MINUTES OF A MEETING

OF THE

ALABAMA PUBLIC SERVICE COMMISSION

HELD TUESDAY, MARCH 4, 2025

The March 2025 meeting of the Alabama Public Service Commission was held on Tuesday, March 4, 2025, in the Carl L. Evans Chief Administrative Law Judge Hearing Room Complex, 100 North Union Street, Montgomery, Alabama. Commission President Twinkle Andress Cavanaugh called the meeting to order at 10:00 a.m. Commissioner Jeremy H. Oden and Commissioner Chris V. Beeker, III, present. The following staff members were also present: John Garner, Administrative Law Judge; Luke Bentley, Administrative Law Judge; Chad Mason, Hearing Officer; Amanda Shehane, Utility Enforcement Division Director; Jonathan Kimbril, PSC Gas Pipeline Safety Division Director; John Free, Electricity Policy Division Director; Patricia Smith, Tanya Champion and Donald Powell, Public Utility Analyst Managers; Aquilla Spivey, Consumer Manager; Devon Beaty, PSC Transportation Regulatory Manager; Tanya Champion, and Matthew Singleton, Public Utility Analysts; William Partlow, Staff Accountant; Janey Whitney, Technical Assistant to Commissioner Cavanaugh; Debbie Williams, Executive Assistant to Commissioner Cavanaugh; Aisha Smith, Technical Assistant to Commissioner Oden; Mary Caitlyn Montgomery, Technical Assistant to Commissioner Beeker; Kaitlyn Rayborn, Executive Assistant to Commissioner Beeker; Kay Oswalt, Information Systems Manager; Chalandra Tolliver, IT Technician; Jerry Delancey, Arthur Leslie, and Jackie Mack, Administrative Assistants; Walter L. Thomas Jr., Secretary of the Commission.

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Commissioner Cavanaugh noted that the public was informed of today's Commission meeting by notice dated January 29, 2025.

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Commissioner Cavanaugh introduced Mr. George Clark to open the meeting with a prayer and to lead the audience in the Pledge of Allegiance.

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Commissioner Cavanaugh then opened the floor for a motion to approve the minutes of the February 4, 2025, Commission Meeting.

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

UTILITY SERVICES DIVISION

Mr. Powell reported for the Utility Services Division on Consumer Service Complaint Inquiries for the period of February 2025 as follows: Alabama Power Company had twenty-nine residential and one business inquiry, Spire Alabama had five residential inquiries and one business inquiry, and Spire Gulf had no residential or business inquiries. There was a total of ten telecommunication inquiries, consisting of three under Public Service Commission Complaint Jurisdiction, six were referred back to the companies since the Public Service Commission waived jurisdiction, and one was not under Public Service Commission Jurisdiction.

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Mr. Powell reported on Formal Dockets 10846 and 18328, Spire Alabama Inc., Division Report on Rate RSE as of January 31, 2025. Mr. Powell reported on Rate RSE for Spire Alabama Inc., based on preliminary figures as of January 31, 2025, the projected RSE return on average common equity for the rate year ending September 30, 2025, was 10.10 percent. The authorized return on average common equity is 9.50 to 9.90 percent.

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Mr. Powell reported on Formal Docket 28101, Spire Gulf Inc., Division Report on Rate RSE as of January 31, 2025. Based on preliminary figures as of January 31, 2024, the projected RSE return on average common equity for the rate year ending September 30, 2025, was 10.09 percent. The authorized return on average common equity is 9.70 to 10.30 percent.

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Mr. Powell reported on Formal Docket 32553, Community Utilities of Alabama, Inc. Petition for the 2025 renewal of Community Utilities of Alabama, Inc.'s Certificate of Financial Viability and recommended approval.

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

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Mr. Powell reported on Formal Docket 32606, Pinnacle Wastewater Systems, LLC, Petition for the 2025 renewal of Pinnacle Wastewater Systems, LLC's Certificate of Financial Viability and recommended approval.

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

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Mr. Powell reported on Informal Docket U-5478, Bellsouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and Brightspeed Broadband, LLC. for approval of an Interconnection Agreement between BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and Brightspeed Broadband, LLC pursuant to Sections 251 and 252 of the Telecommunications Act of 1996 and recommended approval.

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

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Mr. Powell reported on Informal Docket U-5268, Bellsouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and Peerless Network of Alabama, LLC. for approval of an amendment to the Interconnection Agreement between BellSouth Telecommunications, LLC d/b/a AT&T Alabama or AT&T Southeast and Peerless Network of Alabama, LLC pursuant to Sections 251 and 252 of the Telecommunications Act of 1996 and recommended approval.

