

LOUISIANA PUBLIC SERVICE COMMISSION
ADMINISTRATIVE HEARING DIVISION

DOCKET NO. S-_____

1803 ELECTRIC COOPERATIVE, INC.,
BEAUREGARD ELECTRIC COOPERATIVE, INC.,
CLAIBORNE ELECTRIC COOPERATIVE, INC.,
NORTHEAST LOUISIANA POWER COOPERATIVE, INC.,
SOUTH LOUISIANA ELECTRIC COOPERATIVE ASSOC., AND
WASHINGTON-ST. TAMMANY ELECTRIC COOPERATIVE, INC.

*In Re: Petition for Approval of Asset Transfer by 1803 Member Cooperatives to 1803 and
Operation of Transmission Facilities by 1803.*

DIRECT TESTIMONY AND EXHIBITS

OF

RON REPSHER

ON BEHALF OF

1803 ELECTRIC COOPERATIVE, INC.

March 2024

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EXHIBITS:

RR-1 *In Globo* Asset List with Redacted Values (Public Version)

RR-2 *In Globo* Asset List with Values Included (Confidential Version)

1 **I. INTRODUCTION AND BACKGROUND**

2 **Q. Please state your name and business address.**

3 A. My name is Ron Repsher, and my business address is 4601 Bluebonnet Boulevard, Baton
4 Rouge, LA 70809.

5
6 **Q. By whom are you employed and what is your position?**

7 A. I am employed by 1803 Electric Cooperative, Inc. ("1803") as its Chief Operating Officer.

8
9 **Q. Please summarize your educational and professional background.**

10 A. I have a bachelor's degree in Electrical Engineering from Mississippi State University and
11 an MBA from Mississippi State University. I am a licensed professional engineer in the
12 state of Mississippi. Prior to my employment with 1803, I spent twenty years employed
13 by two wholesale generation and transmission ("G&T") cooperatives. For the vast
14 majority of my career, I was employed at Cooperative Energy, headquartered in
15 Hattiesburg, MS. Cooperative Energy serves eleven (11) member rural electric distribution
16 cooperatives in Mississippi. My employment there was in increasing areas of
17 responsibility, and I left as the Vice President of Power Supply. Immediately prior to
18 joining 1803, I was employed at Big Rivers Electric Corporation ("Big Rivers"),
19 headquartered in Owensboro, KY, as the Vice President of Energy Services. Big Rivers
20 serves three (3) member rural electric distribution cooperatives in Kentucky, and is
21 regulated by the Kentucky Public Service Commission. Most relevant to my testimony in

1 this matter is that I have managed and provided senior leadership for market, generation,
2 and transmission operations and its associated interactions with the Midcontinent
3 Independent System Operator (“MISO”), fuel procurement, budgeting, regulatory, and
4 reliability compliance, wholesale rate, as well as other aspects of the organization.

5 Both of the G&T cooperatives with which I was previously employed owned extensive
6 transmission systems with thousands of miles of transmission lines and numerous
7 substations. Both G&T cooperatives also owned many generation units of different types,
8 including natural gas, coal, solar, and nuclear, and maintained power purchase agreements
9 for different resources, including coal, hydro, natural gas, and solar generation.

10
11 **Q. Have you previously testified before regulatory commissions?**

12 A. Yes. I have provided testimony to the Kentucky Public Service Commission.

13
14 **Q. On whose behalf are you testifying in this proceeding?**

15 A. I am providing testimony on behalf of 1803 Electric Cooperative, Inc.

16
17 **Q. Has this testimony been prepared by you or under your supervision?**

18 A. Yes.

II. DESCRIPTION OF PROPOSED TRANSACTION AND SUPPORTING FACTORS

Q. Please describe the Assets involved in the requests made in this Application.

A. As has been described in the testimony of Brian Hobbs, the Assets¹ can be broken down into two categories. The first category consists of the assets that are owned by LaGen² today, which by contract will revert to the 1803 Cooperatives upon termination of their respective Power Supply and Service Agreement. This first category comprises the vast majority of the overall Assets. The second category includes assets that are owned by the 1803 Cooperatives today, and may be operated and managed by the cooperative, LaGen, or other third parties. This second category includes a much smaller portion of the overall Assets. The Assets as they are known at the time of this filing are identified in Exhibit RR-1 (Public Version, with values redacted) and RR-2 (Confidential Version, with Asset values shown). The Asset List is provided to the best knowledge of 1803 and the 1803 Cooperatives at the time of this filing and may need to be supplemented as further assets are identified and as further information becomes known.

