Sale and Capacity Release program designed to reduce its customers' overall gas costs. Off System Sales are defined as any Spire Alabama sale of gas, or gas bundled with pipeline transportation, made to parties at locations off the company's distribution system with any savings shared between the company and the customer.

Spire Gulf Inc.

Each month, this section examines the books and records of Spire Gulf Inc., determines the return on average common equity for the preceding 12-month period and reports the financial and operational results of the previous month, including the return on average common equity, to the Commission. It

Utility Services

also graphically summarizes Spire Gulf's recent operating history.

Under the RSE plan, rates for Spire Gulf are established each year based on the budget approved by the utility's board of directors and an authorized return range determined by the Commission. Those rates are reviewed throughout the year at points-of-test, which can yield only decreases or no change to the rate. For FY-2023, the authorized return range for Spire Gulf was 9.70% - 10.30%.

Spire Gulf also has an incentive CCM program, which it must keep growth in operation and maintenance expenses below a specified range or face penalties. The utility has a temperature adjustment that tracks the effect of abnormally high or low temperatures on the recovery of non-gas costs. The section monitored both programs to ensure they were conducted in accordance with the approved tariff.



*Back row from left: Donald Powell, David Peeler, William Partlow Jr. and Jeff Johnston
Front row from left: Jennifer Lyle-Mattox, McKenzie Crouch, Aquilla Spivey, Dee Newman, Stacie Berry and Stephanie Sweet*

Utility Services

Local Distribution Companies

Another function of the Natural Gas Section is to maintain statistical data and keep the Commission informed of all facets of the gas utilities' operations. Under that function, the following reports are prepared regularly:

Revenue and Expense Analysis
Competitive Fuel Clause
Gas Supply/Purchased Gas Adjustment
Return on Average Common Equity

During FY-2023, the Natural Gas Section was responsible for evaluating and making recommendations to the Commission on all matters relating to the following local distribution companies:

- Spire Alabama Inc.
- Spire Gulf Inc.
- Wheeler Basin Natural Gas Company

The section conducts its own investigations requiring examination of work papers, financial reports and other records. Findings are documented and evaluated in written reports and, when appropriate, meetings with officials of respective gas companies are held to discuss results. For matters requiring Commission approval, the section presents them, with recommendation, to the Commission.

Intrastate Storage and Pipeline Companies

During FY-2023, the Natural Gas Section was responsible for evaluating and making recommendations to the Commission on matters pertaining to the following intrastate pipeline and storage companies:

- American Midstream (Alabama Intrastate) LLC
- American Midstream (Bamagas Intrastate) LLC
- American Midstream (Tennessee River) LLC
- Arapaho Communications
- Bay Gas Storage Company Inc.
- Genesis Pipeline LLC
- Pine Energies Inc.
- Third Coast Alabama LLC
- NextEra Energy Pipeline Holdings (Lowman) Inc.

TELECOMMUNICATIONS SECTION

The Alabama Legislature grants the APSC regulatory authority for intrastate landline (also known as wireline) communications. The Commission does not exercise authority for cable television, internet service, voice-over-internet-protocol phone service or wireless telephone service. Telecommunication providers subject to the Commission's jurisdiction include:

Incumbent Local Exchange Carriers (ILEC) — traditional providers of local telephone service; Competitive Local Exchange Carriers (CLEC); Interexchange (toll) Carriers (IXC); Long Distance (toll) Service Resellers (toll); Payphone Service Providers (PSP); Inmate Calling Service Providers (ICS); and Shared Tenant Telephone Service Providers (STS).

The Legislature's Communications Reform Act of 2005 ("the Act") curtailed the Commission's authority over pricing for most retail telecommunication services. The Commission retained pricing jurisdiction for stand-alone basic service, optional telephone features, emergency telephone (9-1-1) services billing, consumer complaints, Federal Universal Service Fund (USF) administration and all wholesale service pricing.

Utility Services

As of September 30, 2023, four independent telephone companies, along with six toll and competitive telephone companies in Alabama, have not opted for regulation under the Act. Pricing for the services offered by those carriers remains wholly within the Commission's regulatory jurisdiction.

In 2009, the Legislature amended the Act to eliminate the Commission's pricing jurisdiction over stand-alone basic service and optional telephone features for BellSouth, CenturyLink and any rural telephone company agreeing to surrender their rural exemption from competition. As of September 30, 2023, 23 incumbent telephone companies remain regulated under either the 2005 Act or the Commission's price regulation plan that existed prior to its passage.

In 2014, the Legislature amended the Act to eliminate the Commission's complaint and dispute jurisdiction. Carriers no longer desiring to remain under the Commission's complaint and dispute jurisdiction must make their election known to the Commission. As of September 30, 2023, 14 ILECs and 13 CLECs have requested a waiver seeking exclusion from the Commission's complaint and dispute jurisdiction.

The Telecommunications Section reviews financial and rate information filed by telecommunications companies with the Commission and provides telecommunication policy and rule recommendations to the Commission.

