Appendix A

Source Documents

Source Documents

We examined the following documents:

- Emails from the LUS and LCG archives dated 2007-2018
- Outlook PST files of Terry Huval
- LUS and LUS-Fiber billings and invoices from 2011-2018
- LUS Services Review and Reimbursement Calculation
- Audio recordings and transcripts of interviews conducted by Oats & Marino with various current and former LUS-Fiber employees
- Craig Gautreaux emails dated November 2010 – August 2013
- Lift Station Telemetry Internal Memo from Craig Gautreaux to Rick Zeno dated September 6, 2018
- Electric Outage Alert Monitoring System internal memo from Mike Boustany to Terry Huval dated July 20, 2011
- Electric Outage Alert Monitoring System Results internal memo from Terry Huval to Antonio Conner dated June 25, 2013
- Reasonableness of Retail Billings note dated October 31, 2012
- Request to Reimburse LUS internal memo from Terry Huval to Lorries Toups dated April 6, 2018
- Letter to the PSC from Terry Huval and Joel Robideaux dated April 12, 2018
- Techneaux Technology accounts payable vendor listing for the period November 2011 – December 2020
- Purchase orders pertaining to lift station upgrade costs
- LUS self-report audits dated June 4, 2019 and July 8, 2019
- LUS internal review dated December 18, 2019
- Louisiana Fair Competition Act 45-844.42-57
- Louisiana Public Service Cost Allocation and Affiliate Transaction Rules General Order
- Robicheaux: The LUS Ratchet – Or is it Racket? (the Hayride Article)
- LUS budget amendments
- Other documents, requested as necessary

Appendix B

Documents Related to POMS

From: Jean-Paul Tujague
To: Jean-Paul Tujague
Subject: FW: Letter
Date: Monday, June 15, 2020 5:15:54 PM

Jean-Paul Tujague, CPA, CFE, CFF
Partner
Carr, Riggs & Ingram, LLC
111 Veterans Boulevard
Suite 350
Metairie, LA 70005
Voice: 504-585-4448
Fax: 504-585-4470

-----Original Message-----
From: terryhuval@aol.com <terryhuval@aol.com>
Sent: Tuesday, October 12, 2010 7:23 AM
To: Terry Huval <thuval@lus.org>
Subject: Letter

From:
To:

RE: Electric Outage Alert Monitoring System

The LUS electric system includes some ?1374? electric distribution taps which each provide electric service to a number of customers, ranging from several to hundreds. Each of these taps contains an interrupting device. The purpose of this devices is to de-energize the tap in the event there is an electrical fault, or short, on the tap. Such a fault can be caused by a fallen tree limb, a lightening strike, a squirrel getting across the energized conductor, or a number of other reasons. By de-energizing a tap under these circumstances, only those customers on the tap will incur a disruption in service, as compared to de-energizing electrical service to thousand(s) of customers on the electric feeder.

Currently, we have no means for any of these taps to be monitored as to whether they are energized or not. If, for example, a branch falls across the electrical line behind the tap, a fuse or other device will open which will create an electrical outage for all customers behind the device. Without any remote knowledge of this occurrence, the only way LUS will know that electric service is interrupted is to receive a phone call(s) from customers who are without power. Sometimes it takes several calls before our dispatcher can figure out which tap device may actually be causing the outage. This can delay adequate reaction time by 15 minutes, or more. In the meantime, customers are out of power and conceivable more customers are calling in, jamming up the phone lines to our dispatcher. The problem intensifies quickly if there are multiple tap devices which open up during a storm.

LUS has looked for options to monitor tap locations, but cost to do so for the over 3000 taps on our system is prohibitive.

With LUS Fiber services available throughout the city, LUS Fiber can provide the LUS dispatcher with instantaneous information regarding power outages. This is possible since the Optical Network Terminal (ONT) mounted on the side of the home or business sends out an alarm to the LUS Fiber Network Operations Center.

We have asked LUS Fiber for a proposal for providing LUS this key information. The proposal by LUS Fiber is to provide this service to LUS at a cost of $15 per month per tap. At $180 per year per tap, this is a much less expensive cost than for LUS to even pay for a simple telephone line to monitor each location, much less all of the ancillary equipment that would be necessary to arrange for a proper signal for this purpose.

LUS does not have to pay for any taps where there are not yet any LUS Fiber customers, so the city-wide system can be created gradually.

I propose to take advantage of this opportunity immediately in order to reduce the length and inconveniences of future electric outages. I am able to move funds in my O&M budget to accommodate this expenditure.

If you are in concurrence with this proposal, please indicate your acceptance below.

Sent via BlackBerry by AT&T

Lawrence E. Marino

From: Terry Huval <THUVAL@lus.org>
Sent: Wednesday, October 13, 2010 11:35 PM
To: Mike Boustany
Subject: Re: Electric Outage Alert Monitoring System

Mike,

I spoke to Mona about the null set. She said the problem is that the addresses we use for LUS Fiber follow the format for 911. I don't know why our GIS is using a different protocol. I know you will figure out a way to work through this.

I had Mike Hebert look at the proposal and he has no problem with it. Whatever price is charged has to be one we can adequately justify. I don't think we could get this from anyone else for less than $25/month per tap, so that is where I would like to start for the taps with 2 or more fiber customers - then increase the taps on a month-to-month basis as we get more fiber customers.

989 times $25 = $24,725 per month

Can you find those levels of funds in your O&M budget?

Let's talk further about this tomorrow.

Thanks,
Terry

From: Mike Boustany
To: Terry Huval
Cc: Mike Talley
Sent: Wed Oct 13 10:35:56 2010
Subject: RE: Electric Outage Alert Monitoring System

Terry,
Attached is Mike T. latest program. It shows there are 989 taps with 2 or more fiber customers on them. The null count are the customers that the addresses don't match. We will work with Fiber to correct this. It is a start.

Mike

Fiber Tap Count	
Count	**Frequency**
1	**269**
2	**187**
2 or more	**989**
3	**130**
4	**119**
5 or more	**553**
NULL	951
Total ONT Count	8266

From: Terry Huval
Sent: Tuesday, October 12, 2010 11:14 AM

LAFAYETTE CONSOLID. GOVERNMENT
INTERNAL ME .NDUM

Lafayette Ut .stem
Electric Operati .ager (7030)
Telephone: 337-291-5705 E-mail: mbou. us.org Fax: 337- 291-5987

TO: Terry Huval **DATE:** November 15, 2010

FROM: Mike Boustany

SUBJ: **Electric Outage Alert Monitori g System**

Reliability and quick restoration of service have been hallmarks of LUS, as demonstrated in our successful hurricane power restoration efforts and in our best-in-state SAIFI and SAIDI index performances. We continue to receive strong indications from our customers that keeping the lights on and restoring electric service as fast as possible are of paramount importance to them. As a result, we aggressively pursue every opportunity we can to reduce the probability of outages and to more quickly restore electric service when outages do occur.

LUS has long had direct monitoring and control of its substation devices. If the operation of a substation device results in an interruption in power services to customers, we know about it when it occurs and immediately dispatch personnel to determine the cause of the interruption and restore power quickly.

However, beyond those substation devices, the LUS electric system includes some 3574 electric distribution taps, each tap providing electric service to a number of customers, ranging from several to hundreds. Every one of these taps contains an interrupting device. The purpose of this interrupting device is to de-energize the tap in the event there is an electrical fault, or short, behind the tap. Such a fault can be caused by a fallen tree limb, a lightning strike, a squirrel getting across the energized conductor, or a number of other reasons. By de-energizing the tap under these circumstances, only those customers on the tap will incur a disruption in service, as compared to de-energizing electrical service to thousand(s) of customers on the electric distribution feeder.

Currently, we have no means for any of these taps to be monitored or controlled, so we have no immediate indication as to whether the taps are energized or not. If, for example, a branch falls across the electrical line behind the tap, a fuse or other device will open which will create an electrical outage for all customers behind the device. Without any remote knowledge of this occurrence, the only way LUS will know that electric service is interrupted is to receive a phone call(s) from customers who are without power. Sometimes it takes several calls before our electric operations dispatcher can figure out which tap device may actually be causing the outage. This can delay adequate reaction time by an estimated 20 minutes, or more. In the meantime, customers are out of power and conceivably more customers are calling in, jamming up the phone lines to our dispatcher. The problem intensifies quickly if there are multiple tap devices which open up during a storm.

LUS has looked for options to monitor tap locations, but until now the cost to do so for the 3574 taps on our system was prohibitive.

APPENDIX B-3

With LUS Fiber services now available throughout the city, LUS Fiber can provide the electric operations dispatcher with instantaneous information regarding power outages. This is possible because the Optical Network Terminal (ONT) mounted on the side of the home or business sends out an alarm to the LUS Fiber Network Operations Center whenever power is interrupted to the ONT.

We have worked with LUS Fiber to devise an easy-to-use system that allows us to be quickly notified once power on a tap has been interrupted and which tap(s) are affected. We have tested the system in real time and are pleased with the results. It is indeed providing us with information that allows us to pinpoint the affected tap, thus enabling us to direct our troubleshooter to the specific location. We also believe this is an affordable option.

If we were to use a basic commercial telephone line as the communications medium to determine tap outages, the cost for the telephone connection would be at least $30 per tap per month, or a monthly cost of $107,220 for all the 3,574 taps ($1.286 million per year). This cost does not include any of the other equipment that would be necessary to determine the status of power behind the tap. Even if the cost per tap for this equipment was only $200 (and it could likely be multiples of that), the cost for the necessary equipment would be $714,800. Such an arrangement is clearly cost prohibitive.

Meg Segura, Research Coordinator - Lafayette Economic Development Authority, was able to use several reputable studies to determine the financial impact to customers due to power outages. Her analysis concluded that the cost of outages, if all Lafayette customers were out for one hour is $897,032. Since the average frequency of power outages on the LUS system is about one outage per customer per year (which, by the way, continues to be the best in the state), this $897,032 figure would represent to cost to LUS customers based on a 1 hour outage. This figure does not include the revenues LUS loses when power is out, which is about $9,500 per hour (translating to a total outage cost of $906,532 per hour). These figures are conservative as they do not include the inconvenience to traffic snarls, or accidents that may occur, due to power outages.

This total of $906,532 is applicable to a 1 hour outage. If we assume we can cut off 20 minutes from the length of an outage due to the use of this proposed monitoring alert system, then the applicable benefit would be $302,177 per year. In an effort to add a more conservative ingredient to this methodology, we suggest reducing this figure of 20%, which brings it to $241,741 per year, or $20,145 per month (less than 19% of any other known monitoring method).

I propose to take advantage of this opportunity immediately in order to reduce the length and inconveniences of future electric outages. I am able to move funds in my O&M budget to accommodate this expenditure.

If you are in concurrence with this proposal, please indicate your acceptance below.

Approved by:

_____

Lawrence E. Marino

From: Terry Huval <THUVAL@lus.org>
Sent: Tuesday, November 16, 2010 9:04 PM
To: Mary Galyean
Cc: Frank Ledoux; Mona Simon; Mike Boustany
Subject: Electric Outage Alert System

Mary,

Mike is recommending, and I am approving, the use of the FTTP ONT power monitoring system to help LUS more quickly determine the occurrence and location of electric power outages.

I would like the billing for this service to occur beginning with the bills sent our on the large billing cycle in November. Mike will confirm the monthly charge, but it is in the range of $20,400 per month based on a 3 year term.

Please arrange for the immediate billing as described above and submit a contract to Mike for his signature for this purpose.

Please let me know if you have any questions.

Thanks,
Terry

Executive Summary

- LUS has 62,465 electrical customers.
- Those 62,000+ customers used 2,016,876,572 kWh in the 12 cumulative months from August 2009-July 2010.
- On average, it would cost each residential LUS customer $214-217/day for an outage.
- It would cost a small business close to an average of $502/day for an outage.
- An outage would cost a large business on average around $4,086/day.
- For every 1 hour of an outage it costs LUS customers, as a whole, $897,032.
- For every 24 hours of an outage it costs LUS customers, as a whole, $21,528,780.

Methodology and Sources

Many regions of the United States suffer power outages of as many as 10–30 hours/year due to ordinary circumstances of engineering failures and severe storms. Simonoff *et al.* (2005) found that in recent years weather-related events have become more common and technical failures have become less so. One estimate of direct losses from electricity disruptions ranges from $1.50 to $7.50/kWh in the United States updated to 2005 dollars (Caves *et al.*, 1992). Another notable study from Woo *et al.* in 1991 estimated the cost to between $7 and $9 per kWh unserved for outages longer than 12 hours.

For the estimations in this analysis, methodology from "The Economic Cost of the Blackout" by ICF Consulting is used. Their analysis focused on the cost of the Northeast Blackout of 2003 that left 50 million people without power for 72 hours. Their methodology relies upon the cost ratios from previous studies and the Systems Control, Inc. analysis of the New York City outage of 1977 for the Department of Energy. The following is taken from the ICF Consulting and then used to calculate estimates of an outage in Lafayette:

- One way to estimate the economic costs of a power outage is to calculate consumers' willingness-to-pay to avoid such outages, and customers are willing to pay 117 times the retail price of electricity.

Those basic findings along with aggregate customer and usage data from Lafayette Utilities System are used to estimate outage costs.

