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July 17, 2025

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VIA HAND DELIVERY

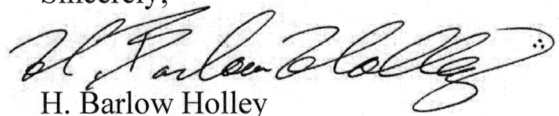
Ms. Kris Abel
Records Supervisor
Records Division
Information Technology Department
Louisiana Public Service Commission
602 North Fifth Street
Galvez Building, 12th Floor
Baton Rouge, Louisiana 70802-5312

***Re: Docket No. U-37394, South Louisiana Electric Cooperative Association,
ex parte. In re: Petition for approval of abandonment of electric facilities
located in Terrebonne and Lafourche Parishes pursuant to Commission
General Order dated July 9, 2008 (R-30301).***

Dear Ms. Abel:

Enclosed for filing in the above-referenced matter is a Memorandum of Law in Reply to Memoranda in Opposition to Motion *in Limine*. Please file the enclosed original into the record of the above-referenced docket, and provide one of the enclosed copies to the Administrative Hearings Division and one to the Legal Division. If you have any questions regarding this filing or need any additional information, please feel free to contact me at the telephone number listed above. Thank you and kindest regards.

Sincerely,


H. Barlow Holley

Hand

BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION

LA PUBLIC SERVICE COMM
JUL 17 2025 PM 3:42

SOUTH LOUISIANA ELECTRIC
COOPERATIVE ASSOCIATION,
EX PARTE

DOCKET NO. U-37394

In re: Petition for approval of abandonment of electric facilities located in Terrebonne and Lafourche Parishes pursuant to Commission General Order dated July 9, 2008 (R-30301).

MEMORANDUM OF LAW IN REPLY
TO MEMORANDA IN OPPOSITION TO MOTION *IN LIMINE*

MAY IT PLEASE THE TRIBUNAL:

I. INTRODUCTION

Pursuant to the Tribunal's July 14, 2025 Ruling on Motion for Leave to Reply, South Louisiana Electric Cooperative Association ("SLECA" or "Cooperative") respectfully submits this Memorandum of Law in Reply to the Memoranda of Louisiana Public Service Commission Staff ("Staff") and Intervenors in Opposition to its Motion *in Limine* ("Motion").¹ For the reasons below, the Tribunal should grant SLECA's Motion.

II. ARGUMENT

A. MISCHARACTERIZATION OF SLECA'S POSITION

Staff misconstrues SLECA's position. SLECA does not object to all historical evidence. SLECA objects only to irrelevant historical evidence, namely, evidence that lacks predictive value for the Commission's public-interest determination, such as evidence of alleged reliance damages.

Like the use of a historical test year in a rate case, past data are relevant only to the extent they inform a forward-looking analysis. General Order No. R-30301 ("General Order") requires certain historical information, but that does not make the public-interest standard retrospective.

¹ This Memorandum does not address those points on which Staff and SLECA agree.

Such historical information is relevant because, and only to the extent that, it helps the Commission determine if the proposed abandonment would serve the public interest for the expected useful life of the facilities if they were to be rebuilt. To hold otherwise would lead to the absurd conclusion that the Commission makes abandonment determinations for the past just as much as for the present and future. The Commission must determine whether abandonment will serve the public interest on a prospective basis, even when relying on relevant historical data. This distinction is critical.

In its Response, Staff offers no clarity on whether it considers Intervenors' alleged reliance damages relevant. If allowed, the hearing risks devolving into protracted testimony and detailed arguments over the approximately 90 individualized losses identified in Exhibit "A," none of which Staff or the Intervenors have directly and materially tied to the public-interest standard.²

B. MISREADING OF THE GENERAL ORDER

Staff and Intervenors misread the General Order, Section IV(B) of which imposes procedural filing requirements, not substantive criteria.³ Requiring utilities to submit historical facts does not convert the public-interest analysis into a backward-looking inquiry.