The Telecommunications Section's responsibilities include, but are not limited to:

- Participation in certification hearings for new telecommunications service providers
- Regulation of all services for the ILECs and CLECs and toll providers who did not choose to be regulated under the Act
- Regulation of wholesale landline service and some retail services for all providers
- Analysis of telecommunications retail tariffs and intercompany wholesale agreements
- Investigation of telecommunications billing inquiries
- Telephone numbering resources management
- Regulation of ICS

Section Activities (FY-2023)

- Processed 43 tariff filings, 12 name changes and 49 interconnection, resale and collocation agreements for CLECs, wireless providers and ILECs
- Processed four applications for Certificate of Public Convenience and Necessity to provide toll resale and/or competitive local exchange service in Alabama
- Received and reviewed LEC and toll carrier's Family Violence Shelter Confidentiality plans in accordance with the *Code of Alabama, 1975*, as amended, Sections 37-2A-4 and 30-6-1, and with Commission Docket 29878

Utility Services

- Calculated the maximum annual increase in basic service rates authorized under the 2005 version of the Act based on the change in the Consumer Price Index and disseminated to the applicable ILECs
- Calculated the average statewide telephone bill for the Alabama Department of Human Resources to use in conjunction with federal distribution of public assistance funds
- Investigated and resolved 239 consumer inquiries associated with telephone service and/or billing
- Participated with the North American Numbering Plan Administrator (NANPA) and the Alabama Telephone Industry Working Group to implement the new 988 National Suicide Hotline Improvement Act
- Prepared 12 monthly code and block reports to NANPA
- Monitored the ICS rates and fees for all Department of Corrections facilities, county jails and municipal detention facilities
- Performed telephone audit compliance inspections at four separate detention facilities
- Processed 10 withdrawals/cancellations of Certificate of Public Convenience and Necessity

SERVICES SECTION

The Services Section is a diversified section consisting of specialists in the telecommunications, consumer services and water/wastewater areas.

The Services Section Telecommunications staff is responsible for the network-related regulatory oversight for the annual USF High-

Cost Fund and Connect America Fund distributions. The staff is also responsible for the regulation of COCOT providers and Shared Tenant Service providers. The Services Section Water/Wastewater staff reviews and evaluates annual filings, applications and petitions submitted by water utilities and wastewater Management Entities (ME) and for setting rates and charges for water and wastewater utilities under the Commission's jurisdiction.

Staff regulates/monitors the activities of eight private water utilities and the financial viability of eight MEs that operate decentralized wastewater systems in Alabama. The duties performed by the Water/Wastewater staff consist of analysis of rate, financing and service petitions; performance of periodic financial reviews; and audits of the utility's accounting books and records. The staff also corresponds with the permitting agencies for water/wastewater utilities: the Alabama Public Health Department and the Alabama Department of Environmental Management.



Utility Services Division Director Jeff Johnston delivers a report during a monthly Commission meeting.

Utility Services

The Services Section is responsible for regulating the following eight water systems under the Commission’s jurisdiction in accordance with the *Code of Alabama, 1975*, as amended:

- Asbury Water System
- Escambia Community Utilities LLC
- Hiwannee Water Association Inc. (MS)
- Integra Water Creola LLC
- Plantation Water System
- Tishomingo County Water District (MS)
- Asset Management Professionals LLC (Formally Water Works Inc.)
- Blue Hole Water Company Inc.

Regulated wastewater utilities include:

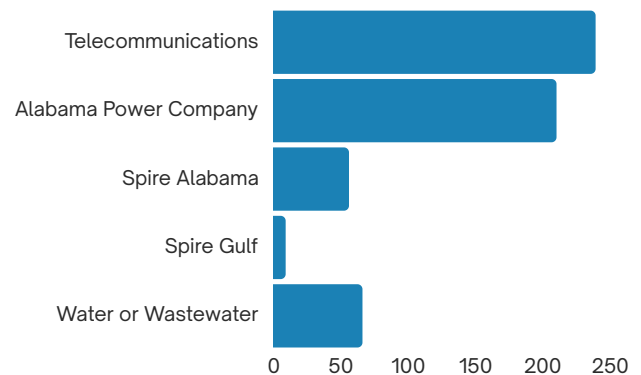
- Alabama Wastewater Systems Inc.
- Arbor Utility Management LLC
- Bio-Flow Inc.
- Community Utilities of Alabama Inc.
- Integrated Wastewater Management Inc.
- O’Brien Environmental Service LLC
- Pinnacle Wastewater Systems LLC
- Riverbend Marina LLC (Regulated Non-Management Entity)
- Eco Preservation Services LLC

The Services Section Consumer Services staff assists the public in resolving disputes or inquiries made to the Commission related to regulated utilities. Resolution of these disputes and inquiries is accomplished using several methods, including consulting with various utility service providers and other divisions within the Commission; research of Commission rules or accepted industry practices; or through an interface with other state and federal agencies.

