

MINUTES OF A MEETING

OF THE

ALABAMA PUBLIC SERVICE COMMISSION

HELD Tuesday, December 2, 2025

The December 2025 meeting of the Alabama Public Service Commission was held on Tuesday, December 2, 2025, in the Carl L. Evans Chief Administrative Law Judge Hearing Room Complex, 100 North Union Street, Montgomery, Alabama. Commission President Cynthia Lee Almond called the meeting to order at 10:00 a.m. with Commissioner Jeremy H. Oden and Commissioner Chris V. Beeker, III, present. The following staff members were also present: John Garner, Chief Administrative Law Judge and Executive Director; Chad Mason, Administrative Law Judge; Amanda Shehane, Utility Enforcement Division Director; Devon Beaty, PSC Transportation Regulatory Manager; John Free, Electricity Policy Division Director; Jerry DeLancey, Administrative Support Assistant; Patricia Smith and Donald Powell, Public Utility Analyst Managers; Tanya Champion and Matthew Singleton, Public Utility Analysts; William Partlow, Staff Accountant; Aisha Smith, Technical Assistant to Commissioner Oden; Mary Caitlyn Montgomery, Technical Assistant to Commissioner Beeker; Kaitlyn Rayborn, Executive Assistant to Commissioner Beeker; Janey Whitney, Technical Assistant to Commissioner Almond; Hanna Lombardi, Executive Assistant to Commissioner Almond; Kay Oswalt, Information Systems Manager; Chalandra Tolliver, IT Technicians; Dana Cheek, Programmer Analyst; Barbara Smith, and Robin Bonney, Administrative Support Assistants; Walter L. Thomas Jr., Secretary of the Commission.

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

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Commissioner Almond opened the meeting with a prayer and led the audience in the Pledge of Allegiance.

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Commissioner Almond opened the floor for a motion to approve the minutes of the November 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. Jeff Johnston reported for the Utility Services Division on Consumer Service Complaint Inquiries for the period of November 2025 as follows: Alabama Power Company had twenty residential and zero business inquiries, Spire Alabama had nine residential inquiries and one business inquiries, and Spire Gulf had zero residential and zero business inquiries. There was a total of ten telecommunication inquiries, consisting of one under Public Service Commission Complaint jurisdiction, seven were referred to the companies since the complaint jurisdiction was waived, and two were not under Public Service Commission jurisdiction.

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Mr. Johnston reported on Formal Dockets 18046 and 18328, Spire Alabama Inc., Division Report on Rate RSE as of October 31, 2025. Mr. Johnston reported on Rate RSE for Spire Alabama Inc., based on preliminary figures as of October 31, 2025, the projected RSE return on average common equity for the rate year ending September 30, 2026, was 9.76 percent. The authorized return on average common equity is 9.50 to 9.90 percent.

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Mr. Johnston reported on Formal Docket 28101, Spire Gulf Inc., Division Report on Rate RSE as of October 31, 2025. Based on preliminary figures as of October 31, 2025, the projected RSE return on average common equity for the rate year ending September 30, 2026, was 9.63 percent. The authorized return on average common equity is 9.70 to 10.30 percent.

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Mr. Johnston reported on Docket U-5497, Spire Alabama Inc. Application for Approval of a Special Services Agreement with Alabama Power Company Miller Steam Plant and recommended approval.

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

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Mr. Johnston reported on Docket 33642, Pinnacle Wastewater Systems, LLC, Petition for a rate adjustment for Pinnacle Wastewater Systems, LLC with an effective date of January 1, 2026, and recommended suspension.

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

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Mr. Johnston reported on Docket 28083, Reduced Rate Long Distance, LLC, request to relinquish Certificate of Convenience and Necessity to operate as a reseller of long-distance telecommunications service. By letter received November 13, 2025, Reduced Rate Long Distance, LLC requested relinquishment with an immediate effective date. The company no longer provided telecommunications so no customers will be affected in Alabama and recommended approval.