Cost per Customer/Day

Known Facts

- 2,016,876,572 kWh used per year
- 62,465 LUS customers
- Price/kWh for each customer class e.g. small commercial, residential in-city, large commercial, etc.
- Customers are willing to pay 117 times the retail price to avoid outages
- Price/kWh = cost of an outage and the amount the customers are willing to pay to avoid an outage

$$Price/kWh \times 117 = Amount\ customers\ are\ willing\ to\ pay\ per\ kWh\ to\ avoid\ an\ outage = \boldsymbol{Cost\ of\ an\ outage\ per\ kWh}$$

Service Type	Cost of an outage per kWh
Residential In-City	$4.69
Residential Out-of-City	$5.16
Small Commercial	$6.68
Large Commercial	$2.21
School/Church	$5.76
School/Church Out-of-City	$5.76
Small/Large Commercial Out	$6.68
Private Security Lighting	$6.68
Municipal General Fund	$6.68
Interdepartmental	$2.23
University of Louisiana	$2.23
Street Lighting	$6.90

$$\frac{Total\ kWh\ used\ per\ year}{Number\ of\ customers} = \boldsymbol{Average\ kWh\ used\ per\ year\ per\ customer}$$

Service Type	Avg kWh Used/year
Residential In-City	16,636
Residential Out-of-City	15,350
Small Commercial	27,408
Large Commercial	673,785
School/Church	139,479
School/Church Out-of-City	395,244
Small/Large Commercial Out	87,901
Private Security Lighting	3,546
Municipal General Fund	111
Interdepartmental	332,872
University of Louisiana	820,045
Street Lighting	15,734,718

$$\frac{Average\ kWh\ used\ per\ year\ per\ customer}{365\ days} = \boldsymbol{Average\ kWh\ used\ per\ customer\ per\ day}$$

Service Type	Avg kWh used per customer per day
Residential In-City	45.58
Residential Out-of-City	42.05
Small Commercial	75.09
Large Commercial	1,845.99
School/Church	382.13
School/Church Out-of-City	1,082.86
Small/Large Commercial Out	240.82
Private Security Lighting	9.72
Municipal General Fund	0.30
Interdepartmental	911.98
University of Louisiana	2,246.70
Street Lighting	43,108.82

$$kWh\ used\ per\ customer\ per\ day\ \times \frac{Price}{kWh} = \boldsymbol{Average\ cost\ per\ customer\ per\ day for\ an\ outage}$$

Service Type	Cost of outage per customer per day
Residential In-City	$213.84
Residential Out-of-City	$217.04
Small Commercial	$501.66
Large Commercial	$4,086.35
School/Church	$2,200.61
School/Church Out-of-City	$6,235.91
Small/Large Commercial Out	$1,608.88
Private Security Lighting	$64.91
Municipal General Fund	$2.03
Interdepartmental	$2,032.66
University of Louisiana	$5,007.55
Street Lighting	$297,378.41

Incremental Price of an Outage

Total Cost of an Outage to LUS Customers

	1 Outage/year	2 Outages/year
1 Hour Outage Duration	$897,032	$1,794,065
2 Hour Outage Duration	$1,794,065	$3,588,130

- For every 1 hour of an outage it costs LUS customers $897,032
- For every 24 hours of an outage it costs LUS customers $21,528,780

Service Type	Number of Customers	kWh Used/year	Cost of an outage per kWh	Avg kWh used per year per customer	Avg kWh used per customer per day	Avg cost of outage per customer per day	Cost of outage per customer per hour	Hourly cost of outage	Daily cost of outage
Residential In-City	50,755	844,365,577	$4.69	16,636	45.58	$213.84	$8.91	$452,227	$10,853,451.99
Residential Out-of-City	786	12,064,987	$5.16	15,350	42.05	$217.04	$9.04	$7,108	$170,591.31
Small Commercial	7,336	201,064,865	$6.68	27,408	75.09	$501.66	$20.90	$153,340	$3,680,148.06
Large Commercial	1,148	773,505,166	$2.21	673,785	1845.99	$4,086.35	$170.26	$195,464	$4,691,128.70
School/Church	398	55,512,562	$5.76	139,479	382.13	$2,200.61	$91.69	$36,493	$875,842.22
School/Church Out-of-City	2	790,488	$5.76	395,244	1082.86	$6,235.91	$259.83	$520	$12,471.82
Small/Large Commercial Out	167	14,679,466	$6.68	87,901	240.82	$1,608.88	$67.04	$11,195	$268,682.49
Private Security Lighting	1,701	6,032,418	$6.68	3,546	9.72	$64.91	$2.70	$4,601	$110,413.08
Municipal General Fund	1	111	$6.68	111	0.30	$2.03	$0.08	$0	$2.03
Interdepartmental	95	31,622,864	$2.23	332,872	911.98	$2,032.66	$84.69	$8,046	$193,103.07
University of Louisiana	75	61,503,350	$2.23	820,045	2246.70	$5,007.55	$208.65	$15,649	$375,566.42
Street Lighting	1	15,734,718	$6.90	15,734,718	43108.82	$297,378	$12,390.77	$12,391	$297,378.41
TOTAL	**62,465**	**2,016,876,572**					**$13,314.58**	**$897,032.48**	**$21,528,779.61**

From: Kerney Simoneaux
To: Terry Huval
Cc: Frank Ledoux; Mona Simon; AntonioConner; Joan Parish; AlisonAlleman; Santhoshi Chander; Lorrie Toups
Subject: Pricing of Outage Service
Date: Tuesday, July 19, 2011 10:27:37 PM

Terry,

I was thinking driving home about the pricing of this service and I remembered the PSC Rules dictates how to price services. Assuming the outage service is non-tariff and we're not offering it to anyone else the service should be priced at full cost. Below is the language from our CAM:

Transfers or sales of non-tariffed goods or services between the Communications Division and other affiliated divisions that are not provided to unaffiliated outside parties will be recorded under the full-cost accounting methodology.

I hope this helps.

Kerney

Lawrence E. Marino

From: Randy Young <randy.young@keanmiller.com>
Sent: Wednesday, July 20, 2011 8:55 AM
To: Terry Huval
Cc: Katherine King
Subject: Re: Cost of outages

Terry, I have this and will review this morning.

Sent from my iPhone

On Jul 20, 2011, at 7:59 AM, "Terry Huval" <THUVAL@lus.org> wrote:

> Katherine and Randy,
>
> I will be on a call in a few minutes, but will get with you by about 8:30 on this. Here is the story:
>
> This is an effort I have been leading to have LUS pay LUS Fiber for the new capability LUS has to more quickly detect and respond to power outages. LUS is already paying fiber about $20,000 a month for this service, but a recent study we acquired through our friends in Chattanooga includes information that suggests that it could be justified that LUS pays more.
>
> I'm visiting first thing this morning with the economist with the economic development authority. I am trying to have this resolved by 9:30 am to submit for the budget.
>
> We have openly discussed this with Finance, which has been supportive. However, Kerney sent me something last night that may throw water on our aspirations for this to become a significant LUS Fiber revenue source. I am not sure what the implications are and I need a quick read from you on it. Here it is:
>
> "Terry,
>
> I was thinking driving home about the pricing of this service and I remembered the PSC Rules dictates how to price services. Assuming the outage service is non-tariff and we're not offering it to anyone else the service should be priced at full cost. Below is the language from our CAM:
>
> Transfers or sales of non-tariffed goods or services between the Communications Division and other affiliated divisions that are not provided to unaffiliated outside parties will be recorded under the full-cost accounting methodology.
>
> I hope this helps.
>
> Kerney"
>
> **********
>
> Katherine and Randy,
>
> Here is the way I addressed this initiative:
>

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APPENDIX B-7

From: AALLEMAN@lus.org
To: TFREMIN@lus.org; JSTEWART@lus.org
Subject: FW: Electric Outage Alert System
Date: Thursday, April 12, 2018 3:25:41 PM

FYI

D. Alison Alleman CHIEF ANALYST
P 337.291.5833 | **F** 337.291.5995 | **E** aalleman@lus.org
www.lus.org | facebook.com/LUSpage | twitter.com/LafUtilities

Improving the way you live

From: Terry Huval
Sent: Wednesday, July 20, 2011 9:54 AM
To: Alison Alleman; Joan Parish; Cherie Thibeaux
Cc: Frank Ledoux; Mona Simon; Andrew Duhon; Mike Boustany
Subject: Electric Outage Alert System

The attached was prepared by Meg Segura (LEDA Economist). Interestingly enough the results are nearly identical to the much less sophisticated approach I used.

Regardless, her study indicates that our customers save $2,026,801 if we reduce average outage durations from 60 minutes to 40 minutes. If we only use half of those savings, or $1,013,400, to pay for this feature, our customers are saving the other half.

I am proposing a proration of this cost between Divisions 711, 732, 733 and 734. (I think Mike already has $240,000 in 732 for this, so that figure would be replaced by these new numbers).

I am waiting on a call from Randy Young with Kean Miller to discuss this in light of Kerney's indication to me that we may only be able to use full cost accounting to calculate this cost/value, per the Cost Allocation Manual.

Let me know if you have any questions.

In the meantime, lets adjust our budget as follows:

Terry

Division	Total Current FY 10-11	Contractual Services Current FY 10-11	**Proposed Allocation of Outage Alert System (Based on Contractual Services)**	% increase in Total Budget	% increase in Contractual Services
711	$1,670,658	$775,000	**255,689**	15%	33%
732	$7,035,441	$2,026,647	**668,633**	10%	33%
733	$2,049,984	$120,000	**39,591**	2%	33%
734	$1,168,569	$150,000	**49,488**	4%	33%
Total	$11,924,652	$3,071,647	**$1,013,400**	8.50%	

From: Alison Alleman
To: Lorrie Toups; Santhoshi Chander; Sharon Borel
Cc: Terry Huval; Frank Ledoux; Andrew Duhon; Mike Boustany; Mona Simon; Joan Parish; Cherie Thibeaux
Subject: Updates to both LUS and Communications Budget
Date: Wednesday, July 20, 2011 12:10:30 PM

Lorrie, San and Sharon,

Terry has requested that Budgeting include the expenses and revenues associated with the Electric Outage Alert System. Thanks for your assistance and please let me know if you have any questions.

	Original submission (FY 2012)	Updated submission (FY 2012)
Communications:		
46500-0 Communication Retail Sales	22,753,265	23,526,665
LUS:		
5027011 70907-0 Contractual Svc	900,000	1,155,689
5027032 70907-0 Contractual Svc	2,270,647	2,699,280
5027033 70907-0 Contractual Svc	147,000	186,591
5027034 70907-0 Contractual Svc	150,000	199,487

Approximate difference is difference between $84,450*12 and $20,145*12

$	23,526,665
-	22,753,265
$	773,400

$	84,450
-	20,145
	64,305
x	12
$	771,660

Alison

D. Alison Alleman CHIEF ANALYST
P 337.291.5833 | **F** 337.291.5995 | **E** aalleman@lus.org
www.lus.org | facebook.com/LUSpage | twitter.com/LafUtilities

LUS LAFAYETTE UTILITIES SYSTEM

Improving the way you live

211 East Devalcourt Street
Lafayette, Louisiana 70506

July 20, 2011

Mr. Terry Huval
Director
Lafayette Utilities System
1314 Walker Road
Lafayette, Louisiana 70506

Dear Mr. Huval:

Subject: Estimating Customer Savings from Shorter Outages

The Lafayette Economic Development Authority was asked to assess the savings to Lafayette Utilities System (LUS) customers if the average duration of an outage was decreased by twenty (20) minutes. The most trusted model of outage cost estimation was written by Leora Lawton, Josheph Eto, et al. for the United States Department of Energy in November 2003. "A Framework and Review of Customer Outage Costs: Integration and Analysis of Electric Utility Outage Cost Surveys" was prepared through the Ernest Orlando Lawrence Berkeley National Laboratory.

The report focuses on the creation of a Tobit Regression that can estimate the cost of outages given the following variables: customer type, duration of outage, number of employees, annual kWh, timing of outage, season, region and household income. The Tobit Regression is used because this approach accounts for predictor variables that can never fall below zero. In this case, it is not possible for customers to spend less than zero dollars, thus the Tobit Regression makes sense to use.

In order to find the total cost to customers by customer class, the first step is to identify how many customers are in each class. Lawton's report defines commercial customers as those who use less than 1 MW of peak demand and industrial customers as those who use greater than 1 MW of peak demand. Using data provided by LUS, it was determined that there were 51,541 residential customers, 7,903 commercial customers and 1,318 industrial customers.

Also important in the calculation is finding the average annual kWh used along with an average number of employees per commercial and industrial business. Usage data was provided by LUS and imputed into the model. Finding an average number of employees for the commercial and industrial class was a bit more difficult. It is estimated that there are 63,708 employees in the LUS service area because it is assumed that 60% of Lafayette Parish businesses are within the service area. It is further assumed that 60% of those employees are employed at commercial businesses while 40% are employed at industrial businesses.

The model was run for intervals of twenty (20) minutes starting at a momentary outage (zero minutes) to twelve (12) hours on a weekday, during mid-day and not during winter. Given that the average LUS outage is close to an hour, a reduction of twenty (20) minutes would save LUS customers $2.03 million. The total cost of an hour outage to LUS customers is $15.98 million while a forty (40) minute outage costs customers $13.95 million. A summary of findings on costs and savings is enclosed with this letter along "A Framework and Review of Customer Outage Costs: Integration and Analysis of Electric Utility Outage Cost Surveys".

Best Regards,

Megan L. Segura

Megan Segura
Research Coordinator

Enclosures (2): "Outage Cost – Tobit Regression" Excel file; "A Framework and Review of Customer Outage Costs: Integration and Analysis of Electric Utility Outage Cost Surveys"

Duration of Outage (hours)	Average Cost to Residential Customers	Savings per customer if outage is 20 min less	Average Cost to Commercial Customers	Savings per customer if outage is 20 min less	Average Cost to Industrial Customers	Savings per customer if outage is 20 min less
0 min	$5.11	$0.18	$870.05	$120.05	$2,503.30	$510.59
20 min	$5.29	$0.19	$990.10	$135.33	$3,013.89	$607.35
40 min	$5.48	$0.19	$1,125.43	$142.76	$3,621.25	$674.22
1 hour	$5.67	$0.20	$1,268.19	$153.95	$4,295.47	$762.49
1 hr 20 min	$5.87	$0.21	$1,422.14	$170.06	$5,057.96	$881.61
1 hr 40 min	$6.08	$0.21	$1,592.20	$175.73	$5,939.57	$950.81
2 hours	$6.30	$0.22	$1,767.92	$185.58	$6,890.38	$1,044.47
2 hr 20 min	$6.51	$0.23	$1,953.51	$200.59	$7,934.85	$1,171.66
2 hr 40 min	$6.74	$0.23	$2,154.09	$202.66	$9,106.51	$1,225.00
3 hours	$6.97	$0.23	$2,356.75	$209.17	$10,331.51	$1,303.88
3 hr 20 min	$7.20	$0.24	$2,565.93	$220.67	$11,635.39	$1,414.91
3 hr 40 min	$7.43	$0.23	$2,786.60	$217.38	$13,050.30	$1,429.10
4 hours	$7.67	$0.23	$3,003.98	$218.56	$14,479.40	$1,467.81
4 hr 20 min	$7.90	$0.24	$3,222.54	$224.15	$15,947.22	$1,533.02
4 hr 40 min	$8.14	$0.23	$3,446.69	$214.25	$17,480.23	$1,486.50
5 hours	$8.37	$0.23	$3,660.94	$208.60	$18,966.73	$1,462.01
5 hr 20 min	$8.60	$0.23	$3,869.54	$206.45	$20,428.74	$1,455.16
5 hr 40 min	$8.83	$0.22	$4,075.99	$189.68	$21,883.90	$1,337.27
6 hours	$9.05	$0.21	$4,265.66	$176.72	$23,221.17	$1,238.29
6 hr 20 min	$9.26	$0.21	$4,442.38	$166.09	$24,459.46	$1,147.02
6 hr 40 min	$9.47	$0.20	$4,608.47	$143.48	$25,606.47	$965.41
7 hours	$9.67	$0.19	$4,751.95	$124.03	$26,571.88	$799.58
7 hr 20 min	$9.86	$0.18	$4,875.99	$105.62	$27,371.46	$632.56
7 hr 40 min	$10.04	$0.17	$4,981.61	$79.50	$28,004.02	$414.78
8 hours	$10.21	$0.15	$5,061.10	$55.67	$28,418.80	$209.41
8 hr 20 min	$10.36	$0.14	$5,116.77	$31.57	$28,628.21	-$3.85
8 hr 40 min	$10.50	$0.12	$5,148.34	$5.17	$28,624.36	-$216.81
9 hours	$10.63	$0.11	$5,153.51	-$20.01	$28,407.55	-$421.93
9 hr 20 min	$10.73	$0.10	$5,133.50	-$46.64	$27,985.62	-$639.51
9 hr 40 min	$10.83	$0.08	$5,086.86	-$69.85	$27,346.11	-$805.78
10 hours	$10.91	$0.06	$5,017.02	-$93.04	$26,540.33	-$970.94