The Assets generally consist of equipment commonly found in high voltage substations and transmission systems. This includes without limitation breakers, switches, motor operated switches, transformers, transmission lines, control and protective equipment, metering, and communication equipment. The operating voltage of the Assets ranges from 230kv to 69kv. Due to portions of the Assets being part of the Bulk Electric System as well as the network transmission nature of the equipment, the Assets required adherence to many obligations which are not easy to achieve. The major obligations include real time around-the-clock operations by North American

¹ The term “Assets” as used herein collectively refers to the assets and facilities as described in Mr. Hobbs’ Direct Testimony, which may include, without limitation, the high side of substations, delivery points, meter points, certain electric lines, meters and equipment associated with meters, and such similar assets.

² “LaGen” as used herein refers to Louisiana Generating LLC, Cleco Cajun LLC, or any of their affiliated entities, which presently owns, operates, and manages Assets which will revert by contract to the 1803 Cooperatives.

1 Electric Reliability Corporation (“NERC”) compliant control centers, and strict compliance with
2 all NERC compliance standards. SERC Reliability Corporation (“SERC”) is the NERC delegated
3 Regional Entity³ authorized to ensure compliance with reliability standards promulgated by NERC
4 for utilities in Louisiana and 14 other states.

5
6 **Q. In your experience, have G&T cooperatives typically played a role in managing these**
7 **types of assets?**

8
9 A. Absolutely. It is very common for G&T cooperatives to perform real time control center
10 services and manage NERC compliance for owned equipment, much like electric utilities that are
11 for-profit investor-owned corporations. This is consistent with the services provided by each of
12 my prior G&T cooperative employers and consistent with many others of which I am aware in my
13 experience.

14
15 **Q. Please describe the Assets and 1803’s plan to own and manage the Assets and detail**
16 **how 1803 can provide benefits and efficiencies to the 1803 Cooperatives in managing these**
17 **Assets?**

18
19 A. Instead of incurring the obligations and associated costs to perform the required activities
20 at each individual distribution cooperative, the 1803 Cooperatives see the value in having their
21 G&T (which they own and govern) manage these obligations at the G&T level for the benefit of
22 all 1803 Cooperatives. 1803 will be able to more effectively perform the required operations and
23 maintenance on this high voltage equipment, as well as perform such actions at a lower cost due
24 to economies of scale.

25 1803 Staff has experience in the ownership, operation, and maintenance of equipment
26 similar to the Assets. Utilizing this knowledge, 1803 has developed a plan for ownership,

³ SERC is one of six NERC Regional Entities.
Direct Testimony of Ron Repsher
March 2024

operation, and maintenance of the Assets. Upon approval of this transfer, 1803 will fully implement its plan. Major portions of 1803's operational plan can be described as follows:

- 1803 will become a registered Transmission Owner ("TO") in MISO and will adhere to all NERC standards related to being a NERC-registered TO. 1803 is well underway in the efforts of registering as at TO and is working closely with MISO to complete the requirements for registration. These actions are typical for owners of high voltage transmission equipment and 1803 Staff is very familiar with these activities.
- 1803 will employ a mixture of employees as well as contractors to perform the various requirements of being a MISO TO and a NERC-registered TO.
- 1803 will perform the Transmission Planner function for all assets under 1803's ownership. Mr. Hobbs has discussed the benefits of the inclusion of the Assets in MISO's transmission models as the overall transmission grid continues to require significant investment.
- Like any other utility which owns transmission equipment, 1803 will perform forward planning to facilitate the reliable and economical operation of the Assets. This is not only clearly in the interest of the 1803 Cooperatives and their member-consumers, but also in the interest of all ratepayers who use the regional transmission grid.
- For real time around-the-clock operations, 1803 contracted for resources to perform the control center services that are required. 1803 is not at this time going to build out its own NERC compliant control centers, as 1803 felt that attempting to take on such a large undertaking in the remaining time before early 2025 would not be prudent or in the best interest of the 1803 Cooperatives.
- 1803 has engaged a respected industry engineering firm to inspect the Assets and associated maintenance records to gauge the in-service condition of the Assets and provide the basis for ongoing maintenance, testing, and replacement of equipment as discussed in the next two bullets.
- 1803 will implement a preventative maintenance and testing plan on equipment to help ensure the equipment is in good working order, and to mitigate the risk of outages caused by equipment failure. This preventative maintenance and testing program will conform to industry practices, equipment manufacturer requirements, and expert engineering analyses, as well as NERC defined time intervals. These actions will be performed by 1803 employees as well as contracted resources.
- In the normal course of business, 1803 will need to perform capital replacements of aging or failing equipment. 1803 will monitor its equipment during operations as well as the findings from its preventative maintenance program, and, as issues are found, repair or replace the problem equipment. These actions will be performed by 1803 employees as well as contracted resources.