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

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Mr. Johnston noted final items were for information purposes only and require no action by the Commissioners.

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GAS PIPELINE SAFETY DIVISION

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

Inspections

During the month of October, a total of ninety-four (94) inspections were conducted utilizing one hundred and twenty-eight (128) in person-days. The inspections are as follows.

		STANDARD INSPECTION	CONSTRUCTION	OPERATOR QUALIFICATION	PUBLIC AWARENESS	IMP / DIMP	CONTROL ROOM MGMT	INCIDENT / ACCIDENT	SECTION 114	DRUG & ALCOHOL	FOLLOW-UP	
GAS PIPELINE SYSTEMS	PRIVATE		3									2
	MUNICIPAL	11	5	10			1		4	4	24	
	MASTER METER	1		1							2	
	LIQUID PROPANE (LP)											
	LIQUIFIED NATURAL GAS (LNG)											
	INTRASTATE TRANSMISSION	5		3		1	2			3	2	
	GAS GATHERING	1								1		
LIQUID PIPELINE SYSTEMS	OFFSHORE GAS											
	REFINED PETROLEUM PRODUCTS	2		2		2				2		
	CRUDE OIL											
	HVL FLAMMABLE / TOXIC											
	CARBON DIOXIDE											
TOTALS		20	8	16		3	3		4	10	30	94
TOTAL												

Enforcement Actions

From the ninety-four (94) inspections shown above, eight (8) enforcement letters of notification were issued leading to thirty-eight (38) non-compliance items. There were twenty-three (23) non-compliance items corrected during the month of October.

Training

Four (4) operator/contractor training sessions on Polyethylene (PE) plastic fusion and zero (0) fire response (FR) training were conducted in October:

- 10/1/2025 Hartselle Utilities PE 14 Personnel Trained
- 10/2/2025 Huntsville Utilities PE 91 Personnel Trained
- 10/3/2025 Scottsboro Utilities PE 18 Personnel Trained
- 10/21/25 Leak City, Athens AL PE 25 Personnel Trained

Incidents/Accidents

There were (5) state reportable incidents reported during the month of October. One of the five state reportable incidents was raised to the federal level.

- 10/8/2025 Upper Sand Mountain Gas District - The water department in Dutton was installing a new 6-inch water main and while excavating struck a 2-inch gas main. There was an active 811 ticket.
- 10/19/2025 Dekalb Cherokee Counties Gas District - A road-paving crew was operating a milling machine to remove the top layer of asphalt when the machine struck a shallowly buried gas pipeline. The contact ruptured the line, and the escaping gas ignited, resulting in a fire that caused total loss of the milling machine. The cost of the milling machine caused this to rise to the federal level.
- 10/22/2025 Riviera Utilities - A contractor struck a 2½-inch steel gas main while excavating to install a subdivision entrance with an associated turn lane. The contractor did have an active Alabama 811 locate ticket at the time of excavation.
- 10/28/2025 Wilcox County Gas District - A contractor struck a 2-inch steel gas main while directional boring. The contractor did not have an active Alabama 811 locate ticket at the time of excavation.
- 10/29/2025 Spire Alabama - A contractor performing a directional bore to install telecommunications infrastructure struck a gas main located within an intersection. Spire was unable to locate the facility, and the contractor was operating under an active Alabama 811 locate ticket at the time of the strike.

Miscellaneous

The Gas Pipeline Safety (GPS) Division attended the Annual National Meeting of the National Association of Pipeline Safety Representatives (NAPSR), held this year in Michigan. The conference included sessions on the State Program Guidelines, new inspector training, and new program manager training. The event provided an opportunity for all state pipeline safety programs to collaborate and discuss upcoming federal regulations and strategies for ensuring that state programs remain compliant with evolving federal requirements.

UTILITY ENFORCEMENT DIVISION

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

Railway Safety

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

Rail Carriers Visited	Regular Track Inspections	Track Defects Identified	Violations Recommended	Track Miles Inspected	Track Turnouts Inspected
4	16	39	0	106	170

The table below reflects track safety observations in which no non-compliant conditions were identified. Twenty-two roadway workers, bridge workers, and practices were observed.