Southeast Region/weekday/Mid-day/Not Winter

10 hr 20 min	$10.97	$0.04	$4,923.98	-$118.71	$25,569.39	-$1,151.93
10 hr 40 min	$11.01	$0.02	$4,805.27	-$135.73	$24,417.46	-$1,242.22
11 hours	$11.03	$0.01	$4,669.53	-$154.05	$23,175.24	-$1,340.33
11 hr 20 min	$11.04	-$0.01	$4,515.49	-$175.67	$21,834.91	-$1,457.39
11 hr 40 min	$11.03	-$0.03	$4,339.82	-$184.65	$20,377.52	-$1,463.29
12 hours	$11.00		$4,155.18		$18,914.24	

Summary of Findings - Total Cost to Customers

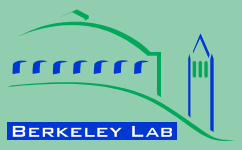
Duration of Outage (hours)	Total Cost to Residential Customers	Savings if outage is 20 min less	Total Cost to Commercial Customers	Savings if outage is 20 min less	Total Cost to Industrial Customers	Savings if outage is 20 min less	TOTAL	Total Difference (savings if outage is 20 min less)
0 min	$263,326	$9,185	$6,875,970	$948,778	$3,299,349	$672,960	$10,438,645	$1,630,924
20 min	$272,511	$9,863	$7,824,748	$1,069,518	$3,972,309	$800,493	$12,069,569	$1,879,874
40 min	$282,374	$9,944	$8,894,267	$1,128,233	$4,772,802	$888,624	$13,949,443	$2,026,801
1 hour	$292,318	$10,292	$10,022,499	$1,216,637	$5,661,426	$1,004,966	$15,976,244	$2,231,896
1 hr 20 min	$302,610	$10,945	$11,239,136	$1,343,998	$6,666,392	$1,161,962	$18,208,139	$2,516,905
1 hr 40 min	$313,555	$10,927	$12,583,135	$1,388,774	$7,828,355	$1,253,163	$20,725,044	$2,652,864
2 hours	$324,482	$11,198	$13,971,908	$1,466,643	$9,081,518	$1,376,614	$23,377,908	$2,854,455
2 hr 20 min	$335,680	$11,785	$15,438,551	$1,585,233	$10,458,132	$1,544,250	$26,232,363	$3,141,269
2 hr 40 min	$347,466	$11,643	$17,023,784	$1,601,636	$12,002,382	$1,614,548	$29,373,632	$3,227,827
3 hours	$359,108	$11,803	$18,625,421	$1,653,088	$13,616,930	$1,718,516	$32,601,459	$3,383,407
3 hr 20 min	$370,911	$12,283	$20,278,508	$1,743,994	$15,335,446	$1,864,855	$35,984,865	$3,621,132
3 hr 40 min	$383,194	$11,993	$22,022,502	$1,717,983	$17,200,301	$1,883,550	$39,605,997	$3,613,526
4 hours	$395,188	$12,014	$23,740,485	$1,727,241	$19,083,850	$1,934,579	$43,219,524	$3,673,835
4 hr 20 min	$407,202	$12,346	$25,467,726	$1,771,493	$21,018,430	$2,020,516	$46,893,358	$3,804,355
4 hr 40 min	$419,548	$11,896	$27,239,219	$1,693,195	$23,038,945	$1,959,209	$50,697,713	$3,664,301
5 hours	$431,444	$11,755	$28,932,415	$1,648,537	$24,998,155	$1,926,927	$54,362,014	$3,587,219
5 hr 20 min	$443,200	$11,904	$30,580,952	$1,631,595	$26,925,081	$1,917,902	$57,949,233	$3,561,401
5 hr 40 min	$455,103	$11,293	$32,212,547	$1,499,003	$28,842,983	$1,762,517	$61,510,633	$3,272,812
6 hours	$466,396	$10,977	$33,711,550	$1,396,595	$30,605,500	$1,632,062	$64,783,446	$3,039,634
6 hr 20 min	$477,373	$10,918	$35,108,144	$1,312,617	$32,237,562	$1,511,771	$67,823,079	$2,835,306
6 hr 40 min	$488,291	$10,157	$36,420,761	$1,133,937	$33,749,333	$1,272,404	$70,658,385	$2,416,499
7 hours	$498,448	$9,667	$37,554,699	$980,233	$35,021,737	$1,053,852	$73,074,884	$2,043,752
7 hr 20 min	$508,115	$9,389	$38,534,932	$834,703	$36,075,589	$833,711	$75,118,636	$1,677,803
7 hr 40 min	$517,505	$8,505	$39,369,635	$628,259	$36,909,300	$546,676	$76,796,439	$1,183,440
8 hours	$526,010	$7,856	$39,997,894	$439,921	$37,455,976	$276,006	$77,979,880	$723,782
8 hr 20 min	$533,865	$7,364	$40,437,815	$249,534	$37,731,982	-$5,080	$78,703,662	$251,819
8 hr 40 min	$541,230	$6,396	$40,687,349	$40,839	$37,726,902	-$285,755	$78,955,481	-$238,521
9 hours	$547,625	$5,615	$40,728,188	-$158,139	$37,441,147	-$556,101	$78,716,960	-$708,625
9 hr 20 min	$553,240	$4,931	$40,570,049	-$368,575	$36,885,046	-$842,869	$78,008,335	-$1,206,513

Southeast Region/Weekday/Mid-day/Not Winter

Summary of Findings - Total Cost to Customers

9 hr 40 min	$558,172	$3,927	$40,201,473	-$551,985	$36,042,177	-$1,062,019	$76,801,822	-$1,610,077
10 hours	$562,099	$3,056	$39,649,488	-$735,294	$34,980,158	-$1,279,702	$75,191,746	-$2,011,939
10 hr 20 min	$565,155	$2,217	$38,914,195	-$938,170	$33,700,456	-$1,518,249	$73,179,806	-$2,454,201
10 hr 40 min	$567,372	$1,233	$37,976,025	-$1,072,701	$32,182,208	-$1,637,243	$70,725,605	-$2,708,711
11 hours	$568,605	$321	$36,903,324	-$1,217,429	$30,544,965	-$1,766,552	$68,016,894	-$2,983,661
11 hr 20 min	$568,926	-$626	$35,685,895	-$1,388,281	$28,778,413	-$1,920,840	$65,033,233	-$3,309,747
11 hr 40 min	$568,299	-$1,533	$34,297,614	-$1,459,266	$26,857,572	-$1,928,610	$61,723,486	-$3,389,409
12 hours	$566,767		$32,838,349		$24,928,962		$58,334,077	

LBNL-54365



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BERKELEY NATIONAL LABORATORY

A Framework and Review of Customer Outage Costs: Integration and Analysis of Electric Utility Outage Cost Surveys

Prepared for
Imre Gyuk
Energy Storage Program
Office of Electric Transmission and Distribution
U.S. Department of Energy

by
Leora Lawton, Michael Sullivan, Kent Van Liere, and Aaron Katz
Population Research Systems, LLC

and

Joseph Eto
Lawrence Berkeley National Laboratory
University of California
Berkeley, CA 94720

Environmental Energy Technologies Division

November 2003

http://eetd.lbl.gov/ea/EMS/EMS_pubs.html

The work described in this report was funded by the Office of Electric Transmission and Distribution, Energy Storage Program of the U.S. Department of Energy under Contract No. DE-AC03-76SF00098.

LBNL-54365

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The work described in this report was funded by the Office of Electric Transmission and Distribution, Energy Storage Program of the U.S. Department of Energy under Contract No. DE-AC03-76SF00098.

Abstract

A clear understanding of the monetary value that customers place on reliability and the factors that give rise to higher and lower values is an essential tool in determining investment in the grid. The recent National Transmission Grid Study recognizes the need for this information as one of growing importance for both public and private decision makers. In response, the U.S. Department of Energy has undertaken this study, as a first step toward addressing the current absence of consistent data needed to support better estimates of the economic value of electricity reliability. Twenty-four studies, conducted by eight electric utilities between 1989 and 2002 representing residential and commercial/industrial (small, medium and large) customer groups, were chosen for analysis. The studies cover virtually all of the Southeast, most of the western United States, including California, rural Washington and Oregon, and the Midwest south and east of Chicago. All variables were standardized to a consistent metric and dollar amounts were adjusted to the 2002 CPI. The data were then incorporated into a meta-database in which each outage scenario (e.g., the loss of electric service for one hour on a weekday summer afternoon) is treated as an independent case or record both to permit comparisons between outage characteristics and to increase the statistical power of analysis results.

Unadjusted average outage costs and Tobit models that estimate customer damage functions are presented. The customer damage functions express customer outage costs for a given outage scenario and customer class as a function of location, time of day, consumption, and business type. One can use the damage functions to calculate outage costs for specific customer types. For example, using the customer damage functions, the cost experienced by an "average" customer resulting from a 1 hour summer afternoon outage is estimated to be approximately $3 for a residential customer, $1,200 for small-medium commercial and industrial customer, and $82,000 for large commercial and industrial customer. Future work to improve the quality and coverage of information on the value of electricity reliability to customers is described.

LAFAYETTE CONSOLIDATED GOVERNMENT
INTERNAL MEMORANDUM

Lafayette Utilities System
Electric Operations (730)
Telephone: 337-291-5705 E-mail: mbous@lus.org Fax: 337- 291-5987

TO: Terry Huval **DATE:** July 20, 2011

FROM: Mike Boustany

SUBJ: **Electric Outage Alert Monitoring System**

Reliability and quick restoration of service have been hallmarks of LUS, as demonstrated in our successful hurricane power restoration efforts and in our best-in-state SAIFI and SAIDI index performances. We continue to receive strong indications from our customers that keeping the lights on and restoring electric service as fast as possible are of paramount importance to them. As a result, we aggressively pursue every opportunity we can to reduce the probability of outages and to more quickly restore electric service when outages do occur.

LUS has long had direct monitoring and control of its substation devices. If the operation of a substation device results in an interruption in power services to customers, we know about it when it occurs and immediately dispatch personnel to determine the cause of the interruption and restore power quickly.

However, beyond those substation devices, the LUS electric system includes some 3574 electric distribution taps, each tap providing electric service to a number of customers, ranging from several to hundreds. Every one of these taps contains an interrupting device. The purpose of this interrupting device is to de-energize the tap in the event there is an electrical fault, or short, behind the tap. Such a fault can be caused by a fallen tree limb, a lightning strike, a squirrel getting across the energized conductor, or a number of other reasons. By de-energizing the tap under these circumstances, only those customers on the tap will incur a disruption in service, as compared to de-energizing electrical service to thousand(s) of customers on the electric distribution feeder.

Currently, we have no means for any of these taps to be monitored or controlled, so we have no immediate indication as to whether the taps are energized or not. If, for example, a branch falls across the electrical line behind the tap, a fuse or other device will open which will create an electrical outage for all customers behind the device. Without any remote knowledge of this occurrence, the only way LUS will know that electric service is interrupted is to receive a phone call(s) from customers who are without power. Sometimes it takes several calls before our electric operations dispatcher can figure out which tap device may actually be causing the outage. This can delay adequate reaction time by an estimated 20 minutes, or more. In the meantime, customers are out of power and conceivably more customers are calling in, jamming up the phone lines to our dispatcher. The problem intensifies quickly if there are multiple tap devices which open up during a storm.

LUS has looked for options to monitor tap locations, but until now the cost to do so for the 3574 taps on our system was prohibitive.

With LUS Fiber services now available throughout the city, LUS Fiber can provide the electric operations dispatcher with instantaneous information regarding power outages. This is possible because the Optical Network Terminal (ONT) mounted on the side of the home or business sends out an alarm to the LUS Fiber Network Operations Center whenever power is interrupted to the ONT.

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We have worked with LUS Fiber to devise an easy-to-use system that allows us to be quickly notified once power on a tap has been interrupted and which tap(s) are affected. We have tested the system in real time and are pleased with the results. It is indeed providing us with information that allows us to pinpoint the affected tap, thus enabling us to direct our troubleshooter to the specific location. We also believe this is an affordable option.

As a result of our request, Meg Segura, Research Coordinator – Lafayette Economic Development Authority assisted us with determining the value of reducing the length of electrical outage. Her reported dated July 20, 2011 (attached), was based on a study commissioned by the United Stated Department of Energy in November 2003. According to Ms. Segura, this is the most trusted model available. Her conclusion is that if LUS were to reduce the average length of power outages from 1 hour to 40 minutes (a 20 minute reduction in the average power outage duration), that LUS customers would save $2.03 million according to the analysis in this study.

I suggest we use approximately half of this savings to pay for the cost of this unique early outage detection, which helps us identify outage location more quickly, yielding quicker restoration time. Since this program will impact Customer Services, Electric T&D Operations, Electric Energy Control and our Substation Operations groups, I recommend that the cost be allocated to each division on a prorate basis, based on the current level of contractual services for each division. This is more clearly indicated below as follows:

Division	Total Current FY 10/11	Contractual Services Current FY 10/11	Proposed Allocation of Outage Alert System (based on Contractual Services)	% Increase in Total Budget
7011	$1,670,658	$775,000	$ 255,689	15%
7032	$7,035,441	$2,026,647	$ 668,633	10%
7033	$2,049,984	$120,000	$ 39,591	2%
7034	$1,168,569	$150,000	$ 49,488	4%
Total	$11,924,652	$3,071,647	$1,013,400	8.50%

I propose to take advantage of this opportunity immediately in order to reduce the length and inconveniences of future electric outages. I am able to move funds in my O&M budget to accommodate this expenditure.