The standard, whether abandonment is "consistent with the public interest," is inherently prospective. While past facts may inform the analysis, they are not the focus. The key

² Ms. Boudreaux points to SLECA's data requests for proof of anticipated gains and losses as evidence that such evidence is relevant. (Sara A. Boudreaux's Memorandum in Opposition to SLECA's Motion in Limine ("Boudreaux's Memorandum"), p. 2.) While discoverability depends on relevance and reasonable calculation to lead to admissible evidence (La. Code Civ. Proc. art. 1422), data requests do not constitute an admission of relevance to merits facts because (1) there appears to be jurisprudential disagreement on the conclusive evidentiary effect of answers to interrogatories, let alone the interrogatories themselves (*compare Langlois v. Jarreau*, 409 So. 2d 340, 342 (La. App. 1 Cir. 1982) and *Girior v. Pann's of Houma, Inc.*, 341 So. 2d 1346, 1348 (La. App. 1 Cir. 1976) with *Goleman v. Kroger & Co., Inc.*, 462 So. 2d 1330, 1333 (La. App. 3 Cir. 1985)); (2) interrogatories that question a party's character for truthfulness or untruthfulness are relevant and admissible (La. Code Evid. art. 608(A)(1)); and (3) answers could potentially be used to contradict or limit evidence that may be offered in future judicial proceedings on reliance claims.

³ See the General Order's Section IV(B), which provides merely that "[t]he petition for abandonment shall include" the items listed.

considerations remain present and future system needs,⁴ cost, feasibility of reconstruction, and available energy alternatives.

Based on this misinterpretation, Intervenor and Staff urge the Tribunal to adopt a more temporally and topically expansive view of the public interest analysis, one that focuses apparently as much on the past as on the present and future. That view is not supported by the General Order's text.

The legal standard, repeatedly stated throughout the General Order and echoed in Commission precedent, is whether abandonment is "*consistent with the public interest.*"⁵

C. MISPLACED RELIANCE ON PRECEDENT

Staff incorrectly asserts that the Commission has the authority to require compensation to customers as part of an abandonment proceeding, citing the General Order and two prior dockets.⁶

First, as argued above, Section IV(B) of the General Order sets forth procedural filing requirements for abandonment petitions and, arguably, implicitly identifies a non-exhaustive list of public interest factors. Nowhere in the General Order does the Commission grant, let alone mandate, compensation to customers for alternative energy sources, as Staff suggests. At best, the "*existence of alternative energy sources*" (emphasis added) and the "cost per customer" may serve as factors to inform the public interest determination, but they do not dictate it.

⁴ This factor of future demand is the information sought by the General Order's Section IV(B)(5), cited by Staff. Information about the number of abandoned camps and the estimated demand of the remaining camps is far more probative of this factor than the costs of camp improvements.

⁵ General Order No. R-30301 Section IV(G) (emphasis added). In the most analogous persuasive authorities, the Louisiana Supreme Court has stated additional public interest factors that the Commission should consider, as cited in SLECA's Motion. Even if there were no jurisprudence directly on point for this matter, as Mr. Guidroz argues (Guidroz Family's Memorandum in Opposition to SLECA's Motion in Limine ("Guidroz's Memorandum"), p. 1), the Tribunal would have more reason, not less, to rely on these most analogous persuasive authorities, which was not disputed in the Memoranda.

⁶ In its Response (p. 4), Staff stated that the General Order "requires an analysis of '[t]he existence of alternative energy sources for the consumer and the estimated cost per customer to convert each alternative energy source'" and that "the Commission has regularly *required* regulated utilities to compensate consumers that are affected by the abandonment of the utility's facilities" (emphasis added) (citing Commission Order No. S-31973 dated August 22, 2011, and Commission Order No. S-33195 dated May 16, 2014).