Members of the Consumer Services staff are trained to mediate disputes, clarify action taken by the utility and respond to general and complex inquiries made regarding a utility and/or the Commission’s rules. Additionally, the staff seeks to educate consumers on utility-related matters.

Water and Wastewater Activities	Total
• Certificate of Financial Viability Modification applications evaluated	9
• Certificate Renewal applications evaluated	3
• Tariff revision petitions evaluated	2
• Water Utility Rate Cases	2
• Wastewater Utility Rate Cases	11
• Wastewater system inspections and audits	5

CONSUMER SERVICES COMPLAINTS



Utility Services

FIELD SERVICES SECTION

The Field Services Section is responsible for providing technical assessments of regulated water utility and wastewater management entity infrastructure. These assessments include the inspection, oversight and monitoring the operations and maintenance of all regulated, investor-owned water and wastewater utility plants, facilities and infrastructure.

Nineteen wastewater treatment facilities that fall under the jurisdiction of this Commission were reviewed to verify that services were provided to Alabama consumers in a satisfactory manner within the guidelines of chapter 420-3-1 of the Rules of State Board of Health Bureau of Environmental Services dealing with onsite sewage treatment and disposal.

Two water utility companies were inspected to review and ensure procedures for treating and delivering potable water to their customers were done efficiently and consistent with the Water Rules of the APSC.



Nineteen wastewater treatment facilities were inspected by the Field Services Section in FY-2023.

Utility Enforcement Division



About the Division

The Utility Enforcement Division is responsible for the supervision and regulation of motor carriers, including insurance, registration, rates and services offered by transportation companies authorized by the APSC to operate in Alabama. The division also regulates transportation network companies operating in Alabama.

Utility Enforcement

Director: G. Scott Morris (retired 8/1/2023); Amanda D. Shehane (promoted 8/16/2023)



From left: Amanda Shehane, Retha Bryant, Jennifer Morgan, G. Scott Morris, Devon Beaty and Monica White

The Utility Enforcement Division (UED) is also responsible for safety oversight of all mainline and classification railroad yards and systems in Alabama. The Railway Safety Section enforces applicable federal safety regulations in partnership with the Federal Railroad Administration (FRA). UED staff worked closely with the FRA and other state agencies, including the Alabama Department of Transportation, on railroad safety matters, Alabama's Safety Outreach Task Force, the

Southern Rail Commission and the National Association of Regulatory Utility Commissioners.

The UED staff monitors national and local regulatory, congressional and legislative issues that concern transportation companies. The division also has the responsibility of assisting with the protection of railroad signal and train control facilities from third-party damage.

Utility Enforcement

The subsequent paragraphs discuss each section's significant regulatory policies, duties and major activities and accomplishments during FY-2023.

MOTOR CARRIER SERVICES Insurance and Registration

The Insurance and Registration staff registers intrastate, for-hire transportation companies that are not exempt from state oversight by law; registers interstate commercial motor carriers, private motor carriers, freight forwarders and brokers under the Unified Carrier Registration (UCR) Act; requires such intrastate carriers to file verifiable forms of liability insurance, cargo insurance, bonds and self-insurance; and issues motor carrier vehicle registration numbers to intrastate, for-hire companies. Staff also processes orders of revocation for failure to comply with APSC rules and regulations and orders of reinstatement after such proof has been received and verified, as prescribed by law.

The section collects, accounts for and processes any payments to be deposited into the state treasury or the federal UCR depository, as required by law. It is responsible for maintaining journals, ledgers, receipts and various other financial and certification records and reports of payments received and deposited.

In addition, staff attends and participates in UCR board meetings and subcommittee meetings. Solicitation by mail and email is sent to carriers subject to the UCR throughout each registration year to ensure carriers are aware they need to pay the UCR registration

fee for that year. The staff performs UCR audits on carriers each year, as required by UCR board policy.

Insurance Filings

• Self-Insurance, bonds for liability and cargo, certificates for liability and cargo, bonds for brokers	3,914
• Insurance Correspondence	387

Registrations

• UCR Registrations:	
◦ Online	13,578
◦ Office	83
• UCR Audits:	
◦ Companies Audited	151
◦ Audit Correspondence	118
• Intrastate Authority Applications Received:	
◦ New authority applications	106
◦ Transfers of authority	6
◦ Applications to provide service for nonprofit organizations	19
• Motor Carrier Vehicle Registration Numbers issued	373

Revocations and Reinstatement of Authority

• Revoked for not complying with Commission rules and regulations	330
• Reinstated after compliance	201