If you are in concurrence with this proposal, please indicate your acceptance below.

Mike Boustany, P.E.
Electric Operations Manager

Approved by:

Terry Huval, P.E.
Director

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E

From: Terry Huval <THUVAL@lus.org>
Sent: Wednesday, July 17, 2013 10:33 AM
To: 'bryanj@kcsrcpas.com'
Cc: Antonio Conner; 'burtonk@kcsrcpas.com'
Subject: Re: Outage Alert Monitoring System Results Memo

The monthly cost for a simple telephone communications line to allow us to receive indication that a tap is out would be $35.58 per location. For 3574 locations, the cost to pay for telephone service alone would be $1,525,955 per year. In addition, we would need to install equipment at each tap to monitor whether or not the power is on and convert that information into a signal that could be transmitted through the telephone signal.

Roughly, we think the minimum cost for that would be $200 per location, or $714,800 of one-time capital costs. Plus we the cost of installation and incur costs to operate and maintain that system.

Since the cost of the minimum communications interface alone was 50% more that the cost LUS would pay LUS Fiber to use that system to provide that information, we did not drill into this any further.

Please let me know if you have any additional questions.

Terry

From: Bryan Joubert [mailto:bryanj@kcsrcpas.com]
Sent: Wednesday, July 17, 2013 09:35 AM Central Standard Time
To: Terry Huval
Cc: Antonio Conner; Burton Kolder <burtonk@kcsrcpas.com>
Subject: FW: Outage Alert Monitoring System Results Memo

Terry,

Antonio provided me a copy of the letter of justification (see attached) for the charges to LUS from Fiber for the Outage Alert Monitoring System. In the memo from Mike Boustany to yourself, Mike indicated that LUS had previously looked for options to monitor tap locations; however, the cost to monitor the 3,574 taps on the LUS system was cost prohibitive. Does LUS still have any documentation of these previous search options and at what estimated cost it would have been to monitor these tap locations? I am trying to finalize the Fiber attestation engagement for compliance with the PSC Cost Allocation Rules and would like to get further documentation on these services provided to LUS by Fiber. Please feel free to contact me on my cell (listed below) if you have any questions. Thanks!

Bryan K. Joubert, CPA
Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants
183 South Beadle Rd.
Lafayette, LA 70508
Phone: (337) 232-4141
Cell: (337) 278-8977
Fax: (337) 232-8660
rvanj@kcsrcpas.com

From: Antonio Conner [mailto:aconner@LafayetteLA.gov]
Sent: Wednesday, June 26, 2013 11:55 AM
To: Bryan Joubert
Cc: Tammie Andrus
Subject: FW: Outage Alert Monitoring System Results Memo

Bryan,

Please see the attached memo addressing the power outage monitoring service that Fiber provides to LUS. Let me know if this is sufficient or if you need more information.

Thanks,
Antonio

From: Angela Clark
Sent: Tuesday, June 25, 2013 1:06 PM
To: Antonio Conner
Cc: Terry Huval
Subject: Outage Alert Monitoring System Results Memo

Antonio:

The original memo will be forthcoming via inter-office mail.

Thanks!

Angela Clark | Director's Executive Secretary
P 337.291.8490 | F 337.291.8318 | E aclark@lus.org
www.lus.org
LAFAYETTE UTILITIES SYSTEM

Lafayette
CONSOLIDATED GOVERNMENT

Internal Memorandum

Lafayette Utilities System
Director's Office (7000)

TO: Antonio Conner **DATE:** June 25, 2013

FROM: Terry Huval

SUBJECT: **Electric Outage Alert Monitoring System Results**

The attached memo from Mike Boustany describes the justification for this service. A second attachment from Megan L. Segura, Research Coordinator with LEDA, describes the analysis used to determine the cost of an outage to its citizens and businesses if LUS were able to reduce its average electrical outage durations by 20 minutes. That annual savings was estimated at $2.03 million.

LUS and LUS Fiber agreed to a charge of $1,013,400 which is about half of the benefits LUS customers were expected to receive from the decreased lengths of electric outages through the use of this system.

Since the system has been in use, the average length of an electrical outage has been reduced from 74.6 minutes in 2010 to 44.5 minutes in 2011 and 43.9 minutes in 2012. This suggests the system has actually reduced the length of a power outage by over 30 minutes, as opposed to the projected reduction of 20 minutes, indicating that this initiative has provided even more benefits to LUS than envisioned.

We know of no lower cost alternatives that would cover over 3,500 locations at a lower cost than this approach.

Please let me know if you have any questions.

Terry Huval
Director

attachments

t: 337.291.5804 / thuval@lus.org / f: 337.291.8318

A

From: Mike Boustany
To: David Demoruelle; Mark Johnson
Cc: Mike Talley
Subject: RE: Fiber Outage Alert System
Date: Wednesday, April 12, 2017 9:39:55 AM

When you find out more, let me know so I can tell Terry if it is working or not.

From: David Demoruelle
Sent: Wednesday, April 12, 2017 9:38 AM
To: Mike Boustany; Mark Johnson
Cc: Mike Talley
Subject: RE: Fiber Outage Alert System

I spoke with Jeff about it yesterday and I'm going to speak to Teles about it today. I'm not sure if the API/Web Services have been installed on the Fiber Server. They did send us the documentation.

Jeff would like to move forward with setting up a monitoring & alerting system that shows the status of ONTs for particular systems. We will then create different views that can be access via web browser. Some examples would be views for ONTs controlling AMI gatekeepers, Traffic Controllers, Cameras in the Field, Capacitor Banks, etc.

DavidD

From: Mike Boustany
Sent: Wednesday, April 12, 2017 9:30 AM
To: Mark Johnson <MJOHNSON@lus.org>
Cc: David Demoruelle <davidd@lus.org>; Mike Talley <MTALLey@lus.org>
Subject: RE: Fiber Outage Alert System

Mark,
Call to discuss when you get a chance. Terry would like the system to continue working, just encase we get a question about it at budget hearings. The last time we visited on this, Fiber was doing an upgrade on their operating system and we lost the connectivity to the Fiber Outage Alert System. I believe Fiber had to determine how to use the new API to send us the data. Is this correct? Where are we at getting it to work again.

Mike B.

From: Mike Talley
Sent: Tuesday, April 11, 2017 3:34 PM
To: Mike Boustany
Subject: Re: Fiber Outage Alert System

I think mark was working on it
I can ask on status

Sent from my iPhone

On Apr 11, 2017, at 3:20 PM, Mike Boustany <MBOUS@lus.org> wrote:

> It is budget time again and I have been asked if the "Fiber Outage Alert System" is up and functioning properly. The last time we spoke, the Fiber Outage Alert System had lost connectivity with the Fiber server as they had complete a upgrade of their software. I believe that the new API would need to be interfaced with your software to keep the Fiber Outage Alert System working. I was asked to make sure this system is working. I will call to discuss.
>
> Mike B.

Lafayette
CONSOLIDATED GOVERNMENT

Internal Memorandum

Lafayette Utilities System
Director's Office (7000)

TO: File **DATE:** April 20, 2018

FROM: Terry Huval

SUBJECT: Electric Outage Monitoring System

In an effort to provide more responsive restoration of electric services, LUS implemented an Electric Outage Monitoring System in 2011 to help personnel more effectively determine the source and location of an electric power outage, and thus be able to restore services more quickly.

Established industry indices, applicable to all electric utilities, are used to determine the frequency and duration of electric outages. In addition, the Department of Energy (DOE) has established a calculator to determine the financial cost of an electric outage. Using these metrics, the concept of the Electric Outage Monitoring System was to reduce the length and cost of electrical outages.

Since there were no established operating systems to detect electrical outages on a home-by-home basis, LUS considered the use of its city-wide LUS Fiber system to provide outage detection information. This was possible because the LUS Fiber system sends a signal to a central control center whenever a location on its telecommunications system loses power. By using these same signals, LUS is able to utilize this information to determine the root cause location of an outage.

It was LUS's primary assumption that the use of this Electric Outage Monitoring System would reduce electric outage durations by 20 minutes. The pricing of the service was based on reducing the cost of electric outages.

In the authorization memo request by Mike Boustany to Terry Huval dated July 20, 2011 (copy attached), the assumption was that reducing the length of outages by an average of 20 minutes would save LUS customers an estimated $2.03 million a year. The accepted recommendation by Mr. Boustany was to use half of those savings to pay LUS Fiber for providing this unique service.

Since the benefit of electric outage occurrences have a direct impact on multiple LUS Divisions, the cost was divided amongst the contractual services of four (4) LUS Divisions – Customer Services, Electric T & D Operations, Electric Energy Control Center and Substation Operations. The total increase in the contractual services line item for all these divisions was $1,013,400 per year, or an 8.50% increase in the total contractual services line item for these departments.

Lafayette
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LUS's efforts to reduce electric outage reduction times has proven to be successful. Between 2011 through 2017, the duration of electrical outages has actually been reduced by an average of 28.5 minutes per year, as compared to the proposed reduction of 20 minutes (or over 40% better than predicted). Even though the reduction in outage minutes was better than expected, the cost LUS paid for the service did not change.

This program was presented to the City-Parish Council during a 2011 budget public hearing and was first authorized for the FY 2011-2012 budget, without opposition from any council member, and continues to this date.

Using the EPA calculator, the cost of electrical outages to LUS customers has dropped from $28.2 million in 2011 to an average of $13.4 million for the succeeding years ending in 2017. This means the value of more reliable power in the city improved by an average of $14.8 million over the six (6) years after the Electric Outage Monitoring System was activated.

By comparison, over the period of time from 2011 to 2016, the EPA calculator cost of electric outages comparison with other local electric utilities (i.e., Entergy, Cleco, Slemco) indicates:

From 2011 to 2016

LUS	Cost of Electric Outages Decreased by	52%
Company 2	Cost of Electric Outages Decreased by	21%
Company 3	Cost of Electric Outages Increased by	10%
Company 4	Cost of Electric Outages Increased by	33%

Based on this comparison of local utilities, which experiences similar weather conditions as does Lafayette, it is clear that LUS's electric reliability improvement has significantly surpassed these other utilities, thus validating the value of the Electric Outage Monitoring System.

Terry Huval
Director

Attachments

t: 337.291.5804 / thuval@lus.org / f: 337.291.8318

From: Terry
To: Terry Huval
Subject: Electric Outage System
Date: Monday, April 23, 2018 6:00:12 PM

The annual pricing of the Electric Outage Alert System was based on half the value of reducing overall outage times by 20 minutes

Since the implementation of this system, there are been systems on the market, but largely not much better than hours.

The one exception is a version that would link into an upgraded SCADA systemThe SCADA system (the heartbeat of the utility system) is proposed to be upgraded this year

The new outage management module would be in place in the following FY 2019-2020

Sent from my iPhone

I thought we submitted a budget that was balanced.

Can you, or your staff, point to any new entry that changed this?

Terry

From: Lorrie Toups
Sent: Monday, July 18, 2011 07:00 PM
To: Joan Parish; Terry Huval
Cc: Frank Ledoux; Andrew Duhon; Alison Alleman; Santhoshi Chander; Connie M. Trahan; Santhoshi Chander
Subject: RE: Communications Flow of Funds Updated

Communications fund budget for next year is out of balance. You need to increase revenues and or decrease expenses (or combination) by $710,850. The budget department checked for doubles and there were none. They will send an updated copy of what they have.

Please let us know ASAP.

Lorrie Toups

337-291-8202

From: Joan Parish
Sent: Monday, July 18, 2011 4:28 PM
To: Santhoshi Chander
Cc: Lorrie Toups; Dee Stanley; Terry Huval; Frank Ledoux; Andrew Duhon; Alison Alleman; Kerney Simoneaux
Subject: RE: Communications Flow of Funds Updated

San,

I don't know of any changes communications will be making to the 2011 budget.

Joan

From: Santhoshi Chander
Sent: Monday, July 18, 2011 4:19 PM
To: Joan Parish
Cc: Lorrie Toups; Dee Stanley; Terry Huval; Frank Ledoux; Andrew Duhon; Alison Alleman; Kerney Simoneaux
Subject: FW: Communications Flow of Funds Updated

From:	Terry Huval
To:	Joan Parish; Alison Alleman; Mona Simon
Subject:	Fw: Communications Flow of Funds Updated
Date:	Tuesday, July 19, 2011 10:46:21 AM

FYI

From: BLACKBEAN2@aol.com [mailto:BLACKBEAN2@aol.com]
Sent: Tuesday, July 19, 2011 10:26 AM
To: Terry Huval
Subject: Re: Communications Flow of Funds Updated

Terry:

I need to point out that my financial projections also show a shortfall next year. It is my understanding that the budget and my models both include the assumption that you will take the internal loan next year and that there is an ALU settlement. Based upon this assumptions I show a shortfall in the latest model of $1,378,000 next year.

It certainly is not surprising that their numbers are coming up with a similar shortfall.

I was always a bit baffled in that we were told that your group submitted a 'balanced' budget, because, while revenues cover expenses, they do not cover every cash need including capital, external and internal loan payments.

You are scheduled next year to be making about $1.6M in internal loan payments. One easy place to balance the budget is to show that you will not be making those payments. I think this is something that is completely your call and is something that you have the power to change.

Otherwise, you'll have to arbitrarily increase revenues just to make it work.

And we all know that you will need to take the new bond money by the middle of next summer or else you will have to stop adding customers.

Doug

In a message dated 7/19/2011 11:14:40 A.M. SA Western Standard Time, THUVAL@lus.org writes:

> …and it continues to get worse…
>
> ---
>
> **From:** Santhoshi Chander
> **Sent:** Tuesday, July 19, 2011 10:09 AM
> **To:** Sharon Borel; Terry Huval; Lorrie Toups; Dee Stanley
> **Cc:** Frank Ledoux; Andrew Duhon; Alison Alleman; Connie M. Trahan
> **Subject:** RE: Communications Flow of Funds Updated
>
> I just checked with Antonio and the only clarification I have to add to Sharon's email is that the Bond Principal amount to be budgeted for FY12 is the amount due 11/1/2012, as this amount is transferred to the sinking fund throughout FY12. This means we need another $130,000.