Second, Staff's reliance on the cited dockets is misplaced. In those cases, the utility voluntarily offered compensation to customers for alternative energy sources and agreed to increase the compensation amounts as proposed by the Commission.⁷ Thus, the utility did not challenge the Commission's authority to impose compensation because the Commission never claimed or exercised that purported authority. In contrast, SLECA has made no such formal offer of compensation, given the prohibitive costs, and specifically contests the Commission's jurisdiction to order compensation in an abandonment proceeding.

Finally, Staff's invocation of the Commission's constitutional powers is also flawed. Those powers do not extend to awarding damages or mandating remedial compensation. As SLECA's Motion thoroughly details, Louisiana courts, not the Commission, hold jurisdiction over such matters, and the Commission is legally required to follow the judicial decisions of this state.

While Staff may agree in theory with SLECA on the limits to the Commission's jurisdiction regarding money judgments for damages, in practice, proposing that some evidence of economic damages may still be relevant collapses the distinction. Once the door is opened to individualized economic losses and reliance claims, this proceeding would shift from a regulatory inquiry to a forum for private redress. The Commission's streamlined procedures and delineated jurisdictional mandate are not designed to resolve such disputes. Allowing such evidence would

⁷ See Order No. S-31973 dated August 22, 2011, Atmos Energy Corporation, *ex parte*, *In re: Petition of Atmos Energy Corporation requesting approval to abandon its natural gas distribution facilities and services to and on Isle de Jean Charles, Terrebonne Parish, Louisiana*, p. 2 ("Atmos has offered payments to all of the affected customers in an amount (\$1,500.00) which will enable them to convert their homes to another type of service to replace the current natural gas service.") See also Exhibit "B" *in globo* attached hereto, containing the Tr. of the La. Pub. Serv. Comm'n Bus. & Exec. Open Sess. Held on Jul. 27, 2011, in Baton Rouge, La., pp. 122-23, in which Chairman Field stated that "Atmos energy [sic] has agreed to fund another \$1,000" (p. 123, l. 11), and the Rev. Tr. of La. Pub. Serv. Comm'n Bus. & Exec. Sess. Held on May 7, 2014, in Bossier City, La., pp. 43-46, in which Commissioner Holloway's use of the term "browbeat" (p. 43, ll. 18, 21) and Commissioner Campbell's statement that he was "the guy that made them [Atmos] go jump up from 2,500 to 5,000." (p. 46, ll. 7-8.) Thus, the records of Staff's cited dockets indicate that the Commissioners in those cases used private persuasion to convince the utility to increase its already offered compensation. The facts of this case are easily distinguishable, and, thus, the dockets cited are inapposite.

waste limited administrative resources and undermine any future Commission order in this matter based more on private damage claims than the public interest.

D. MISSTATEMENT OF THE ISSUE

The Intervenors frame the core issue as whether SLECA acted improperly by removing infrastructure without Commission approval.⁸ That is not the question before the Commission in this matter. The only issue before the Commission is whether abandoning service (and not reconstructing the Lake Lines) serves the public interest today and going forward.

This is not a prudence review, and the General Order does not require utilities to seek approval before they remove infrastructure damaged by public safety emergencies or natural disasters.⁹ The Commission is not here to judge SLECA's past decision to remove damaged infrastructure to protect public safety. The proceeding concerns whether continued service is economically and technically feasible and in the public interest.

E. PROCEDURAL INTEGRITY MUST BE PRESERVED.

Staff suggests allowing non-testifying Intervenors to offer live testimony, citing fairness and their lack of legal representation. Specifically, in its Response, Staff states that “[d]ue process concerns should allow the intervenors who did not file pre-filed testimony to still present testimony at the hearing, even if their testimony is limited in scope.”¹⁰ But deadlines for pre-filed testimony

⁸ As stated in Guidroz's Memorandum and echoed in Boudreaux's Memorandum, Intervenors posit that the “real questions presented in this case are: When a power system is damaged by a storm, may the utility remove all infrastructure without the PSC's permission, promise consumers for three years that power will be restored, then decide not to restore power.” (omitting the “subsidiary question”). “The subject of how we got to this point needs to be addressed and included in this proceeding. Did SLECA have the authority to remove entire [sic] public utility infrastructure without the approval of a governing body since they are a public service provider and fall under the public service protocols.” Boudreaux's Memorandum, p. 3.