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

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Mr. Powell reported on Formal Docket 30923, BroadRiver Communication Corporation for voluntary withdrawal of CLEC Authority for BroadRiver Communication Corporation. The company states that it has no customers in the State of Alabama since prior to December 1, 2023; therefore, no customers will be affected. Filed January 30, 2025 to be effective immediately. Mr. Powell recommended approval.

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

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Mr. Powell reported on Formal Docket 31047, Consolidated Communications Enterprise Services INC. filed on February 11, 2025 for approval to change the company name to Consolidated Communications Enterprise Services, LLC. with immediate effect

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

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

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GAS PIPELINE SAFETY DIVISION

Inspections

Mr. Kimbril reported for the Gas Pipeline Safety (GPS) Division Agenda on the following inspections during the month of January 2025.

During the month of January, a total of forty-four (44) inspections were conducted utilizing fifty-four (54) person-days. The inspections are as follows.

		STANDARD INSPECTION	CONSTRUCTION	OPERATOR QUALIFACTION	PUBLIC AWARENESS	тмр / рімр	CONTROL ROOM MGMT	INCIDENT / ACCIDENT	SECTION 114	DRUG & ALCOHOL	FOLLOW-UP	
	PRIVATE		4								2	
	MUNICIPAL		9								16	
EMS	MASTER METER	4		4							1	
SYSTEMS	LIQUID PROPANE (LP)											ی ا
PIPELINE	LIQUIFIED NATURAL GAS (LNG)		1								e	TOTAL
GAS P	INTRASTATE TRANSMISSION										2	
	GAS GATHERING										1	
	OFFSHORE GAS											
E	REFINED PETROLEUM PRODUCTS											
PIPELINE TEMS	CRUDE OIL											
ID PIPEJ SYSTEMS	HVL FLAMMABLE / TOXIC											
LIQUID I	CARBON DIOXIDE											
	BIOFUEL											
	TOTALS	4	14	4							22	44

Training

One (1) operator/contractor training session on cathodic protection regulations was conducted in January:

• 1/8/2025 North Alabama Gas District C.P. 5 Personnel Trained

Enforcement Actions

From the forty-four (44) inspections shown above, three (3) enforcement letters of notification were issued leading to twenty (20) non-compliance issues. There were thirty-seven (37) non-compliance items corrected during the month of January.

Incidents/Accidents

There were three (3) state reportable incidents, and zero (0) federal incidents reported during the month of December.

- 1/28/2025 Trussville Utilities A pipeline supplying the Trussville gas system was struck during excavation work conducted by the City of Birmingham. As a result, system pressure trended downward to a level that raised concerns about a potential loss of pressure across the entire Trussville system. The feeder line was subsequently repaired, with no loss of service reported
- 1/24/2025 Cherokee Gas Board A cast iron gas main broke during a hard freeze, requiring the affected section to be shut down for repairs. The repair work was completed with assistance from the North Alabama Gas District.
- 1/29/2025 Cherokee Gas Board A cast iron gas main broke during a hard freeze, requiring the affected section to be shut down for repairs. The repair work was completed with assistance from the North Alabama Gas District.

Miscellaneous

Gas Pipeline Safety received a request to present at the Alabama Natural Gas Association Spring Seminar on the topic of regulatory findings prevalent in the state, along with potential upcoming changes to code and state rules.

Kevin Key and Jeremy Humphries, the two newest inspectors assigned to the northern section of Gas Pipeline Safety, have been enrolled in fast-track training at the PHMSA Training and Qualifications Center in Oklahoma. This enhanced training initiative aims to accelerate the qualification process, reducing the time from hiring to full inspection capability more efficiently than GPS has done in the past.

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UTILITY ENFORCEMENT DIVISION

Mrs. Shehane reported from the Utility Enforcement Division describing the major tasks, inspections and activities accomplished by its staff during the month of January 2025.

Railway Safety

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

Rail	Regular	Track	Violations	Track	Track
Carriers	Track	Defects	Recommended	Miles	Turnouts
Visited	Inspections	Identified		Inspected	Inspected
3	19	151	0	232	219

The table below reflects track safety observations in which one non-compliant condition was identified. Fifty-six roadway workers, bridge workers, and practices were observed.