Rates and Services

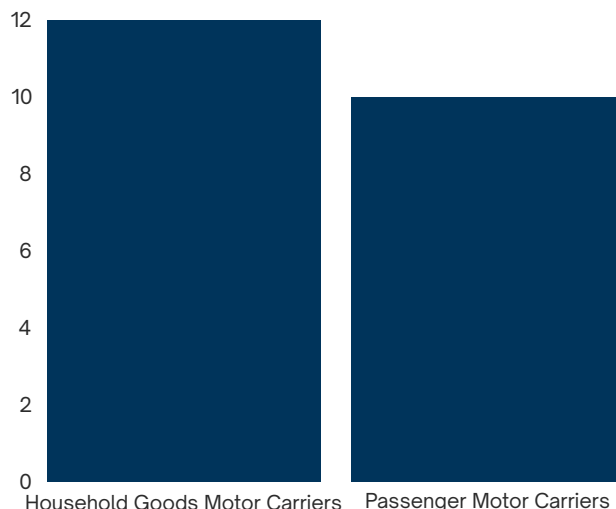
The Rates and Services analysts advise the APSC on matters pertaining to the rates, fares, charges, services and facilities of all regulated modes of intrastate transportation. Staff maintains a file of all tariffs setting forth rates, fares, charges, classification and rules and regulations for service provided by intrastate transportation companies. Staff also verifies tariffs and supplements issued follow APSC rules and regulations. They also analyze tariff changes and justification statements from the motor carrier to determine the effected outcome to the public.

Utility Enforcement

If the APSC institutes a formal investigation of a proposed tariff, a public hearing is set and held to review the matter. When the record is complete, the hearing officer and other members of the APSC staff study and analyze the evidence of record and make recommendations to the Commission. After a Commission decision is made, an order of the Commission is prepared for their approval.

The Rates and Services staff receives and maintains motor carrier annual reports that are required to be filed by April 30 of each year, covering the previous calendar year of operation. The staff also handles requests for verification of rates, fares and charges of transporters of passengers and household goods. The staff also verifies rates and services provided by motor carriers through compliance audits of carriers' records. Further, this arm of the Motor Carrier Services Section handles and resolves transportation complaints filed by the public and industry representatives.

MOTOR CARRIER TARIFFS FILED



ANNUAL REPORTS FILED



153
Annual reports
filed.

Transportation Network Companies

The APSC regulates transportation network companies (TNCs) that offer an online platform for private citizens to provide ride-sharing opportunities to the public using their own personal vehicles. The staff performs annual inspections of TNC records to ensure they follow Commission rules and investigates complaints against TNCs or TNC drivers.

Railway Safety Section

The Railway Safety Section conducted safety compliance inspections on all railroad common carriers' track and equipment in Alabama under state and federal standards. Track inspections were conducted on mainline tracks, siding and lead tracks and yard tracks on which operations were conducted over the general rail system. These routes included, but were not limited to, hazardous materials routes, Strategic Rail Corridor Network (STRACNET), passenger train routes and crude oil/ethanol routes. The equipment inspections included examinations of rolling stock (rail cars), locomotives, roadway maintenance machines (rail-bound

Utility Enforcement

work equipment) and hi-rail vehicles (vehicles that can operate legally on public roads and by rail). These inspections also monitored compliance with regulations for Railroad Workplace Safety.

There are over 3,900 miles of track in Alabama. This trackage is owned and maintained by four major Class One railroads, one Class Two railroad and 24 Class Three railroads. There are railroad classification yards located in Birmingham, Mobile, Montgomery and Sheffield, where trains are built for departure to multiple points around the United States. These yards are also the terminus for many trains coming in from other states. Also, located throughout the state are many switching yards. Thousands of units of rolling stock traverse these tracks each day hauling a multitude of different commodities.

The Railway Safety Section also reviewed data gathered by itself and the FRA to determine where areas of concern with railway safety may exist. Once these areas were identified, plans were made to perform focused inspections or joint inspections with the FRA, and our Railway Safety inspectors ensured any problems could be addressed thoroughly and accurately. Railway Safety staff participated in two focused inspections on carriers that had shown patterns of noncompliance that were identified through data



Railway Safety Section staff Heath Thompson, Chris Hester and Blake Conway inspect a section of track in Montgomery, Alabama, to ensure track is up to proper standards.

collected from regular inspections. They also performed numerous inspections jointly with FRA inspectors on various rail carriers in the state throughout the year, where two or three inspectors would team up to offer more detailed examinations.

Through data collection and review, it was discovered that most derailments that occurred in the past in Alabama happened on yard tracks. Utilizing this information, inspection staff directed more time and resources to perform inspections in these locations. There has been an increase in reportable derailments in Alabama of about 6% from FY-2022 to FY-2023.

This section investigated railroad accidents and derailments to determine probable causes and handled complaints from railroads, railroad employees, labor unions, other governmental agencies and the public in all matters pertaining to railway safety.

Utility Enforcement

The Track inspection staff also conducts educational seminars for railroad employees. Employees attended a two-day event where presentations and demonstrations on the 49 CFR Part 213 and 214 regulations were given. The education seminars explain the interpretation and understanding of the regulations and allow for interactive Q&A sessions between the railroad employees and regulatory enforcement staff.