From:	Alison Alleman
To:	Connie M. Trahan
Cc:	Terry Huval
Subject:	FW: LUS Fiber (KM 17905-10005)
Date:	Wednesday, July 20, 2011 3:39:11 PM
Attachments:	Letter to Lorrie Toups, CFO, Lafayette Consolidated Government regarding loans (4).pdf Jeannette Pollet.vcf
Importance:	High

Connie,

I just spoke with Terry and he requested that I send the information to you regarding the Communications information regarding the LUS loan payment as we discussed earlier. Please let me know if you have any questions.

Alison

D. Alison Alleman CHIEF ANALYST
P 337.291.5833 | **F** 337.291.5995 | **E** aalleman@lus.org
www.lus.org | facebook.com/LUSpage | twitter.com/LafUtilities

LUS
LAFAYETTE UTILITIES SYSTEM

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From: Terry Huval
Sent: Tuesday, July 19, 2011 4:21 PM
To: Lorrie Toups; Santhoshi Chander; Kerney Simoneaux; Antonio Conner
Cc: Joan Parish; Alison Alleman; Andrew Duhon; Frank Ledoux; Mona Simon
Subject: Fw: LUS Fiber (KM 17905-10005)
Importance: High

Here it is.

We are looking at making further changes in revenues for LUS Fiber (and corresponding costs for LUS). I'll be with you on those by end of today.

Terry

From: Jeannette Pollet [mailto:jeannette.pollet@keanmiller.com]
Sent: Tuesday, July 19, 2011 03:54 PM
To: Terry Huval; Randy Young <randy.young@keanmiller.com>
Cc: Katherine King <katherine.king@keanmiller.com>
Subject: LUS Fiber (KM 17905-10005)

Attached is July 19, 2011 correspondence to Lorrie Toups, CFO, from Randy Young. The original has been mailed to Lorrie Toups.

Jeannette Pollet
Legal Secretary

From: Terry Huval
To: "Dwight.Davis@alcatel-lucent.com"
Subject: Re: OAD
Date: Thursday, November 11, 2010 1:32:13 PM

Thanks! Once I get this system working reliably, we can get a new revenue stream for LUS Fiber.

Terry

From: Davis, Dwight (Dwight) <dwight.davis@alcatel-lucent.com>
To: Terry Huval
Sent: Thu Nov 11 13:29:22 2010
Subject: RE: OAD

Terry,

STAC is working with our Product team to resolve this issue ASAP.

D

From: Terry Huval [mailto:THUVAL@lus.org]
Sent: Thursday, November 11, 2010 9:18 AM
To: Davis, Dwight (Dwight)
Subject: Fw: OAD

Dwight,

Getting this working correctly is an important element to using this system to identify our electric power outages.

Please assist us in having this fixed.

Terry

From: Mike Boustany
To: Terry Huval
Sent: Thu Nov 11 08:52:44 2010
Subject: FW: OAD

Terry,

Teles and Mike Talley are working with Alcatel to resolve the fiber server is crashing. When this happens, we lose the current data for the Fiber Outage Notification System. We hope Alcatel can resolve this issue soon. This is the second time it has crashed. Each time, they just restart the server but has not defined the issue for a solution. I will keep you informed as to our progress.

Mike

From: Mike Talley
Sent: Thursday, November 11, 2010 8:20 AM
To: Mike Boustany; Teles Fremin
Subject: FW: OAD

From: Brozovic, Mark A (Mark) [mailto:mark.brozovic@alcatel-lucent.com]
Sent: Wednesday, November 10, 2010 4:00 PM
To: Mike Talley
Cc: Garmon, Larry B (Larry)
Subject: OAD

Mike,

Thanks for turning off the automated system. I have gathered all the logs in debug and have forwarded to R&D. Feel free to turn the automated system back on.

The problem is still not fixed. We left in the current state in case we need to gather more data. If this is urgent and you need OAD back up and running please let us know and we can fix the problem easily by re-activating OAD.

Thanks
Mark

Bashar Abu-Laban

From: Terry Huval <THUVAL@lus.org>
Sent: Monday, August 29, 2011 10:21 AM
To: Doug Dawson
Cc: Frank Ledoux; Mona Simon
Subject: RE: Latest cash flow projection

Doug,

I am impressed that you still have Internet service. Sorry about your garden.

Once the budget has been approved (end of September), I will want to jump on the $2.4 million in net wholesale revenues from 2004 to 2007. Lorrie indicates she will do it if she has a letter in support of that from our lawyers (Randy Young is who comes to mind). Randy and Katherine King are ready to meet with us on this as soon as I set up the meeting. I think we have a strong case to do this, especially since we had to purchased material that became obsolete between 2004 and 2007. Getting the $2.4 million, itself, looks like it would resolve the $2 million shortfall in April 2012. Getting that, plus the bond proceeds and accelerated sales will get us over the hump.

In addition – did you include in future revenues our proposed "Electric Outage Alert" system? While LUS is paying fiber about $20k per month for that now, that number will increase to about $90K per month beginning in November 2011. Would it be to our advantage to "front load" those payments – i.e., take the entire $1 million in November?

Also, Andrew's smart grid project will be paying about $500k in the upcoming FY for connectivity. Again, this is another area where we could possibly front load those payments.

These are 2 items we included in our proposed budget for FY2011-12. I did not know if you were award of those.

Terry

From: BLACKBEAN2@aol.com [mailto:BLACKBEAN2@aol.com]
Sent: Monday, August 29, 2011 9:54 AM
To: Terry Huval; Mona Simon
Subject: Latest cash flow projection

Terry:

This is the same as the last one only I have now changed the internal loans to reflect the new payment schedule.

Unfortunately it is looking unlikely I can be on the call today for the financial meeting. The hurricane came through here and knocked out cellphone and cable TV. Also flattened my garden but no other damage. If it doesn't get fixed today I am incommuicado.

Here are the highlights of the forecast:

1. Still reflects new customers per the budget. With your increased sales recently those numbers certainly look possible.

2. It reflects the latest ALU settlement you sent me a few weeks back.

3. It takes the new internal loan this year and consolidates and defers the existing internal loans. You will notice that the new loan payments are a little lower in the future than the old ones. Not much, but a little. This is due to stretching everything out to 2032, when before some of the loans were on a 12 year schedule.

4. This still shows that cash runs out in April 2012. it shows a need of a $2M internal loan next year, but none is needed after that. This model still does not show adding bond money, which would obviously eliminate that need. There may be other ways to make it past this hump like taking the $2.5M original starting cash for communications. The cash deficit is actually larger if you go faster than the budget since it would require more capital. This model still gets to 18k customers and essentially stops. It would require bond money to grow past that (or else wait each year and use excess cash to grow a little).

5. This model accumulates $19M in cash by 2020. I assume you would use this each year to pay down internal loans rather than pay ILOT. In this model I have not used it for anything and it is just accumulating. Obviously, in the long run if you use bond money and get more customers the amount of cash that will be accumulated is greater.

Doug

From: Terry Huval
To: Doug Dawson
Subject: October 2010 Billing and other things
Date: Saturday, October 2, 2010 8:14:52 AM
Attachments: October 2010 billing.pdf

Doug,

I am not sure if you see this report or not. (See attached)

Our current charges to our 6621 active customers (residential and business) was about $815K - or about $123 per customer.

In addition to these FTTP revenues, Mona tells me our current wholesale/governmental retail revenues are $280K.

Those billed totals would be about $1.095 million.

We have about $260K due to us from disconnected customers since inception of the business. At some point, we will have to write off these revenues.

Yesterday, Frank and his team reviewed with me their recommendations for video rate increases due to increased programming costs. In general, nearly all our tiers will go up by about $7 to $9 per month. The only tier we are not increasing is the Basic tier.

In addition, we are increasing our premium channels to just above costs. For a customer receiving all 4 of our premium channel offerings, their annual monthly charge due to premium channel programming alone will be $10.

With about 83% of our current 6621 customers buying video, this rate increase will add about $50,000 to our current monthly revenues assuming we lose no customers due to the increase.

We will publish the increase in the legal news and send letters to customers to let them know about the increase. To the extent ye legal guys will let me, I will blame the increase on NCTC and Cox.

Since there is 30 day notice required, we will not bill customers for the new increase until the billing which goes out just before Thanksgiving.

On the product development side, we are nearing completion of our Electric Outage Notification feature, that will provide LUS Electric with instant notification if a customer's ONT is not receiving electricity from LUS. Once this happens, the customer will receive an IVR initiated call advising the customer that LUS Fiber has noted that electric power has been interrupted to their fiber service and asking the customer to press "1" if the electric service interruption is to the entire home, or "2" if the electric power is still on. The "1" will send the customer to our electric dispatcher and the "2" will send it to our NOC.

There are still some refinements we need to make, but my thoughts are to put this in place within the next 45 days.
This helps us provide a service to our customers that our competition cannot provide. I want LUS to pay LUS Fiber for this service - but I don't know how much. Do you have any idea on how we could price this? If it were $1 per month, that would be an extra $6621 for this month - increasing thereafter by the number of customers we have.

Your thoughts on this and the other information I've provided you in this e-mail would be appreciated.

Terry

From: Renata Alexander
To: Mary Galyean; Frank Ledoux; Mona Simon; Terry Huval
Cc: Chad Governale; Amy Broussard; Crystal Webster
Sent: Fri Sep 24 21:35:42 2010
Subject: October 2010 Billing

Total Amount Billed 815,503.49

According to how the Print Groups are currently configured, the following are the file counts:

Print and Mail Files: 7108
Special Print Files: 39
Do not Print Files: 0

File Count Totals: 7147

Total Active Billed	
Business	182
Government	25
Residential	6,414
Total	6,621

Renata Alexander
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Welcome to your future.

"Great minds discuss ideas; Average minds discuss events; Small minds discuss People"
Eleanor Roosevelt

Jean-Paul Tujague

From: Gordon Polozola <gordon.polozola@keanmiller.com>
Sent: Friday, August 6, 2010 8:50 AM
To: 'BLACKBEAN2@aol.com'; THUVAL@lus.org
Subject: RE: PSC Meeting

The obligation for separate books was removed, yes. But, the Rules continue to provide for full cost accounting allocations among business sections. This is also in LUS' CAM.

ALLOCATION OF COSTS
"A local government will directly assign costs to a specific division and/or business section within the separate division created to provide the covered services whenever possible."

"Costs that cannot be directly assigned to a specific division and/or business section will be described as common costs. A local government will allocate common costs among divisions and/or business sections in accordance with the following hierarchy:

a. The local government will allocate, whenever possible, common cost categories based on direct analysis of the origin of the costs themselves.

b. When direct analysis is not possible, the local government will allocate common cost categories based on an indirect, cost-causative linkage to another category (or group of cost categories) for which a direct assignment or allocation is available.

When neither direct nor indirect measures of cost causation can be identified, the local government will allocate the cost category using a general allocator."

TRANSACTIONS WITH AFFILIATES
Joint Use of Assets within the Separate Division Providing Covered Services
"It is anticipated that most assets of the separate division providing the covered services will be used for more than one covered service. The cost of the joint assets will be allocated to each of the covered services making use of the joint assets under the full-cost accounting methodology."

Gordon Polozola
Partner
Kean Miller Hawthorne D'Armond McCowan & Jarman, LLP
One American Place
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Baton Rouge, Louisiana 70801
Post Office Box 3513 (70821-3513)
225.382.3440 (direct)
225.388.9133 (facsimile)
gordon.polozola@keanmiller.com

From: Gordon Polozola
To: "Terry Huval"
Subject: RE: Obsolete fiber inventory (17905-10000)
Date: Tuesday, September 7, 2010 6:21:33 PM
Attachments: Gordon Polozola.vcf

Terry,

The Act does not address this issue directly. But, the LPSC has adopted rules relating to joint use of, and transfer of, assets. The relevant provisions are below. As you will see, (1) there cannot be joint ownership of communications facilities used to provide covered services, and (2) if there is joint use, the division making predominant use of the assets must record those assets on its books and grant a lease to the other division also making use of the asset, and (3) if there are sales of goods or services, they must be allocated at a prevailing market rate or under full cost accounting. But, there is no rule that indicates that a division, the Communications Division in this case, must purchase obsolete assets from another division (LUS) that it will not use simply because it wants to purchase other assets owned by that another division. The LPSC rule is only triggered if the assets are commonly owned by, or being used by, the Communications Division and another division (LUS). The Communications Division is not making predominant use of (and my understanding is they never used) those obsolete assets so as to require the transfer.

That said, your opponants may argue that it is a form of cross-subsidization if the Communications Division purchases assets from LUS, uses them until they are obsolete and then sells the then obsolete assets back to LUS (unless it could be found that others in the marketplace would buy obsolete assets for some reason I can't think of).

Relevant LPSC Rule Provisions:

Joint Ownership of Assets

The separate division created to provide the covered services shall not jointly own communications facilities (e.g. transmission, switching, transport, etc.) with its affiliated divisions.

Joint Use of Assets

Assets that are jointly used by the separate division created to provide the covered services and an affiliated division will be recorded on the books of the division that makes predominant use of the assets. A determination will be made for each specific asset of the portion of the asset that is required to be used by another division(s). An internal lease will be generated to account for the use of the assets by another division(s). The internal lease terms will be based upon the highest price of any similarly situated leases extended to outside, non-affiliated parties. In the absence of any such leases, the lease terms will be based upon prevailing market rates for comparable arrangements. If a prevailing market price cannot be ascertained, the lease terms will be based upon the full-cost accounting methodology.

Joint Use of Assets within the Separate Division Providing Covered Services

It is anticipated that most assets of the separate division providing the covered services will be used for more than one covered service. The cost of the joint assets will be allocated to each of the covered services making use of the joint assets under the full-cost accounting methodology.

Transfer or Sale of Non-Tariffed Assets or Services

. Transfers or sales of non-tariffed goods or services between the separate division created to provide the covered services and an affiliated division that are also provided to unaffiliated outside parties will be recorded at the prevailing market price.

. Transfers or sales of non-tariffed goods or services between the separate division created to provide the covered services and an affiliated division that are not provided to unaffiliated outside parties will be recorded under the full-cost accounting methodology.

Gordon Polozola
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225.388.9133 (facsimile)
gordon.polozola@keanmiller.com

From: Terry Huval [mailto:THUVAL@lus.org]
Sent: Monday, September 06, 2010 1:59 PM
To: Gordon Polozola
Subject: Fw: Obsolete fiber inventory

Gordon,

Before I push this too far, what is your take on this issue?