⁹ See the General Order's Section IV(F), which provides that “[t]emporary disconnection of or failure to provide service due to a public safety emergency or natural disaster shall not be considered an abandonment or permanent discontinuance of service under the terms of this Order.”

¹⁰ Staff's Response, p. 5. This position is reiterated in Guidroz's Memorandum, p. 4 and Boudreaux's Memorandum, p. 2.

are not optional. They exist to ensure that all parties can prepare and respond. Every Intervenor had notice and an opportunity to file testimony. Those who failed to do so should not be excused. The procedural schedule ensures three indispensable elements of fairness: (1) advance notice of testimony, (2) equal opportunity to respond, and (3) efficient allocation of time leading to a resolution of this matter. Permitting live testimony for non-testifying Intervenors would undermine all three.

Moreover, equitable considerations cannot override governing law.¹¹ The General Order and the Commission's Rules of Practice and Procedure are positive law. They preclude invoking equity to relax procedural compliance. If deadlines are optional for some, they are meaningless for all.

Self-represented intervenors voluntarily assume responsibility for complying with procedural rules. Any hardship resulting from their inexperience is self-imposed and not grounds for an exception under these circumstances. One does not have to be an attorney to know when testimony is due and find numerous examples of testimony previously filed with the Commission.

F. INTERVENORS' EMOTIONAL STATES ARE NOT AT ISSUE.

Intervenors' feelings are not at issue in this proceeding. Under Louisiana law, emotional evidence is admissible only if it bears on a fact in dispute.¹² Emotional states have no bearing on whether the legal standard for abandonment has been satisfied.

G. EXCLUSION IS THE ONLY PRACTICAL SOLUTION.

Staff argues that the Tribunal could simply limit cumulative or irrelevant evidence during the hearing. But evidence of economic losses is not cumulative; it is individualized. In this case,

¹¹ *Saloom v. Dept. of Transp. & Dev.*, 22-596 (La. 12/9/22), 354 So. 3d 1179, *on remand* 21-666 (La. App. 1 Cir. 2/8/23), 2023 WL 1813533; *H&E Equip. Servs., Inc. v. Sugar & Power Int'l, LLC*, 16-1070 (La. App. 1 Cir. 2/17/17), 215 So. 3d 446.

¹² *State v. Brown*, 562 So. 2d 868, 878 (La. 1990), *citing State v. Martin*, 458 So. 2d 454, 460 (La. 1984).

since Intervenor failed to file testimony, the Tribunal lacks a record to assess cumulativeness in advance.

Limiting evidence to the scope of Intervenor's petitions for intervention is likewise unworkable. Most petitions merely identify the Intervenor and state ownership of a camp. Such vagueness provides no reliable basis for determining what testimony should be allowed.

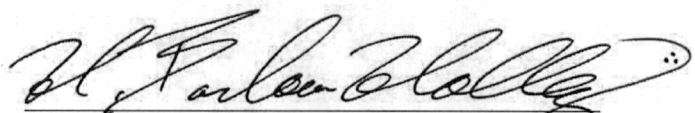
A ruling excluding irrelevant, damages-related evidence is the cleanest and most principled approach to the evidentiary problems raised by Intervenor's mass of tenuous evidence.

III. CONCLUSION

Introducing evidence of private reliance damages or emotional distress not only exceeds the Commission's jurisdiction, but also threatens to convert a regulatory inquiry on the public interest into an improper adjudication of individual private claims. Accordingly, SLECA respectfully urges the Tribunal to grant the Motion in full and exclude all evidence and argument inconsistent with the Commission's governing legal framework.