Activity	Motive Power & Equipment	Track
Track Miles Inspected	--	2,827
Turnouts Inspected	--	1,703
Locomotives Inspected	96	--
Freight Cars Inspected	5,960	--
Hazmat Cars Inspected	196	--
End of Train Devices Inspected	--	--
Railroad Records Inspected	466	215
Bridge Observations	--	279
Roadway Worker Observations	--	131
Roadway Machines Observed	--	142
Blue Flag Observations	13	--
Noncompliant Conditions Identified	1,420	954
Violations Recommended	1	3
Complaints Investigated	1	9
Accidents/Derailments Investigated	1	8



Railway Safety Section staff from left: Eddie Nix, Heath Thompson, Chris Hester and Blake Conway

Gas Pipeline Safety Division



About the Division

The Gas Pipeline Safety Division is charged by the federal agency of Pipeline and Hazardous Material Safety Administration to perform regulatory inspections of operators within Alabama. The work of this division ensures compliance in meeting federal minimum safety standards.

Gas Pipeline Safety

Director: Jonathan Kimbril

During FY-2023, the Gas Pipeline Safety Division (GPS) conducted and carried out inspection and monitoring activities of every natural gas and hazardous liquid intrastate pipeline system operating in Alabama, including offshore and in-state waters. The responsibility was given to the APSC by the Alabama Legislature to assure and obtain compliance with the Minimum Federal Gas Pipeline Safety Standards adopted by the United States Department of Transportation pursuant to the Natural Gas Pipeline Safety Act of 1968.

Each year, a representative from the Pipeline and Hazardous Materials Safety Administration (PHMSA) performs an audit of activities and finances to ensure compliance with all aspects of federal regulations. The state inspections are conducted in person by GPS investigators and include evaluations of records and physical properties of operators. Investigators conducted follow-up inspections to complete inspections that were not resolved initially.

The personnel charged with this responsibility must meet the training requirements set forth by PHMSA. Investigators must attend in-person classes at the PHMSA Training and Qualification Center in Oklahoma City, Oklahoma, or complete online courses. Over the course of FY-2023, GPS staff completed 13 instructor-led trainings and 24 web-based training courses to become and remain qualified to conduct natural gas and hazardous liquid pipeline system inspections.

There were also three seminars and one workshop GPS personnel attended. Most GPS personnel had completed their required courses, and only three investigators have not completed their required courses. However, they have been engaged in instructor-led and web-based training courses throughout FY-2023.

With the incorporation of Distribution Integrity Management Programs, Public Awareness Program Effectiveness Evaluations, Control Room Management, an Operator Qualification class and a Drug and Alcohol web-based training, GPS investigators have experienced increased training requirements. The addition of these inspection processes means even more classes will be required for investigators over the next several years. Along with the new inspections, some inspectors have been nominated to industry standards boards to help create and develop the standards that will guide the pipeline industry. They will establish the requirements of these listed programs and will also establish the criteria for the required inspections.

In addition to attending classes for maintaining job-related skills and knowledge levels, GPS sponsored training by hosting the 35th Annual Gas Pipeline Safety Seminar in December 2022. Topics for this seminar presented by GPS personnel, vendors and operators included updates to federal guidelines and the minimum federal safety standards the division enforces. More than 360 natural gas and hazardous liquid system

Gas Pipeline Safety

operators were in attendance. Normal attendance for this seminar is about 350 people. There were more than 34 vendors in attendance that displayed and demonstrated equipment for natural gas and hazardous liquid application use. There are normally 45 vendors in attendance.

At the end of FY-2023, the APSC exercised jurisdiction over the safety functions of 74 intrastate natural gas distribution systems (of these 74 systems, 10 also have transmission

assets within their service territories that are also jurisdictional to GPS), 15 intrastate natural gas transmission systems, two liquefied natural gas (LNG) systems, two intrastate hydrogen transmission systems, one offshore natural gas transmission system and 13 master meter distribution systems. GPS also has jurisdictional authority over four gas gathering lines, which are included in the transmission systems. The Commission also exercised jurisdiction over safety functions of eight on-shore hazardous liquid transmission



*Back row from left: Jonathan Kimbril, Randall Hand, Daniel Trapp, Greg Meadows, Asia Skillman and Jamar Robinson
Front row from left: Brett Cochran, Randy Hammond, Felisa Webster, Kyle Childs and Shawn Emmons*

Gas Pipeline Safety

systems, including six break-out tanks and one on-shore hazardous liquid gathering system. When the facilities and practices of these operators are found to be in noncompliance through the investigations performed by GPS staff, they outline the immediate corrective actions necessary and ensure such actions are taken by the operators in question.

Other areas of involvement for GPS included attendance at Alabama Public Awareness Cooperative Training sessions. Also in attendance at these training sessions are first responders, emergency officials, contractors, and other stakeholders. These sessions were conducted by Alabama 811 and sponsored and hosted by the gas system operators to supplement their existing public awareness programs to educate the first responders and other stakeholder groups about the natural gas and hazardous liquid pipelines in their area.