Railroad Bridge Observations	Roadway Worker Protection	Roadway Maintenance Machines	Bridge Worker Safety
8	13	24	0

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

Rail	Regular	Defects	Violations	Number of
Carriers	Eqpt.	Identified	Recommended	Units
Visited	Inspections			Inspected
3	14	94	0	627

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

Air Brake Tests	Blue Flag Protection	End of Train Devices
1	9	0

The data below reflects both track and MP&E inspectors' record inspection reviews on railroad inspections, repair records, and highway grade crossings.

	Track Inspection Records	MP&E Railcar & Locomotive Repair Records	Highway Grade Crossings
Inspections	0	2	1
Units Inspected	0	70	40
Defects	0	0	2

The National Response Center (NRC) reported five incidents in January:

- A vehicle strike at a grade crossing with unknown injuries in Selma on NS.
- 2. A trespasser strike with fatal injuries in Evergreen on CSX.
- 3. A multiple trespasser strike with three fatal injuries in Mobile on TASD.
- A railroad bridge strike caused by a towboat in Jackson on NS.
- 5. A vehicle strike at a grade crossing with unknown injuries in Scottsboro on NS.

The track inspection staff partnered with the FRA inspector for north Alabama to conduct a focused inspection on Norfolk Southern Sheffield Terminal. This focus inspection was conducted to determine the compliance issues identified at this location in the past. The inspection yielded positive results, and the rail yard has reflected improvements in track and structure maintenance. Railroad management at this location has also taken additional steps to ensure roadway worker compliance and awareness through employee training and the implementation of updated job briefing forms.

Motor Carrier Services

The Motor Carrier Services (MCS) staff accomplished the following matters regarding state authority to operate as a motor carrier in Alabama with proof of insurance coverage:

Vehicle Registrati on Numbers	Intrastate Applications		NOL Processed/	Under Legal	New Authority	Motor Carrier Authority Inquiries		
	Processed	Returned	Closed Intra Applications	Division Review	Approved	Phone	E- mails	Others
15	9	2	2	11	9	70	58	24

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

Insurance Filings	Revocation	Reinstatement	Miscellaneous	Letters	Insurance	Inquiries
Received	Orders	Orders	Actions	Sent	Phone	E-mails
315	22	8	4	15	39	108

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

UCR App	lications	UCR Mailouts	UCR Audit	UCR Inquiries		
Received	Returned	for 2024/2025	Correspondence	Phone	E-mail	
2	4	0	2	84	111	

As of January 31st, 6,525 Alabama carriers (75%) were registered for 2025 UCR with 2,167 remaining unregistered. Our office received funds from the UCR Depository for December online payments processed through the National Registration System (NRS) from 2,357 carriers domiciled in Alabama and non-participating states. Also during January, staff mailed seven suspended payment letters to carriers that had not cleared up their suspended payments for the 2025 UCR registration year.

The staff also assisted motor carriers in making necessary changes to their operating status with the Federal Motor Carrier Safety Administration (FMCSA). Twelve MCS-150 forms were processed. Six motor carriers had their USDOT number deactivated, and six forms contained updates to the motor carriers' USDOT number data.

The office received eighteen. For Non-Profit (FNP) quarterly reports for the fourth quarter of 2024 and one for the third quarter of 2024 during the month.

Staff participated in two passenger carrier hearings that were held during January for:

- Preferred NEMT L.L.C.
- Baldwin County Non-Emergency Medical Transport LLC

ELECTRICITY POLICY DIVISION

Mrs. Patricia Smith reported on Alabama Power Company's Weighted Return on Average Retail Common Equity Calculation for the 12 Months Ended January 31, 2025.

Mr. Smith reported on Formal Dockets 18117 and 18416; 18148 Division Report on Rate RSE and Rate ECR as of January 31, 2025. The Electricity Policy Division performed the regular monthly examination of the books and records of Alabama Power Company and found a 6.18% Weighted Return on Average Common Equity and Energy Cost Over/(Under) (\$44,999,251.)

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Mr. Free reported on Formal Dockets 18117 and 18416, On January 31, 2025, Alabama Power Company ("the Company") submitted information and calculations for the CNP Purchase Factors associated with the Company's certificated power purchase arrangements, as provided for under Rate CNP, Part B. The filing reflects a projected underrecovery of costs associated with such arrangements which would be recoverable in the billing months of April 1, 2025 through March 31, 2026. Although the Company is entitled under Rate CNP and the corresponding orders of the Commission to recover the entire requirement associated with its power arrangements, the staff has recommended that, in lieu of new CNP Purchase Factors associated with the submitted calculations, the Company will leave the current CNP Purchase Factors in effect for the period April 1, 2025 through March 31, 2026. Mr. Free recommended approval for the proposal.