Railroad Bridge Observations	Roadway Worker Protection	Roadway Maintenance Machines	Bridge Worker Safety
0	13	6	0

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

Rail Carriers Visited	Regular Eqpt. Inspections	Defects Identified	Violations Recommended	Number of Units Inspected
3	4	53	0	336

The table below shows the Operating Practices (OP) inspections performed on railroad operations.

Rail Carriers Visited	Regular OP Inspections	Defects Identified	Violations Recommended	Eqpt. Securement Observed
2	7	7	0	5

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
0	1	0

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

1. A 5-car derailment with no injuries or releases in Woodstock on NS.
2. A 4-car derailment with no injuries or releases near Atmore on CSX.
3. A vehicle strike with unknown injuries in Lipscomb on NS.
4. A locomotive derailment with no injuries and a diesel release in Sylacauga on EARY.
5. A pedestrian strike at a crossing with a fatal injury near Madison on NS.

There were also three complaints/safety concerns reported via telephone or email in October.

1. A blocked crossing complaint was reported in Montevallo.
2. A blocked crossing complaint was reported in Madison.
3. A broken crossing gate was reported in Coaling.

Both blocked crossing complainants were directed to the FRA blocked crossing website to file their complaints. The broken crossing gate was reported to the rail carrier by RWS staff and repairs were made by the carrier.

The three derailments were investigated by RWS staff. All three derailments occurred at low speeds without extensive damage or delays.

Motor Carrier Services

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

Vehicle Registration Numbers	Intrastate Applications		NOL Processed/Closed Intra Applications	Under Legal Division Review	New Authority Approved	Motor Carrier Authority Inquiries		
	Processed	Returned				Phone	E-mails	Others
15	17	6	1	12	13	100	78	27

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

Insurance Filings Received	Revocation Orders	Reinstatement Orders	Miscellaneous Actions	Letters Sent	Insurance Inquiries	
					Phone	E-mails
365	30	12	1	16	54	96

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

UCR Applications		UCR Mailouts for 2025	UCR Audit Correspondence	UCR Inquiries	
Received	Returned			Phone	E-mail
3	0	654	24	51	11

As of October 31st, 8,952 Alabama carriers (94%) were registered for the 2025 UCR, with 610 remaining unregistered. Our office received funds from the UCR Depository for September online payments processed through the National Registration System (NRS) from 203 carriers domiciled in Alabama and non-participating states. Also, the Commission received the final distribution for 2025 UCR registration and has now reached the cap.

The 2026 UCR registration period opened on October 1st, with 2,397 Alabama carriers (29%) registered, leaving 5,833 unregistered.

The staff also assisted motor carriers in making necessary changes to their operating status with the Federal Motor Carrier Safety Administration (FMCSA). Four MCS-150 forms contained updates to the motor carriers' USDOT number data.

MCS staff participated in the UCR Board meeting call, the UCR Education & Training Subcommittee call, and the UCR Enforcement Subcommittee call during the month.

There were 92 For Non-Profit (FNP) quarterly reports for the third quarter of 2025 sent to FNP carriers by mail and e-mail. There were 23 FNP quarterly reports received for the third quarter and one for the second quarter of 2025.

A show-cause hearing was held for seven carriers that failed to submit their 2024 annual reports as required for all household goods and passenger carriers. Four annual reports were received during the hearing.

In October, one passenger tariff for Good Hands Transport/Transporter LLC (C4184) and one passenger contract for Meridian, LLC (P467) were received and accepted. The MCS staff participated in three passenger carrier hearings held for Jersey Taxi, LLC, Glory Brothers Transport LLLP, and Navicare LLC.

During the month, one passenger carrier audit was completed for Meridian, LLC (C4128/P647). It was recommended that the carrier continue to adhere to the geographical scope outlined in its certificate and the rates specified in its contract. Additionally, one household goods carrier audit was completed for Move & Store, LLC (C3989). It was recommended that the carrier remit overcharges to the shipper along with a letter explaining the remittance, unless a valid reason is given for the charge.