Underground utility damage prevention continued to be a major concern of GPS. Involvement of GPS staff in the Alabama Underground Damage Prevention Authority (ALUDPA) helps to steer the state towards a more aggressive posture in damage prevention. GPS personnel participated in the 8th and 9th Annual Damage Prevention summits in December 2022 and September 2023. The focus of this summit each year is to educate and encourage participation in safe excavation practices. The GPS director served as a board member of ALUDPA during FY-2023. As a board member providing administrative support, he had the

responsibility of receiving the online violation complaints that are generated on the ALUDPA website (aludap.org), processing all information and forwarding information to the ALUDPA executive committee to determine the outcome of the complaint. The alleged violator is subject to penalties that include training and/or fines.

During FY-2023, the GPS director met with representatives of PHMSA to discuss Alabama's adequacy regarding damage prevention. This is a recurring examination of the state's damage prevention efforts that will be conducted by PHMSA each year. In previous years, the examination resulted in a failing grade for Alabama. After changes to the Alabama 8-1-1 Law, the entities charged with the responsibility for assessing fines for utility damages were found adequate. The ALUDPA enforced the law through training and penalties. PHMSA found that there was adequate enforcement, which resulted in a passing grade. GPS recognized that "adequate" does not imply a perfect program and that there is always room for improvement. We continued working toward enhancing the program's effectiveness.

The GPS staff continued involvement with the National Association of Pipeline Safety Representatives (NAPSR). Alabama was represented on several NAPSR and PHMSA task forces. These task forces allowed GPS to have input in decisions affecting how things are performed within the pipeline industry.

The GPS staff continued to sit on multiple committees during FY-2023. This participation

Gas Pipeline Safety

helps to keep Alabama current with changes to federal regulations and involved in providing input into decisions that impact pipeline safety in Alabama and throughout the country.

Another area of involvement for GPS staff is with the Alabama Natural Gas Association (ANGA), which is comprised of most natural gas operators in Alabama. They normally conduct two training seminars each year: the Spring Seminar (conducted in March of each year) and the Fall Training Seminar (conducted in September of each year). The Fall Training Seminar was conducted in September 2023. During the training sessions, GPS staff assist in training at both seminars. They also attend the ANGA annual meeting each year. Although this is not a federally qualified training opportunity for GPS staff, the meeting presents a viable networking opportunity and exposes staff to valuable information and discussions on current issues. This meeting draws mayors, directors and managers of utility boards, which presents a chance to discuss aspects of safety culture in various operations in a more relaxed and open atmosphere.

A total of 663 inspections and operator training sessions were conducted during FY-2023, utilizing 1,041.75 person-days for inspections and operator training activities and an additional 243 person-days for investigator training.

Inspection by Type	Natural Gas	Hazardous Liquid	Total
Standard	121	6	127
Construction	121	3	124
Integrity Management	34	0	34
Operator Qualification	18	2	20
Control Room Management	0	1	1
Incident/Accident	2	1	3
Telephonic Reports	19	1	20
Public Awareness	40	0	40
Follow-up	155	4	159
Drug and Alcohol	47	2	49
Section 114	54	3	57
Operator Training	27	2	29
TOTAL			663

Gas Pipeline Safety

An important function of this division has always been accident prevention. GPS developed and presented programs to promote safe operations by natural gas transmission and distribution systems. These training opportunities included natural gas firefighting techniques and procedures and polyethylene plastic fusion qualification classes.

Work Activities	Person Days
Standard Inspections	454.50
Construction Inspections	135.5
Integrity Management Inspections	37
Operator Qualification Inspections	12.5
Control Room Management Inspections	4
Incident/Accident Inspections	6.5
Public Awareness Inspections	69
Follow-up Inspections	175.75
Drug and Alcohol Inspections	27
Section 114 Inspections	32
Operator Training	88
Investigator Training	243
TOTAL PERSON DAYS	1,284.75

During FY-2023, a total of 26 training sessions were conducted with 737 personnel receiving certificates for plastic fusion qualification and an additional 133 personnel receiving training on natural gas fire-fighting techniques.

There were three incidents in Alabama during FY-2023 that met the criteria for reporting to the PHMSA: 1) death, 2) hospitalization or 3) damage over \$139,700.00. These all occurred on GPS jurisdictional pipelines.

1) Huntsville Utilities — A service line was struck by a contractor working to install underground fiber cable by directional boring. The contractor did not locate the underground utilities prior to directional boring. The escaping gas migrated to the house at the address. The gas had a flash ignition causing a small explosion. The flash ignition resulted in a fire that caused a loss of the house and two vehicles.

2) Genesis Pipeline Alabama LLC — Castleberry, Alabama - The crude oil release at the Castleberry Station was due to a failure of the positive displacement pump shaft packing for the Castleberry-to-I-65 Junction 8" pipeline. The release was quickly isolated and cleaned up, and the pipeline was placed back into service using a separate pump as the separate source. The pump that failed is still isolated and pending an investigation by the Genesis Maintenance group.