Respectfully submitted,

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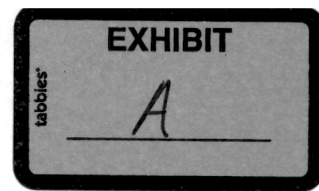
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CERTIFICATE OF SERVICE

I hereby certify that I have this 17th day of July, 2025, served copies of the foregoing pleading upon all other known parties of this proceeding by electronic mail or by regular United States mail, postage prepaid and properly addressed.


H. BARLOW HOLLEY



**BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION**

**SOUTH LOUISIANA ELECTRIC
COOPERATIVE ASSOCIATION,
EX PARTE**

DOCKET NO. U-37394

In re: Petition for approval of abandonment of electric facilities located in Terrebonne and Lafourche Parishes pursuant to Commission General Order dated July 9, 2008 (R-30301).

LIST OF INTERVENORS' ALLEGED DAMAGES

The illustrative list below was compiled from information provided in Intervenor's petitions for intervention, testimonies, and responses to data requests. Please note that, while South Louisiana Electric Cooperative Association has attempted to separate costs as granularly as possible, costs listed may occasionally be duplicative, given the information provided by Intervenor's.

1. Charter fishing and shrimping business income: \$250,000.00-350,000.00.
2. Camp lifting, new pilings, steel beams, deck, welded steel post handrails, dock, new floor, dredging, other pilings, two platforms, storage shed platform: \$64,000.00.
3. Pump: \$400.00.
4. Two gates and fence: \$450.00.
5. First generator: \$900.00.
6. Second generator: \$1,391.00.
7. Two cords and electrical boxes with fuses: \$300.00.
8. Screen material and screen door: \$250.00.
9. Wood for porch: \$520.00.
10. Hot water heater: \$550.00.
11. Refrigerator: \$140.00.
12. Paint: \$120.00.
13. Roofing shingle tools: \$120.00.
14. Camp bottom frame: \$5,900.00.
15. Shrimp boat: \$10,000.00.
16. Boat rigging, engine work, nets, winches, and lights: \$13,000.00.
17. Four air conditioning window units: \$600.00.
18. 12 sets of window blinds: \$120.00.
19. 10,000-watt light for boat: \$600.00.
20. Gas for generators: \$14,332.50.

21. Qualified seafood boat: \$52,000.00.
22. Camp improvements: \$250,000.00.
23. Solar-battery hybrid electric system: \$38,000.00.
24. Dock damage and screen and ceiling repairs: Several thousand dollars.
25. Rebuilding headpole/weatherhead: \$550.00.
26. Materials to wire generator to electric panel: \$400.00.
27. Westinghouse 9,500-kilowatt generator: \$913.00.
28. Acoustic cover for generator: \$1,437.00.
29. Oil change accessory: \$1,448.00.
30. Generator exhaust kit: \$1,590.00.
31. Generator running cover: \$1,766.00.
32. Lumber and labor for generator deck: \$3,541.00.
33. Oil: \$3,607.00.
34. Lag screws for generator brace: \$3,666.00.
35. Second generator: \$4,764.00.
36. Generator repair: \$4,814.00.
37. Battery for refrigerator: \$5,319.00.
38. Hot water heater: \$6,055.00.
39. Gas stove: \$6,714.00.
40. Gas stove conversion kit: \$6,740.00.
41. Generator repair: \$6,890.00.
42. Water heater pipe fittings: \$7,001.00.
43. Labor for retrofitting stove and water heater: \$8,511.00.
44. Fittings for water heater and stove: \$8,761.00.
45. Generator fuel: \$15,494.00.
46. Boat lease to move solar equipment: \$450.00.
47. Labor to move solar equipment: \$150.00.
48. Materials for battery shed: \$125.00.
49. Battery shed materials: \$593.00.
50. Battery shed labor: \$300.00.
51. Battery shed roof: \$124.00.
52. Raising camp: Nearly \$10,000.00.
53. Financial investments in camp: Tens of thousands of dollars.
54. Camp investments: Tens of thousands of dollars.
55. Price of camp: \$52,000.00.
56. New pilings for generator shed and completing structure: \$1,200.00.
57. Gutting camp and reinstalling new insulation and walls: \$2,500.00.
58. Updating wiring inside camp in preparation of power being restored: \$2,200.00.
59. Running wiring for new generator: \$2,700.00.
60. New diesel generator: \$7,500.00.
61. New siding to camp: \$1,300.00.
62. New water tank and pumps: \$1,200.00.
63. New bulkhead: \$9,875.00.
64. New light-emitting diode (LED) lighting: \$600.00.
65. Refurbishing plumbing: \$300.00.
66. New air conditioners: \$2,200.00.