Start from the bottom up.

Thanks for your thoughts on this.

Terry

----- Original Message -----
From: Kerney Simoneaux
To: Terry Huval
Cc: Mona Simon; Frank Ledoux; Becky Lalumia; Antonio Conner; Doug Dawson
Sent: Fri Sep 03 08:05:39 2010
Subject: RE: Obsolete fiber inventory

Terry,

We haven't done anything to date. We can have LUS buy back the inventory with written justification from you, but I think there was an obligation for LUSFiber to buy the inventory because the wholesale business is part of LUSFiber. For example, LUSFiber is getting the revenue generated from the wholesale business, so it also has to get all the cost which would include the inventory.

We also need to see which materials in the Target Loop Warehouse are no longer needed and can be used by LUS. Those items can be sold to LUS as well. The key is the material has to be useable by LUS.

Thanks,
Kerney
Kerney J. Simoneaux, Jr.
Financial Reporting Supervisor
Lafayette Consolidated Government
Phone - (337) 291-8246
Fax - (337) 291-8060

-----Original Message-----
From: Terry Huval
Sent: Friday, September 03, 2010 5:17 AM
To: Kerney Simoneaux
Cc: Mona Simon; Frank Ledoux
Subject: Obsolete fiber inventory

Kerney,

Where do we stand on returning inventory from the Communications Division to LUS that was obsolete and no longer usable even before it was transferred to Communications?

The Communications Division was under no obligation to take on the burden of inventory that was unusable and became obsolete before the Communications Division was created.

I understand as much as $700,000 may be involved.

I would be willing to provide correspondence stating this justification for the transfer, if that will be helpful to you.

Please let me know how soon we can make that transfer.

Thanks,
Terry

LAFAYETTE CONSOLIDATED GOVERNMENT
REASONABLENESS OF RETAIL BILLINGS
10/31/2012

NOTE:

During the current year LUS initiated an electric outage alert monitoring service through the use of the City's Communications System. The monitoring service was installed on 3,574 locations in order for LUS to receive an alert when a tap is out. LUS contracted the Lafayette Economic Development Authority (LEDA) to determine the saving to LUS customers if the average duration of an outage was decreased and LEDA's model concluded that given LUS's current average outage is close to an hour, a reduction of twenty (20) minutes would save LUS customers approximately $2.03 million a year (See C/234). Alternative options to monitor tap locations were pursued; however, the cost implement and monitor was more than the anticipated savings. With the Communications System available, LUS can monitor the 3,574 tap locations at a cost that is about half of the anticipated savings of reducing the length of outages. Discussed with management whether consideration was given relative to other types of cost/charge measurement. Management noted that due to the uniqueness of this type of service and the number of required taps to monitor, the savings provided to the citizens and businesses of the City was the best approach to determine the prevailing market value of these services.

CONCLUSION:

Per review of the supporting documents, it appears that the sales of services between affiliated divisions are being charged at a reasonable market price and is consistent with the requirements of the Fair Competition Act.

LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNEMNT
ANALYSIS OF ELECTRICAL OUTAGE MONITORING CHARGES
10/31/2012

Management provided the below information relative to a outage monitoring approach utilizing a basic telephone communication line. The cost per year was computed for five years and compared to the amounts being charged based on the savings study conducted by LEDA.

Telephone signal-	
Service Charges:	
Line/month	$ 35.58
# of locations	3,574
Cost/month	127,162.92
# of months	12
Cost/year	$ 1,525,955.04
Installation Charges:	
Approx cost/per location	$ 200.00
# of locations	3,574
	714,800.00
Total cost - Year 1	$ 2,240,755.04

Charge Basis	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Commercial phone line	$ 2,240,755.04	$ 1,525,955.04	$ 1,525,955.04	$ 1,525,955.04	$ 1,525,955.04	$ 8,344,575.20
Electrical outage study (@ 50%)	1,013,400.00	1,013,400.00	1,013,400.00	1,013,400.00	1,013,400.00	5,067,000.00
Difference	$ 1,227,355.04	$ 512,555.04	$ 512,555.04	$ 512,555.04	$ 512,555.04	$ 3,277,575.20

Note: Either approach utilized would result of a cost of approxiamately $1.53 to $2.03 million per year. Based on the savings noted on the LEDA study, management decided that a charge of 50% of this savings would be a conservative approach for determining a prevailing market rate for this type of service.

LCG - Communications System Fund

Approximate Cost Per User -- 3 Years

Per Act No. 736 (Fair Competition Act) of the 2004 Regular Session of the Louisiana Legislature, the following are items which were considered to be relevant to the Power Outage Monitoring System(POMS) and the charges by LUS Fiber to LUS.

		Act 736 Page #
1)-	Prevailing market price can be substantiated by auction, appraisal or clearly comparable transactions	6
2)-	Full-cost accounting- can be defined as the following: A-- the accounting of all costs incurred by a local government in providing a covered service. B-- the costs included in a full-cost accounting include all capital costs, direct costs and indirect costs.	5
3)-	Allocation of Costs-- A-- A local government will use the full-cost accounting method to separate and apportion costs between a local government's covered services and other utility services or activities provided by that local government. B-- A local government will directly assign costs to a specific division and/or business section within the separate division created to provide the covered services whenever possible. C-- Costs which cannot be directly assigned to a specific division and/or business section will be described as common costs.	7

				Approximate Charge
In attempting to price the POMS charge by LUS Fiber to LUS for 3,574 monitor tap locations, LUS Fiber management used judgements and obtained outside analysis or appraisals to attempt to price the service charges. Following are the list of methods used--				
# 1	Reduction in outage time by 20 minutes; per analysis and estimate of savings to LUS as prepared by Megan Segura of Lafayette Economic Development Authority (LEDA). Reference to Tobit Regression & US Dept. of Energy "A Framework & Review of Customer Outage Costs" by Leora Lawton, Joseph Eto, et al.			2,030,000
# 2	Similar charge for service to a Third party.	No comparison able to be obtained		N/A
# 3	Approximate cost utilizing telephone communication lines. Done by LUS Fiber staff. $35.58/per line X 3,574 X 12			1,525,955
# 4	Full cost accounting using LUS Fiber annual financial statements -see attached			
	-- 3 year (2010 to 2012) average			5,092,221
	-- 2012 annual financial statements			4,316,508
	Full Cost Accounting using Annual F/S for the following years---	2013	3,947,057	
		2014	3,535,160	
		2015	3,580,440	
		2016	2,995,949	
		2017	2,956,378	
# 5	Actual amount charged by LUS Fiber to LUS for Power Outage Monitor System for 3,574 monitoring points			1,013,400

CONCLUSION--

Based upon the above comparisons of available options, the $1,013,400 -- #5 above-- appears to be the lowest charge for the POMS service available to LUS in the market; therefore, no violation of the Fair Competition Act appears to have occurred during the year ended 10/31/12 relative to the POMS service provided. Additionally, in following up with the full cost accounting for the years 2013 to 2017, #5 above remains the lowest of each of the pricing methods above.

LCG - Communications System Fund

Approximate Cost Per User -- 3 Years

	2012	2011	2010	3 Years TOTALs
Total approx. users	29,782	22,583	10,781	63,146
Revenues*	$ 24,057,632	$ 17,021,189	$ 9,415,222	$ 50,494,043
Expenses				
Direct-				
Production, collection, and cost of services	13,485,589	12,077,394	8,506,872	34,069,855
Depreciation and amortization	11,287,760	10,601,682	6,996,180	28,885,622
Interest/bond issuance costs	6,247,975	6,008,607	2,242,122	14,498,704
Total direct expenses	31,021,324	28,687,683	17,745,174	77,454,181
Indirect-				
Administrative and general	4,557,477	4,852,829	2,630,838	12,041,144
Other/loss on disposal of assets	390,492	-	84,358	474,850
Total indirect expenses	4,947,969	4,852,829	2,715,196	12,515,994
Total expenses	35,969,293	33,540,512	20,460,370	89,970,175
Profit (loss)	$ (11,911,661)	$ (16,519,323)	$ (11,045,148)	$ (39,476,132)
Average annual revenue/user:	$ 807.79	$ 753.72	$ 873.32	$ 799.64
Average annual cost/user:				
Direct cost	$ 1,041.61	$ 1,270.32	$ 1,645.97	$ 1,226.59
Indirect cost	166.14	214.89	251.85	198.21
Total	$ 1,207.75	$ 1,485.21	$ 1,897.82	$ 1,424.80
Projected cost - Power outage monitoring:				
Total direct/indirect cost	$ 1,207.75	$ 1,485.21	$ 1,897.82	$ 1,424.80
# of Monitor tap locations	3,574	3,574	3,574	3,574
Cost of services excluding markup	$ 4,316,508	$ 5,308,143	$ 6,782,800	$ 5,092,221
Annual payments by LUS	1,013,400	1,013,400	1,013,400	1,013,400
% of Costs paid by LUS	23.48%	19.09%	14.94%	19.90%
Amount paid under costs	3,303,108	4,294,743	5,769,400	4,078,821

*Includes investment earnings/gain of diposal of assets

☆1

LCG - Communications System Fund
Approximate Cost Per Customer

	2018	2017	2016	2015	2014	Average
CATV	9,808	9,955	10,321	10,129	10,505	10,144
DATA	19,355	18,224	16,838	15,369	14,595	16,876
Telephone	12,286	11,828	11,768	11,437	11,021	11,668
Wholesale	3,222	3,364	3,229	3,874	3,911	3,520
Total approx. customers	44,671	43,371	42,156	40,809	40,032	42,208
Revenues*	$39,042,854	$37,818,494	$36,102,388	$34,147,817	$34,799,716	$36,382,254
Expenses						
Direct-						
Production, collection, and cost of services	17,528,194	16,739,956	16,246,582	14,703,707	14,985,387	16,040,765
Depreciation and amortization	7,473,500	6,973,048	6,706,150	10,894,341	10,538,623	8,517,132
Interest/bond issuance costs	5,355,317	5,546,433	5,566,112	7,482,646	6,295,022	6,049,106
Total direct expenses	30,357,011	29,259,437	28,518,844	33,080,694	31,819,032	30,607,004
Indirect-						
Administrative and general	3,817,729	4,059,790	4,337,675	3,994,334	4,108,631	4,063,632
Other/loss on disposal of assets	-	-	-	250,105	123,250	74,671
Total indirect expenses	3,817,729	4,059,790	4,337,675	4,244,439	4,231,881	4,138,303
Total expenses	34,174,740	33,319,227	32,856,519	37,325,133	36,050,913	34,745,306
Profit (loss)	$ 4,868,114	$ 4,499,267	$ 3,245,869	$ (3,177,316)	$ (1,251,197)	$ 1,636,947
Average annual revenue/customer:	$ 874.01	$ 871.98	$ 856.40	$ 836.77	$ 869.30	$ 861.69
Average annual cost/customer:						
Direct cost	$ 679.57	$ 674.63	$ 676.51	$ 810.62	$ 794.84	$ 727.23
Indirect cost	85.46	93.61	102.90	104.01	105.71	98.34
Total	$ 765.03	$ 768.24	$ 779.40	$ 914.63	$ 900.55	$ 825.57
Projected cost - Power outage monitoring:						
Total direct/indirect cost	$ 765.03	$ 768.24	$ 779.40	$ 914.63	$ 900.55	$ 825.57
# of Monitor tap locations	3,574	3,574	3,574	3,574	3,574	3,574
Cost of services excluding markup	$ 2,734,224	$ 2,745,681	$ 2,785,587	$ 3,268,887	$ 3,218,574	$ 2,950,591

*Includes investment earnings/gain of diposal of assets

Appendix C

Documents Related to Lift Stations

Craig Gautreaux

From: Craig Gautreaux <CGAUTREAUX@lus.org>
Sent: Thursday, November 11, 2010 3:04 PM
To: Marlin Touchet
Subject: Re: LUS Wastewater Lift Stations

Marlin I am no expert on what we need I need to pay what I need to help fiber so I will defer these decisions to your staff of experts I copied david on this email. We do like the best money can buy so we do not have future problems

---

From: Marlin Touchet
To: Craig Gautreaux
Sent: Thu Nov 11 14:34:17 2010
Subject: LUS Wastewater Lift Stations
Hi Craig,

I've just come out of a meeting with the business, engineering and operation groups here in Fiber and wanted to get back to you regarding converting all of your lift stations to fiber. There were a few issues and questions that came up which I'd like to share with you.

I will need a list of your stations including the physical addresses, along with a prioritization requirement. Once Ron Frye and Scott Foreman review the list, they will have a good idea of an ETA, how quickly this project can be completed.

Probably the most important discussion centered around which network to serve your stations with. It was generally agreed that the quickest and best network for both Wastewater and Fiber would be the new FTTH network. This does create a predicament in that, the FTTH network does not currently support Shared Packet Ring (SPR) services as the Wholesale network does. The FTTH network does support however, Internet, Phone and Video, and the Internet bandwidth is greater and cheaper than your 1.5Mbps SPR service which was recently installed over at the 2620 Verot School Rd location (your Service Order 03). Furthermore, Mary Galyean in the business department is developing special pricing for you based on serving all the lift stations you give us. With the FTTH network, we would install an ONT on each and every station, which could be used to deliver high speed Internet, phone and video, all at once or in phases according to your department needs.

If you decide that you would prefer to stay on the Wholesale network and utilize the SPR service, then we will have to extend the network out to each and every site, while the existing FTTH network currently can deliver fiber to most if not all of your existing stations.

Let me know if you need to discuss this with fiber ops & engineering before deciding what to do, and we can go from there.

Thanks for your time and patronage.

Marlin Touchet

1

Craig Gautreaux

From: Terry Huval
Sent: Monday, March 07, 2011 12:19 PM
To: Craig Gautreaux
Subject: Re: Fiber sites

Thanks!

How many sewer sites do you have on fiber? And, how many are left?

How many water sites are you requesting?

From: Craig Gautreaux
Sent: Monday, March 07, 2011 12:00 PM
To: Terry Huval
Subject: Fiber sites

Just wanted to let you know before you call me that I requested internet sites for water wells and towers. I am sure Mona will give me deals I cannot refuse.