3) Spire Gulf – Creola, Alabama — A contractor unloaded a piece of heavy equipment on the side of the road. The ground gave way due to rain, and the equipment sank causing the equipment to encounter a 2" polyethylene main at 1363 Creola Axis Loop, Creola, Alabama. The main ruptured causing a fire that destroyed the heavy equipment.

APSC History

The Alabama Public Service Commission (APSC) was designated as such in 1915 by the Alabama Legislature. The Commission evolved from the Railroad Commission of Alabama, which was created in 1881 to regulate railroads. The Commission has always been composed of three elected members: a president and two associate commissioners.

Between 1881 and 1915, the Legislature extended the Railroad Commission's jurisdiction to include express companies, sleeping car companies, railroad depots and terminal stations. In addition, the Commission's jurisdiction was broadened to include the regulation of telephone and telegraph companies, transportation companies operating as common carriers over water and operators of toll bridges, toll ferries and toll roads. The Commission was also charged with the regulation of utilities providing electricity, gas, water and steam, companies operating streets or inter-urban railways, as well as rail and communication companies already subject to regulation by the former Railroad Commission. The newly constituted agency thus became known as the APSC. The Commission's authority was extended to approving the sale or lease of utility property or franchises. It was broadened again in 1920 when the Legislature made the APSC responsible for regulating utility rates.

History

As Alabama's highway system developed in the late 1920s, the operation of trucks and buses as common carriers increased. In 1927, the Legislature placed all motor transportation companies operating as common carriers of freight and/or passengers over regular routes on Alabama highways under the Commission's regulatory authority. The Legislature broadened the Commission's authority over transportation companies in 1931 and 1932 by including motor carriers not operating over regular routes. Intrastate air carriers were made subject to the Commission's jurisdiction in 1945. Natural gas transmission and distribution systems were placed under the Commission's jurisdiction for safety purposes in 1968.

In 1971, the Commission's authority over motor carriers was broadened yet again as transportation enforcement officers were empowered to enforce the APSC rules and regulations. Similarly, the Commission's safety jurisdiction was extended to include railroad tracks and equipment in 1976 under the State Participation Program of the Federal Railroad Safety Act of 1970.



*The APSC was originally established as the Railroad Commission of Alabama in 1881.
Photo provided by Encyclopedia of Alabama.*

In 1977, the Legislature recognized the need to have an advocate charged exclusively with representing utility consumers before the Commission. The Legislature accordingly empowered the Office of the Attorney General of Alabama to represent consumers and the state in proceedings before the Commission during the 1977 legislative session. In recent years, sweeping federal and state statutory changes have significantly altered the Commission's jurisdiction and authority over transportation and telecommunications utilities. Title IV in the Federal Aviation Administration Act of 1994 provides for federal preemption of the states in matters of motor carrier pricing, routes and services for all but household goods carriers. As a result, Commission certification and tariff approval are no longer required for those motor carriers whose state Commissions are federally preempted from regulating beyond minimal initial requirements. The Commission continues to regulate carriers of passengers and household goods, ensures all motor carriers maintain appropriate cargo and liability insurance and ensures all regulated carriers comply with applicable safety standards.

History

With the passage of the Telecommunications Act of 1996, Congress opened the local exchange telephone markets to competition. Large Incumbent Local Exchange Companies (ILECs) such as BellSouth and CenturyTel, who previously operated as the only local carrier within their Commission-certified service areas, must now make their services available for resale and lease components of their embedded network to new entrants, sometimes referred to as Competitive Local Exchange Carriers (CLECs). New entrants into the local telephone market may also petition the Commission to open independent telephone company local service areas to competition. The introduction of local competition forced the Commission to set utility prices for retail telecommunication services using market-based rather than cost-based methodology.

In 2005, the Alabama Legislature passed the Communications Reform Act. That Act, citing the competition that exists in the local telephone market, eliminated much of the APSC's authority over retail telecommunication services. Additionally, Commission jurisdiction was eliminated for all broadband services used for internet delivery. The Commission did, however, retain full jurisdiction over wholesale telecommunications services and matters concerning Universal Service.

As the telecommunications industry continued its evolution, the Alabama Legislature in 2009 amended the Communications Reform Act of 2005 to eliminate the Commission's pricing jurisdiction over stand-alone basic service and optional telephone features for large ILECs and any rural ILEC agreeing to surrender its rural exemption from competition. As of September 30, 2023, only three rural ILECs have elected to waive their rural exemption leaving 23 rural ILECs under the Commission's jurisdiction pursuant to the 2005 Communications Act or the regulatory scheme, which existed prior to its passage.

It was also in 2009 that the Alabama Legislature determined certain privately owned wastewater systems that discharge below the surface should be subject to APSC jurisdiction. Such wastewater management entities who operate and maintain cluster or community wastewater systems were made subject to APSC regulation regarding their rates and overall financial viability.