67. New roof panels: \$600.00.
68. New gutters: \$600.00.
69. New water pump: \$400.00.
70. Gas generator: \$525.00.
71. 150-ampere meter box: \$230.00.
72. Replacement screening: \$60.00.
73. New post to receive power: \$125.00.
74. Three new mattresses: \$2,200.00.
75. New interior molding: \$500.00.
76. New upper and lower kitchen cabinets: \$600.00.
77. Replacement stove: \$400.00.
78. 18 sets of window blinds: \$300.00.
79. Gas and diesel for generators: Amount not stated.
80. New platform for water tank: Amount not stated.
81. 16-kilowatt diesel generator: \$7,500.00.
82. Price of camp: \$18,000.00.
83. Lifting camp: More than \$30,000.00.
84. Bulkhead: More than \$30,000.00.
85. Complete camp renovation: More than \$40,000.00.
86. Rebuilding camp: Over \$65,000.00.
87. Camp structure: \$5,600.00.
88. 30,000-40,000-kilowatt power system: \$38,000.00.
89. Generator: \$20,000.00.
90. 100 feet of wire and generator shed: \$5,000.00.
91. Bulkhead: \$20,000.00.

1 the distribution facilities would be approximately \$334,247. The Commission
2 Staff reviewed the application for conformity with the Commission's General
3 order dated July 9, 2008. Atmos complied with this requirement. The Staff
4 agrees and submits that the final recommendation should permit the company to
5 abandon the facility. And I believe there is a comment to be made here by Jeff.

6 **MR. JEFFREY VALLIERE:** Jeff Valliere on behalf of Commission Staff. I
7 just wanted to read into the record, specific amended language to be added to
8 Staff's recommendation in this case. Initially Staff --

9 **SECRETARY GONZALEZ:** Jeff, can you talk a little bit more into the
10 microphone, please?

11 **MR. VALLIERE:** Is that better? Initially Staff recommends that the
12 abandonment be found in the public interest, and secondly specifically
13 referencing the proposed order that was filed July 15th, this amended language
14 should be added to the recommendation and that language is: Whereas Atmos has
15 satisfied the Commission's abandonment order and over 75% of the affected
16 customers have accepted payment in compromise without any intervention in this
17 docket, the Commission hereby approves Atmos' abandonment of the subject
18 natural gas facilities, effective immediately. And Staff will recommend approval
19 of that order.