1 **III. CONCLUSION**

2 **Q. Do you believe that the requested transfer of Assets is in the best interest of the 1803**
3 **Cooperatives, their members, and 1803, and also in the public interest?**

4 **A. Yes, for the reasons stated in my testimony.**

5 **Q. Does this conclude your testimony?**

6 **A. Yes, it does.**

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12

13
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16
17

18 AFFIDAVIT OF WITNESS

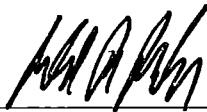
19 I, Ron Repsher, being duly sworn, depose

20 that the Direct Testimony and Exhibits in the

21 above referenced matter on behalf of

22 1803 Electric Cooperative, Inc.

23 are true and correct to the best of my knowledge, information, and belief.
24

25 
26

26 Ron Repsher

27 Subscribed and sworn before

28 me this 13th day of

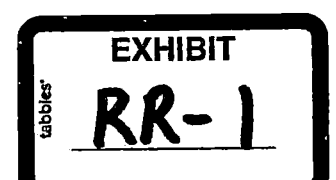
29 March, 2024.
30

31 
32

32 Kyle C. Marionneaux, La. Bar Roll No. 25785

33 Notary Public

Beauregard	\$	
Claiborne	\$	
Northeast	\$	
SLECA	\$	
WST	\$	
Total	\$	



Beauregard Electric Cooperative, Inc
Actual Purchase Price paid by 1803 to Beauregard shall be the amount due Cleco Cajun
All assets owned by Cleco Cajun to be conveyed to BECI shall be conveyed to 1803, including real property.
Estimated Net Book Value at 03-31-2025

Totals ==> \$ \$ \$ \$ \$ Estimated Amount
Due at Conveyance

Coop	Location	Type	Comment	Value	Months in Service	Original Cost	Accum Depr	NEV	Assets conveyed To Customer	Assets sold To Customer At NEV
Beauregard	Moss Bluff	Original	existing at start of contract		300.00					
Beauregard	Moss Bluff	Addition	Tone relaying		267.00					
Beauregard	Moss Bluff	Addition	Tone relaying		205.00					
Beauregard	Sulphur	Original	existing at start of contract		300.00					
Beauregard	Serpent	Original	existing at start of contract		300.00					
Beauregard	DeRidder	Original	existing at start of contract		300.00					
Beauregard	New Llano	Original	existing at start of contract		300.00					
Beauregard	Caney	Addition	New meter point		222.00					
Beauregard	Caney	Addition	New meter point		219.00					
Beauregard	Caney	Addition	New meter point		205.00					

Additional Assets to be conveyed to 1803 as applicable

Claiborne Electric Cooperative, Inc
Actual Purchase Price paid by 1803 to Claiborne shall be the amount due Cleco Cajun
All assets owned by Cleco Cajun to be conveyed to CEC shall be conveyed to 1803, including real property.
Estimated Net Book Value at 03-31-2025

Totals ==> \$ \$ \$ \$ \$ \$ Estimated Amount
Due at Conveyance

Coop	Location	Type	Comment	Value	Months in Service	Original Cost	Accum Depr	NBV	Assets conveyed To Customer	Assets sold To Customer At NBV
Claiborne	Marion		Original existing at start of contract		132.00					
Claiborne	Minden		Original existing at start of contract		132.00					
Claiborne	Trussels Crossing		Original existing at start of contract		132.00					
Claiborne	Ruston East		Original existing at start of contract		132.00					