In 2014, the Alabama Legislature again amended the Communications Reform Act of 2005 to allow telecommunications carriers the option of removing themselves from the Commission's jurisdiction concerning complaints. As of September 30, 2023, 14 ILECs and 13 CLECs have exercised the allowed election to remove themselves from the Commission's complaint jurisdiction.

Effective July 1, 2018, the Alabama Legislature expanded the jurisdiction of the Commission to include responsibility for the regulation of Transportation Network Carriers (TNCs) operating in Alabama. In accordance with the directives of the Alabama Legislature, the Commission established rules, regulations and guidelines governing the operations of TNCs ranging from certification and safety requirements to the payment and distribution of the statutorily established fees for TNC service.

During the 2021 and 2022 Legislative Sessions, the Alabama Legislature adopted two separate Acts which brought certain providers of sewer service under the jurisdiction of the Commission. The Commission is in the process of fulfilling its regulatory responsibilities regarding those entities.

Past and Present Commissioners

President

Walter L. Bragg
February 1881 – February 1885
Henry R. Shorter
February 1885 – February 1897
James Crook
February 1897 – February 1901
*John V. Smith
March 1901 – March 1905
B.B. Comer
March 1905 – January 1907
Charles Henderson
January 1907 – January 1915
Samuel P. Kennedy
June 1915 – January 1923
*A.G. Patterson
January 1923 – January 1927
Hugh White
January 1927 – January 1945
Gordon Persons
January 1945 – January 1951
C.C. (Jack) Owen
January 1951 – January 1965
Eugene (Bull) Conner
January 1965 – January 1973
Kenneth A. Hammond
January 1973 – December 1975
C.C. Whatley
December 1975 – January 1977
Juanita W. McDaniel
January 1977 – February 1980
William J. Samford Jr.
February 1980 – January 1981
Billy Joe Camp
January 1981 – January 1983
*Jim Sullivan
February 1983 – November 2008
Lucy Baxley
November 2008 – November 2012
Twinkle Andress Cavanaugh
November 2012 – Present

*Also served as President of the National Association of Regulatory Utility Commissioners (NARUC)

**Also served as President of the Southeastern Association of Regulatory Utility Commissioners (SEARUC) and Second Vice-President of NARUC

Commissioner, Place 1

James Crook
February 1881 – January 1885
Levi W. Lawler
February 1885 – September 1892
Gen. James T. Holtzclaw
February 1893 – July 1893
Willis G. Clark
August 1893 – February 1899
A.E. Caffee
February 1899 – February 1903
William T. Sanders
April 1903 – January 1907
Charles Sanders
January 1907 – February 1907
W. D. Nesbitt
March 1907 – January 1911
Leon McCord
January 1911 – January 1915
B. H. Cooper
January 1915 – January 1923
Fitzhugh Lee
January 1923 – January 1943
Gordon Persons
January 1943 – January 1945
James Perdue
May 1945 – January 1947
James Hitchcock
January 1947 – June 1959
Ralph Smith Jr.
August 1959 – August 1960
Joe Foster
August 1960 – January 1963
Ed Pepper
January 1963 – January 1967
C.C. (Jack) Owen
January 1967 – January 1975
Jim Zeigler
January 1975 – January 1979
Pete Matthews
January 1979 – March 1981
Lynn Greer
March 1981 – November 1990
Jan Cook
November 1990 – November 2010
Twinkle Andress Cavanaugh
November 2010 – November 2012
****Jeremy H. Oden**
December 2012 – Present

Commissioner, Place 2

Colonel Charles P. Ball
February 1881 – February 1885
Wiley C. Tunstall
February 1885 – February 1895
Ross C. Smith
February 1895 – February 1899
Osceola Kyle
February 1899 – December 1900
Wiley C. Tunstall
December 1900 – January 1907
John G. Harris
January 1907 – July 1908
John A. Lusk
August 1908 – January 1911
Frank N. Julian
January 1911 – January 1915
S.P. Gaillard
January 1915 – January 1923
*Frank P. Morgan
January 1923 – May 1936
W.C. Harrison
June 1936 – January 1947
C.C. (Jack) Owen
January 1947 – January 1951
T.O. Walker
January 1951 – January 1955
Sibyl Pool
January 1955 – January 1971
Juanita W. McDaniel
January 1971 – January 1977
C.C. Whatley
January 1977 – January 1979
Jim Folsom Jr.
January 1979 – November 1986
Charles B. Martin
November 1986 – November 1998
George C. Wallace Jr.
November 1998 – November 2006
**Susan D. Parker, PhD.
November 2006 – November 2010
Terry L. Dunn
November 2010 – November 2014
Chris “Chip” Beeker Jr.
November 2014 - Present

Alabama

Public Service Commission



Jeremy H. Oden,
Place 1

Twinkle Andress
Cavanaugh,
President

Chris "Chip"
Beeker Jr.,
Place 2

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Alabama Public Service Commission



Ensuring the balance between consumers and regulated companies.

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