Craig Gautreaux

From: Craig Gautreaux <CGAUTREAUX@lus.org>
Sent: Monday, November 12, 2012 3:43 PM
To: Tom Simon
Cc: Shawn Rudasill; Tracy Mouton
Subject: Pressure points

Terry looking for additional revenue for fiber is there any other pressure points that we need to monitor

Sent from my iPhone

1

Craig Gautreaux

From: Craig Gautreaux
Sent: Thursday, January 10, 2013 3:20 PM
To: Teles Fremin
Subject: FW: WW Lift Stations
Attachments: WW_Lift_Stations.xlsx

Fyi, Tim Sheen needs to select the next twenty on the list for SCADA, I think Terry wanted them all, but impossible to install RTU's at every one right now. I think we have twenty ordered through engineering. If the marching orders are to install something at each lift station, we would probably start with an internet capability at each.

From: Warren Boudreaux
Sent: Tuesday, August 21, 2012 10:48 AM
To: Craig Gautreaux
Cc: Eric Grimmett; Scott Foreman; Mary Galyean; Bryan Guidry; David Bertrand; Chris Domingue (LUS)
Subject: WW Lift Stations

Thanks to Eric for generating the attached information.
There are quite a few sites that LUS Fiber could be utilized.
In speaking with Chris an app cost for an RTU would be $3,500.
It is my understanding that RTUs would have to be installed to be "LUS Fiber" ready.
(LUS Lift Station personnel have installed these in the past.)
I am not aware of the current cost for LUS Fiber service at an LUS Lift Station site.

Let me know if you need additional information.
Wpb

From: Eric Grimmett
Sent: Monday, August 20, 2012 8:27 AM
To: Tim Sheen; Warren Boudreaux
Subject: WW Lift Stations

Please see the attached document regarding the serviceability of the lift stations.

1

Craig Gautreaux

From: Terry Huval
Sent: Saturday, November 06, 2010 5:06 PM
To: Craig Gautreaux; Mona Simon
Cc: Frank Ledoux
Subject: Re: Wastewater Lift Stations

We'll give you a deal you can't refuse!

Thanks,
Terry

From: Craig Gautreaux
To: Terry Huval; Mona Simon
Cc: Frank Ledoux
Sent: Sat Nov 06 17:01:44 2010
Subject: Re: Wastewater Lift Stations

I am pretty sure that is what we need but I will defer to your experts

---

From: Terry Huval
To: Mona Simon
Cc: Craig Gautreaux; Frank Ledoux
Sent: Sat Nov 06 11:54:37 2010
Subject: Re: Wastewater Lift Stations

Thanks, Mona

Craig - am I correct that you just need Internet?

Terry

From: Mona Simon
To: Terry Huval
Cc: Craig Gautreaux; Frank Ledoux

Craig Gautreaux

From: Chris Domingue (LUS)
Sent: Friday, March 11, 2011 2:31 PM
To: Craig Gautreaux; Andrew Ledoux; Teles Fremin
Cc: Edgar Rivera; Tim Sheen; Scott Foreman
Subject: Fiber to the Lift Stations

All,

Can we all meet sometime next week on the fiber to the lift station RTU project?

I was told a meeting was held to run fiber to all the lift stations for RTU use.

So far, fiber has been run to 13 lift stations. Unfortunately, it is fiber set up for **internet service**. This is not what we need to communicate with the RTU's.

To get the appropriate fiber service to the lift stations, there will be a difference in price.

Hopefully we can meet to adjust the service and cost to what is needed for the RTUs.

thanks

Chris Domingue
Lafayette Utilities System
Energy Control System Engineer
(337) 291-5733
(337)291-5834 (fax)
cdomingue@lus.org

Craig Gautreaux

From: Warren Boudreaux
Sent: Wednesday, March 23, 2011 1:12 PM
To: Craig Gautreaux
Subject: RE: lift station sites

Thanks

From: Craig Gautreaux
Sent: Wednesday, March 23, 2011 12:33 PM
To: Warren Boudreaux
Subject: lift station sites

Warren fiber run to 13 lift stations none operational yet. Will take a month or so to configure system.

Craig Gautreaux

From: Eric Grimmett
Sent: Tuesday, May 07, 2013 9:07 AM
To: Craig Gautreaux
Cc: Teles Fremin
Subject: VPLS Service - WW Lift Stations
Attachments: WW_Lift_Stations_5-6-2013.xlsx

Craig,

Please approve the following cost regarding the installation of 10 Mbps VPLS Service at the attached sites.

WW Lift Stations => 88 Total

67 Serviceable Sites @ $210 a month
9 Non-Serviceable Within City Sites @ $210 a month (These have a onetime non reoccurring charge that we will need your approval on, Please see attached spreadsheet)
12 Non-Serviceable Out of City Sites (Will not be able to serve at the present time)

Thanks,

Eric Grimmett
Engineer II
Lafayette Utilities System
314 Hebert Rd.
Lafayette, LA 70506

egrimmett@lus.org
Office: 337-291-8944

Craig Gautreaux

From: Mona Simon
Sent: Thursday, May 23, 2013 7:02 PM
To: Teles Fremin
Cc: Frank Ledoux; Craig Gautreaux
Subject: Wastewater Lift Station Orders

Teles,
I have approval from Frank and Terry to put the Lift Station Orders into Omnia. This will give us 3-4 weeks for the installation process while waiting for the budget revision.
Let me know if you need anything further to move forward.
Please call Craig tomorrow if you have any questions concerning the sites or services.

Mona B. Simon
Communications E&O Supervisor
Lafayette Utilities System
1314 Walker Road
Lafayette, LA 70563
337-291-5879

Craig Gautreaux

From: Craig Gautreaux <CGAUTREAUX@lus.org>
Sent: Tuesday, May 28, 2013 3:40 PM
To: Greg Arceneaux; Tim Sheen
Subject: FW: VPLS Service - WW Lift Stations

fyi

From: Craig Gautreaux
Sent: Tuesday, May 28, 2013 3:38 PM
To: Teles Fremin; Eric Grimmett
Subject: RE: VPLS Service - WW Lift Stations

Teles looks like Andrew is putting $250,000.00 in my telecommunications account in the amended budget, so I say we are good to go with the 67 serviceable sites and will pick and choose out of the remaining 9 to be sure we spend the money.

From: Teles Fremin
Sent: Tuesday, May 14, 2013 9:43 AM
To: Eric Grimmett; Craig Gautreaux
Subject: RE: VPLS Service - WW Lift Stations

Craig,

Do you have any updates on this?

From: Eric Grimmett
Sent: Tuesday, May 07, 2013 9:07 AM
To: Craig Gautreaux
Cc: Teles Fremin
Subject: VPLS Service - WW Lift Stations

Craig,

Please approve the following cost regarding the installation of 10 Mbps VPLS Service at the attached sites.

WW Lift Stations => 88 Total

Lafayette
CONSOLIDATED GOVERNMENT

Internal Memorandum

Lafayette Utilities System
Water Treatment Division (7040)

TO: **Rick Zeno** **DATE:** **September 6, 2018**

FROM: **Craig Gautreaux**

SUBJECT: **Lift Station Telemetry**

Mr. Zeno, fiber to the lift station started in 2010 as we were having line of sight issues with our existing telemetry. The existing telemetry installed in 1998, used a radio controlled signal to the SCADA room at Walker Road to notify us of high levels and we had a new form of internet technology called a Mission Auto Dialer installed around 2003 which called the on–call lift station mechanic when a high level alarm came in. The other telemetry by radio monitored several critical systems at the lift station and not just the high level. A few of the alarms were: high float, low float, pump seal alarm, ac supply alarm, intrusion alarm, pump run times, pump fail to start and force main discharge pressure. The SCADA operator monitored the alarms and notified dispatch who called the mechanic out to see about the problem. Wastewater was not being charged for in house telemetry and Mission auto dialers were costing us about $40.00 per month per installment and probably had about ten (10) auto dialers in the system.

That being said, fiber was just coming on line and they naturally were looking for the best use the fiber within LUS between water, sewer and electric and city hall, Frank Ledoux had set up a meeting to see what we could contribute to fiber and we had thirty-five (35) lift station that were on existing radio telemetry at Walker road, Those were the first ones that they made me a deal I could not refuse for $210.00 per month per station for 10 meg/station. It was told to Frank that this would be work in progress because we had to do research as to what would work in those stations to get them ready to talk to the fiber network and the existing SCADA inputs at Walker Road had to be reconfigured. The technology required was above my head so I enlisted Warren Boudreaux, Tim Sheen and Chris Domingue to handle the details and I would do my best to secure funding for this initial venture into fiber. At that point in time the fiber to the home project had not started but was independent of the next phase. Fiber started to run to those stations in 2011 and starting charging my account for the full price knowing we were going to need some time to get these lift station control panels changed out from radio technology to programmable logic controllers that talked Modbus that talked to fiber. Those were the easiest ones to change over because they were our newest panels. Money was tight to start and with the bid laws of the $30,000.00 per year to purchase the needed parts for conversion we proceeded. In the

water and wastewater departments money was tighter than electric so I did my best to have my folks get purchase orders done with the funding available to get the fiber initiative rolling.

When 2013 came around the fiber to home initiative took off, Frank called another meeting to let water, sewer and electric know that they were looking for additional locations to install fiber. Fiber looked at the serviceable lift station locations that they could get to while running fiber into the neighborhoods. There were sixty-six (66) serviceable locations for them to run fiber to at a cost of $210.00 per month. We were still not through converting the original thirty-five (35) yet and received sixty-six (66) more to convert. These were the ones we had no available technology designed and tested to install at these lift stations much less providing a monitoring protocol at the Walker Road SCADA operations for the screens and alarm setup. We also started the conversion of the water plant, towers and wells to fiber for additional revenue to the fiber system. These sites were also radio telemetry and had to be converted to talk fiber at the same costs.

Before 2010 our lift station control panels, built by the civil engineering department, were costing the developers about $10,000.00 and civil engineering would provide the control panel to the developers building new subdivisions or mini malls. These were the same one we were working on because they were specified with radio telemetry built in. Terry asked Civil Engineering to come up with a cheaper control panels because developers were complaining of costs. George Womack a local electrical engineer was tasked with developing a new panel and we asked that they be fiber ready when installed. There was a prototype built in 2011 and tested, Civil Engineering went out for bid for ten (10) new panels. These new panels were going to be the ones that we needed to replace at the sixty-six (66) plus service locations throughout the city to replace the older control panels that did not have any type of telemetry except for the mission auto dialers. The new panels started to get installed in lift stations at new subdivision developments, street developments and new strategic locations for future sewer needs. Problems starting surfacing in the field with these new panels because it required the vendor to make adjustments to the software in the PLC programmable logic controller any time there was an electrical glitch on the system. Our instrument technicians were tasked to connect the wires for these panels and were trying to figure out how these devices worked. The panels were not back lit, so any time we had a problem at night additional resources had to be brought in to light up the panel. You can imagine at night during a storm event how pleased they were with the new panels. Because of these issues, engineering contracted with Domingue and Szabo in 2016 to design and create a new panel that was more plug in and the contractor was responsible for all wiring and hooking up to fiber, that in fact has taken some time to develop through our engineering section and we currently installed our first new prototype in May of 2018.

Because Civil engineering was not going to build any more George Womack panels for those other lift stations, I asked Chris Domingue in 2015 to come up with a solution

for all those other lift stations that fiber was available , but was not connected to. Remember, our original concept was to put new PLC control panels at every lift station. Chris had to do research and testing for PLC's you could attached to a 1960's era lift station control panel to be able to talk the fiber language to get it back to Walker Road SCADA room. He also would have to develop the computer screen and attach inputs to the system so he could see if the telemetry was working right. After months of trying to figure it out, Chris and George Womack came up with a solution. A meeting was held on January 2015 and we assigned George the task of making the connections happen. We still had to buy the parts, but with George's contract, he could make the installation happen. As all firms do, he did a study on the first ten, provided Chris with a list of parts and our folks help to secure them. He started to perform the work on the first one and started encountering problems. As an electrical engineer with a PE license, he had to bring it to our attention that all these stations needed to be upgraded to meet the new electrical code if he worked on them. This was cost prohibited and we had to find a new direction. Chris met with a company called Techneaux and they used the same solution as George and Chris had come up with. Since there was no contract with these folks, they were tasked to do the work at the $1500.00 limit. They did the first one and decided that more money was needed to complete the installation on the order of $3,000.00 per station. We used a variety of avenues to get them paid and succeeded in getting about 8 stations done before purchasing put a halt to our venture. The bottom line was that purchasing wanted us to go out for public bid. Nobody who installed this technology would write up a set of specifications to bid this technology out because the money was in the installation and not buying equipment. Remember that whoever designs the system and puts it out for bid could not install it. We struggled with that for a while until we found another petroleum company willing to do specifications, but they also wanted to install. After several meeting with purchasing and lawyers, they could only do prototypes and bid it out for LUS. They finally agreed and we were in the process of putting them on the professional review committee to get a contract. But low and behold, Techneaux came back with another offer to help. Bryan Guidry decided that Techneaux was better suited for this task than the other petroleum company. Upon meeting with purchasing again, I explained the complexity of the whole situation again and were finally granted that we did not have to go out for bid as long as we put Techneaux on a service contract and we provide the parts per bid law to them, they could install as part of the contract. This is currently were we are today and just about have all sixty-six (66) of those lift stations finally connected.

The rest of the story occurred in either 2014-2015. Remember that all those initial sites were set up with 10 Megs of service for telemetry only. Frank needed additional revenues for the fiber system to offset some inputted taxes that were starting to hit fiber. Frank came up with the idea of providing additional megs of service to the water, sewer and electric to have us pay more revenue to the fiber system. He decided the lift stations now needed 30 megs at a cost of $420.00 per site versus the $210.00 per site. They told me I needed it for the future technology I might need for the lift stations. They funded my telecommunications budget to pay for this additional fiber service. The

question people asked is when we were having issues why not disconnect from fiber. Remember the whole goal was for LUS to support fiber, a sister agency to be successful. We knew that this was work in progress and eventually we would have everything connected which we do, it just took some time and I did not think 5 to 6 years was an unreasonable time to deploy new technology. I think on fiber's part they deployed their technology where they could activated it for revenue and never looked back. I was never offered any more technical help that what I had, even though I asked Warren passed away and Tim sheen retired leaving Chris Domingue to help during these final two years of deployment . Personally, if fiber would have only run the fiber to the stations and charged a connect fee and not light up the fiber until we were ready with the installed technology then none of this would have occurred, but the goal was to raise money for fiber so they lit it up. They no longer have that policy, but in its infancy stage, that is the way they did things and I paid the bills on time as I felt I was directed to do.