20 **COMMISSIONER HOLLOWAY:** Mr. Chairman (INAUDIBLE)

21 **CHAIRMAN FIELD:** Yea, I have met with Atmos several times, and they've
22 met with -- this isle is washing away but it -- about half of the residents are
23 Houma Indians and the other half are Biloxi-Chitimacha, and they worked very

1 diligently to give them the information. I have talked to Atmos and have agreed
2 that if they make the conversion, that they will allow them another \$1,000 to
3 offset the differential for at least quite a period of time between the cost of natural
4 gas and propane. The three of them that have already made the conversion will be
5 eligible, but if they are willing to make the conversion, we don't want that to be a
6 reason for them to leave the island, it's been their home for a century probably or
7 more. I don't know how many more years this island will be there because
8 apparently it was left out of the coastal protection plan. So, but anyway the road
9 has been rebuilt to some extent, and they can be served with propane, and I think
10 23 of the 30 have already accepted the payment and if they -- the ones that make
11 the conversion, Atmos energy has agreed to fund another \$1,000.

12 **MR. VALLIERE:** Just to be clear Commissioner, then the total amount would
13 be \$2,500 to each customer?

14 **CHAIRMAN FIELD:** If they make the conversion, then they would actually get
15 the installment of \$1,000.

16 **MR. VALLIERE:** Okay.

17 **COMMISSIONER HOLLOWAY:** Mr. Chairman.

18 **CHAIRMAN FIELD:** Yes sir?

19 **COMMISSIONER HOLLOWAY:** I make the motion we accept Staff
20 recommendation.

21 **CHAIRMAN FIELD:** As long as it has the amendment that I just offered and
22 Jeff just read in the record. Okay, it has been moved by Commissioner Holloway,
23 seconded by Commissioner Skrmetta that we accept Staff recommendation with

1 whatever, heating your home. But anyway, thank you. I want to thank the
2 companies publicly for working with us to help these folks in Webster Parish.

3 **CHAIRMAN SKRMETTA:** Okay. Mr. Hill, any other comments?

4 **COMMISSIONER HOLLOWAY:** I mean, I have some questions I would like
5 to ...

6 **CHAIRMAN SKRMETTA:** You want to ask him?

7 **COMMISSIONER HOLLOWAY:** Yeah. It's going to be basic. Once y'all
8 abandon a house or a home, who is responsible for the payment to the person that
9 you're abandoning? Is it -- if it's a pipeline that's abandoning a pipeline they
10 would be -- their stockholders would be responsible, am I correct?

11 **MR. HILL:** Sometimes a pipeline does contribute. They're not necessarily
12 required to, but in this case Gulf South Pipeline did contribute substantially.

13 **COMMISSIONER HOLLOWAY:** Let's talk about the one from Monroe to
14 Baton Rouge then. Do we know who will be responsible there?

15 **MR. HILL:** That abandonment proceeding by that pipeline company has just
16 been filed at the FERC (INAUDIBLE).

17 **COMMISSIONER HOLLOWAY:** All right. I guess, what I'm getting is, we
18 browbeat y'all into paying more money, basically. I never have heard of y'all not
19 being responsible to someone who is losing a natural gas stove and having to go
20 to butane or whatever. My problem is, is when we go and 2,500 or 2,000 covers
21 the cost of it, but yet you're browbeat, I'll say no other way, into going to 5,000
22 or more; and I have a problem if the other people are having to pay for that
23 advantage for that person. And, I guess, that's what I'm trying to get at here.

1 This is small, very incidental. I'm talking about if we ever get the one where
2 there are thousands of people involved and if you're forced to pay more money to
3 those people than what's it's costing them to redo their appliances or whatever, I
4 guess, I wanting to say somewhere it has to stop, because it's not fair to the other
5 ratepayer to pay for extra cost to someone. And, I guess, I want a comment from
6 you on that is to kind of tell me where we're at, where we go? I'm not going to
7 ask you to go to the process because then you've got to step on toes, but I do -- I
8 would like to know a little more about why we go from a cost, if I lost it at my
9 house, and I had to redo my appliance it cost me \$2,500, why would you have to
10 pay me \$5,000?

11 **COMMISSIONER CAMPBELL:** Let me answer that.

12 **COMMISSIONER HOLLOWAY:** Nope. Don't want you to. I want Mr. Hill.
13 It's his question.