Additional Assets to be conveyed to 1803 as applicable

Northeast Louisiana Electric Cooperative
 Actual Purchase Price paid by 1803 to NELPCO shall be the amount due Cleco Cajun
 All assets owned by Cleco Cajun to be conveyed to NELPCO shall be conveyed to 1803, including real property.
 Estimated Net Book Value at 01-01-2025

Totals ==>

\$

\$

Estimated Amount
 Due at Conveyance

Coop	Location	Type	Comment	Value	Months in Service	Original Cost	Accum Depr	NBV	Assets conveyed To Customer	Assets sold To Customer At NBV
Northeast	Chickasaw	Original	existing at start of contract		300.00					
Northeast	Gilbert	Original	existing at start of contract		300.00					
Northeast	Gilbert	Addition	Limestone surfacing		291.00					
Northeast	Log Cabin	Original	existing at start of contract		300.00					
Northeast	Metropolis	Addition	New meter point		255.00					
Northeast	Sims Lake	Addition	New alt pt of delivery		267.00					
Northeast	Common Metering	Original	Common Metering		300.00					
Northeast	Common Metering	Addition	Common Metering		291.00					
Northeast	Common Metering	Addition	ECS Replacement		279.00					
Northeast	Common Metering	Addition	Microwave Replacement		279.00					
Northeast	Common Metering	Addition	SNW RTU		279.00					
Northeast	Common Metering	Addition	Chickasaw		279.00					
Northeast	Common Metering	Addition	Elim Park		279.00					
Northeast	Common Metering	Addition	Common Metering		267.00					
Northeast	Common Metering	Addition	Common Metering		243.00					

Additional Assets to be conveyed to 1803 as applicable

South Louisiana Electric Cooperative Association
Actual Purchase Price paid by 1803 to SLECA shall be the amount due Cleco Cajun
All assets owned by Cleco Cajun to be conveyed to SLECA shall be conveyed to 1803, including real property.
Estimated Net Book Value at 03-31-2025

Totals ==>

\$

Estimated Amount
Due at Conveyance

Coop	Location	Type	Comment	Value	Months in Service	Original Cost	Accum Depr	NBV	Assets conveyed To Customer	Assets sold To Customer At NBV
SLECA	Bayou Ramos	Original	existing at start of contract		300.00					
SLECA	Greenwood	Original	existing at start of contract		300.00					
SLECA	Ashland	Original	existing at start of contract		300.00					
SLECA	Landy	Original	existing at start of contract		300.00					
SLECA	Bayou Lourse	Original	existing at start of contract		300.00					

Additional Assets to be conveyed to 1803 as applicable

Washington - St. Tammany Electric Cooperative, Inc
Actual Purchase Price paid by 1803 to WST shall be the amount due Cleco Cajun
All assets owned by Cleco Cajun to be conveyed to WST shall be conveyed to 1803, including real property.
Estimated Net Book Value at 03-31-2025

Totals ==> \$ _____ Estimated Amount Due at Conveyance

Coop	Location	Type	Comment	Value	Months in Service	Original Cost	Accum Depr	NBV	Assets conveyed To Customer	Assets sold To Customer At NBV
WST	Pine Cliff	Original	existing at contract renewal		132.00					
WST	Pine Cliff	Addition	Trans. moved to Holton		127.00					
WST	Talisheek	Original	existing at contract renewal		132.00					
WST	Holton	Original	existing at contract renewal		132.00					
WST	Holton	Addition	New meter point		127.00					
WST	Angle	Original	existing at contract renewal		132.00					
WST	Angle	Addition	New meter point		127.00					
WST	Angle	Addition	New meter point		53.00					
WST	French Branch	Original	existing at contract renewal		132.00					
WST	French Branch	Addition			127.00					

Additional Assets to be conveyed to 1803 as applicable

PLACEHOLDER* FOR
CONFIDENTIAL
EXHIBIT RR-2
– REDACTED –
ORIGINAL SUBMITTED
CONFIDENTIALLY
UNDER RULE 12.1 OF
THE LPSC’S RULES OF
PRACTICE AND
PROCEDURE

* Confidential Exhibit RR-2 is submitted separately from the public filing under seal.