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 December 31, 2025.

Mrs. Smith reported on Formal Dockets 18117 and 18416; 18148 Division Report on Rate RSE and Rate ECR as of October 31, 2025. The Electricity Policy Division performed the regular monthly examination of the books and records of Alabama Power Company and found a 6.59% Weighted Return on Average Retail Common Equity for the 12 months ending December 31, 2025, and Energy Cost Under recovered by \$19,508,405 for October 2025.

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Mr. John Free reported for the Electricity Policy Division on Formal Docket U-5498. On November 13, 2025, the Alabama Municipal Electric Authority (the "Authority") filed with the Alabama Public Service Commission an Energy Supply Agreement (the "Energy Supply Agreement") providing for the supply of electric energy by Alabama Power Company to the Authority on a wholesale basis for further supply of such energy to the Authority's member, the Utilities Board of the City of Foley ("Riviera Utilities"). The Energy Supply Agreement will facilitate the retail sale of electric power to a solar generation plant located within Riviera Utilities' service territory at or near Foley, Alabama and recommended approval.

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

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LEGAL DIVISION

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

DOCKET C-19111 Petition filed on behalf of Alfred Blackmon Jr d/b/a Triple A Transportation of Selma, Alabama, for cancellation of Motor Carrier Certificate C3367 and FNP B-45 and recommended cancellation as requested, and

DOCKET 32146 and C-17525 Petition of BS Haulers, Inc., of Muscle Shoals, Alabama, for cancellation of Motor Carrier Certificate F2528 and approval of cargo self-insurance authority in Informal Docket C-17525 and recommended cancellation as requested (Docket

32146) and grant cancellation of cargo self-insurance authority as requested (Informal Docket C-17525).

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

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Judge Chad Mason reported on DOCKET 33639, and Show cause proceeding for Camp Hill Utility Board to address failures to adequately respond to the Gas Pipeline Safety Division's notices of noncompliance with the Pipeline and Hazardous Materials Safety Administration's (PHMSA) Minimum Pipeline Safety Regulations, and recommended issuance of an order establishing a show cause proceeding for Camp Hill Utility Board.

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

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Judge Mason reported on DOCKET 33640, and Show cause proceeding for City of York Gas Department to address failures to adequately respond to the Gas Pipeline Safety Division's notices of noncompliance with the Pipeline and Hazardous Materials Safety Administration's (PHMSA) Minimum Pipeline Safety Regulations and recommended issuance of an order establishing a show cause proceeding for City of York Gas Department.

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

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Judge Mason reported on DOCKET 33608, Alabama Public Service Commission v. All Motor Carriers who failed to file Annual Reports for 2024 operations. Hearing held for all motor carriers who failed to file their Annual Reports for 2024 operations and recommended revocation of all carriers who failed to appear at the Show Cause hearing; dismissal of all carriers from proceeding who have now complied or otherwise shown good cause why they should be dismissed from this proceeding.

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

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Judge John Garner reported on DOCKET 32382, and Consistent with the requirements of the Certificate of Convenience and Necessity granted in Docket 32382, Alabama Power Company ("the Company") is proposing two twenty-five-year Energy Purchase Agreements in connection with two Solar Projects known as Stockton I Solar and Stockton II Solar. The projects will be constructed, owned, operated, and maintained by SR Stockton I, LLC and SR Stockton II, LLC, respectively. Stockton I is 80 MW and Stockton II is 180MW. Detailed project information was submitted to the Alabama Public Service Commission ("the Commission") Staff on November 12, 2025. As part of its proposal, the Company is also requesting approval of two project confirmations under the Master Contract for Renewable Subscription Program ("Participation Contract") between Alabama Power and its customer Dotier, LLC, a corporate subsidiary of Meta Platforms, Inc., who is constructing a data center south of Montgomery. Dotier has subscribed to 100% of the environmental attributes yielded by the Stockton I and Stockton II Solar Projects. The Staff has reviewed the information provided by the Company, together with other information obtained throughout the review process, and has determined that the Stockton I and II Solar Projects meet the criteria specified in the Certificate granted in Docket No. 32382. The Staff likewise finds the Dotier Participation Contracts to be in furtherance of the objectives set forth in the Commission's Order granting certification in this cause. If the Energy Purchase Agreements and Participation Contracts with Dotier are approved by the Commission, the Stockton I and II Solar Projects are expected to commence commercial operation on or before December 31, 2028, and noted staff from the Legal Division and the Electricity Policy Division personnel recommend approval of the proposed Stockton I and II Solar Projects as well as the accompanying Participation Contracts with Dotier for the Stockton I and II Solar Projects.