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

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Mr. Free reported on Informal Docket U-5213, On February 14, 2025, Alabama Power Company filed with the Alabama Public Service Commission the annual update to Rate CPE (Contract for Purchased Energy). Rate CPE applies to Qualifying Facilities ("QFs") with a nameplate capacity greater than 100 kW, seeking to sell energy to Alabama Power Company in accordance with the Public Utility Regulatory Policies Act of 1978. As with prior revisions, the energy payments reflect updated avoided cost data for Alabama Power

Company. The Company also is proposing certain changes to the Attachment A Standard Contract. First, the Company proposes to remove a variable integration cost recovery component from the payment calculation. Second, the Company is proposing a new capacity payment addendum, for eligible projects that include onsite energy storage facilities. The details of these proposals are discussed more fully in the Company's filing letter and in the redlined contract included with the filing. The Company has requested the proposed modifications become effective April 1, 2025. Mr. Free recommended the approval for the proposal.

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

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Ms. Tanya Champion reported on Formal Docket 18005, On February 14, 2025, Alabama Power Company filed with the Alabama Public Service Commission the annual update to Rate PAE. Under Rate PAE, qualifying customers that have installed an electric generating facility for their own use (with nameplate capacity of 100 kW or less) receive payment for energy sold to the Company in accordance with the Public Utility Regulatory Policies Act of 1978 (PURPA). As with prior revisions, the base charges and energy payments reflect updated cost information and avoided cost data for Alabama Power Company. The Company has requested the proposed modifications become effective for April 2025 billings, which has been recommended for approval.

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

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LEGAL DIVISION

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

Informal Docket C-21031, Petition of Richard Bradley Lee Brennan d/b/a Brennan Movers of Moulton, Alabama, for reinstatement of Motor Carrier Certificate C3658 which was revoked due to Petitioner's failure to maintain proper proof of cargo and liability insurance coverage and recommended granting reinstatement;

Informal Docket C-21122, Petition of Lillian Transport, LLC of Chickasaw, Alabama for reinstatement of Motor Carrier Certificate C4125 and FNP B-118 which were revoked due to Petitioner's failure

to maintain proper proof of liability insurance coverage and recommended granting reinstatement;

Formal Docket 33539, Application of AAA Associates Moving & Storage, L.L.C. d/b/a Day Transfer Company, of Montgomery, Alabama, for a Certificate to transport household goods and recommended granting the certificate and approval of the tariff;

Informal Docket C-17682, Petition of James Barsdale d/b/a Tiny Timbers, of Fyffe, Alabama for approval of cargo self-insurance and recommended granting approval; and

Informal Docket C-21128, Petition of JW&LG Trucking LLC, of Albertville, Alabama, for reinstatement of Motor Carrier Certificate F5380 which was revoked due to Petitioner's failure to maintain proper proof of cargo and liability insurance and recommended granting reinstatement.

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

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Judge Bentley reported on Formal Docket 33538, In Alabama Public Service Commission v. Delinquent Companies. Show cause proceeding to address the failure of numerous companies to pay Inspection and Supervision ("I&S") fees for the fiscal year 2024 despite numerous notices and recommends the Establishment of a show cause hearing requiring the offending companies to appear and show cause as to why their certificate should not be revoked for their failure to comply with the statute requiring the payment of I&S fees.

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

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Hearing Officer Mason reported on Formal Docket 33537, from the Legal Division Agenda. Unopposed motor carrier application of Junior Lee Jordan d/b/a A - 24/7 Taxi of Huntsville, Alabama, for a certificate to transport passengers and their baggage in special or charter taxi operations. The Applicant waived its right to a Report and Recommended Order at the hearing, and Mason recommended granting the application.

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

Judge Garner recommended approval of the administrative items.

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

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Commissioner Cavanaugh concluded with stating that the next Commission meeting is scheduled for Tuesday, April 1, 2025

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There being no further business, Commissioner Cavanaugh adjourned the meeting at 10:29 a.m.

Walter L. Thomas, Jr.

Secretary

ADMINISTRATIVE ITEMS March 4, 2025 COMMISSION MEETING

- Approval of all pending motor carrier matters
- Approval of Position Statement Regarding Grants