14 **COMMISSIONER CAMPBELL:** I'm the one who made him do it.

15 **COMMISSIONER HOLLOWAY:** And then you can comment.

16 **CHAIRMAN SKRMETTA:** Let's bring the meeting to order. Mr. Holloway, if
17 you're asking Mr. Hill this, please, Mr. Hill, would you answer first and then
18 we'll turn it over to Commissioner Campbell.

19 **MR. HILL:** In this case, we responded to the needs of Commissioner Campbell.
20 But, generally, Commissioner Holloway, I guess, to answer your question, in
21 normal circumstances \$2,500 is generally more than adequate to get somebody
22 converted from natural gas over to propane, pay for the cost of the conversion of
23 their appliances, have a tank installed and actually fill it the first time; and, in

1 most cases under normal circumstance, they'd probably still have a little bit of
2 money left over. The \$2,500 -- we had an abandonment of some customers in
3 South Louisiana a couple of years ago, excuse me, -- a couple of years ago in an
4 area where um

5 **CHAIRMAN SKRMETTA:** Sinkhole, huh?

6 **MR. HILL:** What was that Commissioner?

7 **CHAIRMAN SKRMETTA:** By the sinkhole?

8 **MR. HILL:** No sir. This was an Indian reservation where they were actually
9 trying to get -- the chief was trying to get the people to move because of ...

10 **COMMISSIONER CAMPBELL:** Where was that located?

11 **MR. HILL:** Below Houma. It's Isle de Jean Charles is what it was. And we
12 compensated those customers \$2,500 a piece. There was no pipeline involved in
13 that. It was strictly an Atmos Energy decision. We were going to have to replace
14 that -- that system, and we didn't feel like it made sense to replace that system
15 when the chief was trying to actually get members of the tribe to get off of that
16 island, due to rising water.

17 **COMMISSIONER HOLLOWAY:** I guess, my issue is, I know this is
18 insignificant cause we're talking about -- going to end up, what? being two
19 customers or something actually lost. I'm talking about if something should
20 happen, I most particularly speak of the pipeline from Monroe to Baton Rouge.
21 What happens? I mean if you're coming through, you're going to pay them 5,000
22 and it's

23 **MR. HILL:** That would be a huge

1 **COMMISSIONER HOLLOWAY:** 100,000 of them.

2 **MR. HILL:** That would be huge, yes.

3 **COMMISSIONER HOLLOWAY:** And, I guess, that's what I'm getting at.

4 **MR. HILL:** And it's a big issue...

5 **COMMISSIONER HOLLOWAY:** It's not right to me what we're doing. I'll

6 yield the floor to Mr. Campbell.

7 **COMMISSIONER CAMPBELL:** Well, I'm the guy that made them go jump

8 up from 2,500 to 5,000. And the reason I did that is because 2,500 is not enough

9 to replace and put them on propane. Mr. Raynak here operated the largest butane

10 company in North Louisiana, Claiborne Butane. It was bought out by O'Neil. I

11 went by and visited with them. In a lot of instances 5,000 is not enough. So for

12 the Company to tell me they want to give 2,500 and I'm representing the folks. I

13 don't represent the Company. I represent the folks.

14 **COMMISSIONER HOLLOWAY:** You represent all the folks. Not just the

15 ones that's using the gas.

16 **COMMISSIONER CAMPBELL:** Let me get through before you interrupt me.

17 I represent these folks and I didn't think 2,500 was enough. Now Mr. John Ivy

18 who represents CenterPoint, I've already had this situation with him up in Union

19 Parish, and I got those folks 5,000. So guess what happened? When I got those

20 folks 5,000 I turned to Atmos and said, well look, CenterPoint gave 5,000, why

21 don't you give 5,000? So they agreed to it. So I'm not making any apologies for

22 helping these folks. First of all, they didn't get any money.

23 **COMMISSIONER HOLLOWAY:** Almost vote buying.