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

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Judge Garner reported on DOCKET 18148, U-5494; 118117 and 18416 On November 21, 2025, Alabama Power Company ("Company") U-5494; made an informational filing with the Commission outlining a multi-part 18117 and proposal to provide customers with rate certainty in 2026 and 2027. These 18416 proposals, which was developed

through discussions with Commission staff, would accomplish the following:

- *The current Rate CNP, Part C factors for the recovery of costs associated with governmental mandates would stay in effect through the end of 2027;
- *The current Rate CNP, Part B factor for the recovery of costs associated with purchased power arrangements would stay in effect through March 2028;
- *The current interim ECR factor for the recovery of fuel and other energy-related costs would stay in effect through the end of 2027;
- *The effectiveness of the CNP, Part A adjustment for the recovery of costs associated with the Lindsay Hill acquisition would be delayed until January 2028 billings;

To implement these commitments, the Company would rely on internal cost containment measures, but would also need authorization to:

- *Apply any customer refund amount resulting from Rate RSE's actual result calculation for 2025 to the Natural Disaster Reserve ("NDR"), which currently has a negative balance, in order to forestall an increase associated with Rate NDR and to better prepare for the costs of future storm events; and
- *Use the 2024 nuclear production tax credits ("PTCs"), when monetized, to offset retail cost of service in 2027, which nuclear PTCs from 2025, 2026, and 2027, when monetized, being used to offset future retail cost of service (including any under-recovered balances under Rates CNP and ECR), all being subject to Commission oversight in Docket No. U-5494 and staff recommended the entry of a consent order with the described directives and authorizations to implement this proposal, which benefits customers by providing rate stability through 2027.

Upon motion by Commissioner Oden and seconded by Commissioner Beeker, the Commissioners voted to open the matter for discussion.

After a lengthy discussion, Commissioner Oden made a motion to include the moratorium until the 2027 RSE filing, which was seconded by Commissioner Beeker. The motion was unanimously passed by the Commissioners.

After further discussion, President Almond made a motion for the issuance of a consent order as amended by Commissioner Oden that reflects the various directives and authorizations set forth in Alabama Power Company's informational filing, as recommended by

staff, but with the additional condition that the company would also consent to a moratorium on any upward adjustments under Rate RSE for 2027, and seconded by Commissioner Beeker. The Commissioners voted unanimously to adopt the staff's recommendation, as amended.

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Judge Garner recommended approval of all items listed on the administrative agenda.

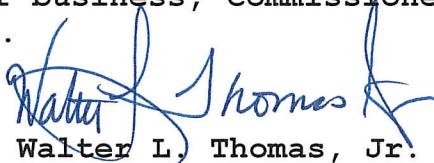
Upon motion by Commissioner Oden and seconded by Commissioner Beeker, the Commissioners voted unanimously to accept the recommendation.

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Commissioner Almond welcomed Mrs. Ellen McNair, Secretary of the Alabama Department of Commerce. Mrs. McNair made a presentation on *Factors that Impact Economic Development in Alabama*.

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There being no further business, Commissioner Almond adjourned the meeting at 11:00 a.m.



Walter L. Thomas, Jr.

Secretary