Remember, I had Mission Auto Dialers for $40.00 per month versus fiber at $420.00. We were directed to use fiber and that is where we are today. I still have Mission Auto Dialers out there covering my system until such time as I can afford another build out for fiber, which they charge for too. Terry knew how many stations were connected to fiber, he knew that we were behind on installations but in the end I do not think he realized how many installation we were behind. If someone would have let me know that non connections were an issue, we may or may not have been allowed to disconnect. As a final note, all I could participate in was funding the budget and have my employees assist Chris with the installations. Contracts for vendors and designing and bidding out control panels was a function of Civil Engineering and design of SCADA was a function of Transmission and Distribution and System Engineering. So you can see that this was not an easy task to deal with. We currently have 189 lift stations of which 100 are currently communicating with fiber and approximately 40 are on Mission Auto Dialer, throughout the city, with the remainder using red lights with customer call ins.

If you should have any questions, please call me.

Craig Gautreaux
Water/Wastewater Operations Manager
Lafayette Utilities System

PURCHASE ORDER

Lafayette City-Parish Consolidated Government
Department of Finance
Purchasing Division
P.O. Box 4017-C
Lafayette, LA 70502

Contract No.:
Grant No.:
P.O. Number: **167704**
P.O. Date: **08/10/2016**

Purchase order number must appear on all invoices, packing slips, cartons, and correspondence related to this order.

Vendor Number: 16105
Vendor Name: TECHNEAUX TECHNOLOGY SERVICES, LLC
Address: 312 WESTGATE RD
LAFAYETTE LA 70506

Buyer: Liz Morrison
Phone: 337 291-7173

Mail Invoice To: Lafayette Consolidated Government
Accounting Division
P.O. Box 4017-C
Lafayette, LA 70502

Ship to: S Wastewater Treatment Plant
231 W. Bayou Parkway
Lafayette LA 70503

Shipping Terms, F.O.B.: FOB DEST/FREIGHT PREPAID&CB

Freight Terms: FOB DESTINATION

Line	Stock No.	Item / Description / Service	Quantity	UoM	Unit Price	Extension
		Deliver on August 10, 2016 unless specified by line **Purchase Order Currency: US DOLLARS** **Additional Contacts :** **Invoice by mail** **Process Level: 100** **David Bertrand 337-291-5926** **Route code 7060** **Ship Code 07 Vendor to prepay and add to invoice.**				
1	PLC APPLICATION MODBUS MAP	**Moss St Communication** **Requesting Location: SWWTP 1.0000 EA Req Comp: 0100** **Item Detail: PLC APPLICATION MODBUS MAP**	1.0000	EA	2,496.25000	2,496.25
		Purchase Order Summary				
		Goods Total:				$2,496.25
		Order Total:				$2,496.25

Total Amount: $2,496.25

[redacted]

CFO

Comments: For delivery questions please reference the contact name and phone number in the "Ship to" location above.

Note: PURCHASE ORDER IS SUBJECT TO TERMS AND CONDITIONS FOUND ON OUR WEBSITE <http://www.lafayettela.gov/finance/Pages/Purchasing.aspx>

Requester 5012-1 ***David Bertrand*** ***USD***

Requisition Number 71104 ***Processed*** Total ***7595.00***

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item		Quantity	UOM	Unit Cost	Curr
	1	DUPLEX PHASE CONVERSION PANEL		1.0000	EA	7595.00000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description: Camberly lift Stetion ***Processed***

Vendor Item: | Mult

Account: 5027099 | 89520 | Dist Co: 100

Activity: 50230153930 | 13211 | Bill Cat:

Asset Template: | Item Entry Code: 1 ***Item***

Requested Delivery Date: 06/16/2016 - | Priority: 50 | Create PO: Y

Item Type: X | Cost Opt: 1 | Use Entered Cost: Y | Add comments

Service Code: | ***Not service type*** | Alternate Item

PO# 165418

APPENDIX C-7

Requester 5012-1 *David Bertrand* *USD*

Requisition Number 73043 *Processed* Total *8985.00*

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item	Quantity	UOM	Unit Cost	Curr
	1	TRIPLEX CONTROL PANEL	1.0000	EA	8985.00000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description: Beaver Park Lift Station *Processed*

Vendor Item: Mult

Account: 5027099 89520 Dist Co: 100

Activity: 50230153930 13211 Bill Cat:

Asset Template: Item Entry Code: 1 *Item*

Requested Delivery Date: 07/29/2016 - Priority: 50 Create PO: Y

Item Type: X Cost Opt: 1 Use Entered Cost: Y Add comments

Service Code: *Not service type* Alternate Item

P.O. # 167227

Requester 5012-1 ***David Bertrand*** ***USD***

Requisition Number 77357 ***Processed*** Total ***2048.57***

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item		Quantity	UOM	Unit Cost	Curr
	1	OEC DUPLEX PUMP CONTROL PANEL		1.0000	EA	2048.57000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description: Control Pnael for Simcoe LS ***Processed***

Vendor Item: Mult

Account: 5027099 | 88500 | Dist Co: 100

Activity: 50230170309 | 13211 | Bill Cat:

Asset Template: Item Entry Code: 1 ***Item***

Requested Delivery Date: 11/07/2016 - Priority: 50 Create PO: Y

Item Type: X Cost Opt: 1 Use Entered Cost: Y Add comments

Service Code: ***Not service type*** Alternate Item

P.O. # 171246.

APPENDIX C-7

Requester 5012-1 ***David Bertrand*** ***USD***

Requisition Number 77862 ***Processed*** Total ***2048.57***

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item		Quantity	UOM	Unit Cost	Curr
	1	DUPLEX CONTROL PANEL		1.0000	EA	2048.57000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description: Panel for Reprsentative Row L ***Processed***

Vendor Item | Mult

Account: 5027099 | 88520 | Dist Co: 100

Activity: 50230153930 | 13211 | Bill Cat

Asset Template | Item Entry Code: 1 ***Item***

Requested Delivery Date: 11/15/2016 - | Priority: 50 | Create PO: Y

Item Type: X | Cost Opt: 1 | Use Entered Cost: Y | Add comments

Service Code | ***Not service type*** | Alternate Item

P.O# 171697

APPENDIX C-7

Requester 5012-1 *David Bertrand* *USD*

Requisition Number 80864 *Processed* Total *2048.57*

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item	Quantity	UOM	Unit Cost	Curr
	1	DUPLEX CONTROL PANEL	1.0000	EA	2048.57000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description: Teal Lift Stetion *Processed*

Vendor Item | Mult

Account: 5027099 89520 | Dist Co: 100

Activity: 50230153930 13211 | Bill Cat:

Asset Template: | Item Entry Code: 1 *Item*

Requested Delivery Date: 01/23/2017 - | Priority: 50 | Create PO: Y

Item Type: X | Cost Opt: 1 | Use Entered Cost: Y | Add comments

Service Code: *Not service type* | Alternate Item

P.O. # 174567

APPENDIX C-7

Requester 5012-1 ***David Bertrand*** ***USD***

Requisition Number 81291 ***Processed*** Total ***6685.71***

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item	Quantity	UOM	Unit Cost	Curr
	1	30 HP DUPLEX CONTROL PANEL	1.0000	EA	6685.71000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description: Acadiana Park LS ***Processed***

Vendor Item: Mult

Account: 5027099 89520 Dist Co: 100

Activity: 50230153930 13211 Bill Cat:

Asset Template: Item Entry Code: 1 ***Item***

Requested Delivery Date: 02/01/2017 - Priority: 50 Create PO: Y

Item Type: X Cost Opt: 1 Use Entered Cost: Y Add comments

Service Code: ***Not service type*** Alternate Item

P.O. # 174956

APPENDIX C-7

Requester 5012-1 *David Bertrand* *USD*

Requisition Number 82426 *Processed* Total *2345.00*

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item	Quantity	UOM	Unit Cost	Curr
	1	OEC DUPLEX CONTROL PANEL 20HP	1.0000	EA	2345.00000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description: Springhill Lift Station *Processed*

Vendor Item: Mult

Account: 5027099 89500 Dist Co: 100

Activity: 50230170309 13211 Bill Cat:

Asset Template: Item Entry Code: 1 *Item*

Requested Delivery Date: 02/27/2017 - Priority: 50 Create PO: Y

Item Type: X Cost Opt: 1 Use Entered Cost: Y Add comments

Service Code: *Not service type* Alternate Item

PO # 176021

APPENDIX C-7

Requester 5012-1 *David Bertrand* *USD*

Requisition Number 83346 *Processed* Total *2148.57*

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item	Quantity	UOM	Unit Cost	Curr
	1	DUPLEX CONTROL PANEL	1.0000	EA	2148.57000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description: Moss street Ls Panel upgrade *Processed*

Vendor Item:

Account: 5027099 89520 Mult

Activity: 50230083999 13211 Dist Co: 100

Asset Template: Bill Cat:

Requested Delivery Date: 03/20/2017 - Item Entry Code: 1 *Item*

Priority: 50 Create PO: Y

Item Type: X Cost Opt: 1 Use Entered Cost: Y Add comments

Service Code: *Not service type* Alternate Item

P.O.# 176893

APPENDIX C-7

Requester 5012-1 *David Bertrand* *USD*

Requisition Number 83407 *Processed* Total *8595.00*

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item	Quantity	UOM	Unit Cost	Curr
	1	REPLACE TRIPLEX CONTROL PANEL	1.0000	EA	8595.00000	USD

Line Detail | Purchasing | Classes/Code | Miscelleneous | Line User Fields | Currency | Global | Back Order

Item Description: Control Panel Jimmie St LS *Processed*

Vendor Item: Mult

Account: 5027099 89520 Dist Co: 100

Activity: 50230083999 13211 Bill Cat:

Asset Template: Item Entry Code: 1 *Item*

Requested Delivery Date: 03/21/2017 - Priority: 50 Create PO: Y

Item Type: X Cost Opt: 1 Use Entered Cost: Y Add comments

Service Code: *Not service type* Alternate Item

P.O# 176947

APPENDIX C-7

Requester 5012-1 *David Bertrand* *USD*

Requisition Number 85315 *Processed* Total *2475.00*

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item		Quantity	UOM	Unit Cost	Curr
	1	KEEN DUPLEX CONTROL PANEL		1.0000	EA	2475.00000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description: Control Panel for Lift Station *Processed*

Vendor Item | Mult

Account: 5027099 | 89520 | Dist Co: 100

Activity: 50230153930 | 13211 | Bill Cat

Asset Template | Item Entry Code: 1 *Item*

Requested Delivery Date: 05/08/2017 - | Priority: 50 | Create PO: Y

Item Type: X | Cost Opt: 1 | Use Entered Cost: Y | Add comments

Service Code | *Not service type* | Alternate Item

P.O. # 128791

APPENDIX C-7

Requester 5012-1 *David Bertrand* *USD*

Requisition Number 89165 *Processed* Total *3375.00*

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item	Quantity	UOM	Unit Cost	Curr
	1	DUPLEX CONTROL PANEL	1.0000	EA	3375.00000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description: Palmwood Lift Station *Processed*

Vendor Item: Mult

Account: 5027099 89520 Dist Co: 100

Activity: 50230083999 13211 Bill Cat:

Asset Template: Item Entry Code: 1 *Item*

Requested Delivery Date: 08/09/2017 - Priority: 50 Create PO: Y

Item Type: X Cost Opt: 1 Use Entered Cost: Y Add comments

Service Code: *Not service type* Alternate Item

P.O. # 182363

APPENDIX C-7

Requester 5012-1 *David Bertrand* *USD*

Requisition Number 96019 *Processed* Total *2375.00*

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item	Quantity	UOM	Unit Cost	Curr
	1	DUPLEX CONTROL PANEL	1.0000	EA	2375.00000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description: Harlem Park Lift Station *Processed*

Vendor Item: Mult

Account: 5027099 89500 Dist Co: 100

Activity: 50230180309 13211 Bill Cat:

Asset Template: Item Entry Code: 1 *Item*

Requested Delivery Date: 01/16/2018 - Priority: 50 Create PO: Y

Item Type: X Cost Opt: 1 Use Entered Cost: Y Add comments

Service Code: *Not service type* Alternate Item

P.O. Box - 188769

APPENDIX C-7

Requester 5012-1 ***David Bertrand*** ***USD***

Requisition Number 96231 ***Processed*** Total ***2375.00***

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item		Quantity	UOM	Unit Cost	Curr
	1	DUPLEX CONTROL PANEL		1.0000	EA	2375.00000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description: Long Wood Lift station ***Processed***

Vendor Item:

Account: 5027099 | 88500 | Mult | Dist Co: 100

Activity: 50230180309 | 13211 | Bill Cat:

Asset Template: | Item Entry Code: 1 ***Item***

Requested Delivery Date: 01/23/2018 - | Priority: 50 | Create PO: Y

Item Type: X | Cost Opt: 1 | Use Entered Cost: Y | Add comments

Service Code: ***Not service type*** Alternate Item

P.O. # 188959

APPENDIX C-7

Requester 5012-1 ***David Bertrand*** ***USD***

Requisition Number 98072 ***Processed*** Total ***7875.00***

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item	Quantity	UOM	Unit Cost	Curr
	1	REPLACE DUPLEX CONTROL PANEL	1.0000	EA	7875.00000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description: Louisiana Ave LS up grade. ***Processed***

Vendor Item:

Account: 5027099 | 89500 | Mult | Dist Co: 100

Activity: 50230180309 | 13211 | Bill Cat:

Asset Template: | Item Entry Code: 1 ***Item***

Requested Delivery Date: 03/06/2018 - | Priority: 50 | Create PO: Y

Item Type: X | Cost Opt: 1 | Use Entered Cost: Y | Add comments

Service Code: ***Not service type*** Alternate Item

P.O# 190750

APPENDIX C-7

Requester 5012-1 ***David Bertrand*** ***USD***

Requisition Number 98255 ***Processed*** Total ***7355.00***

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item		Quantity	UOM	Unit Cost	Curr
	1	PHASE CONVERSION PANEL		1.0000	EA	7355.00000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description FARMINGTON LS ***Processed***

Vendor Item | Mult

Account 5027099 | 89500 | Dist Co 100

Activity 50230180309 | 13211 | Bill Cat

Asset Template | Item Entry Code 1 ***Item***

Requested Delivery Date 03/09/2018 - | Priority 50 | Create PO Y

Item Type X | Cost Opt 1 | Use Entered Cost Y | Add comments

Service Code | ***Not service type*** | Alternate Item

PO# 190910

APPENDIX C-7

Requester 5012-1 *David Bertrand* *USD*

Requisition Number 99358 *Processed* Total *2375.00*

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item	Quantity	UOM	Unit Cost	Curr
	1	DUPLEX CONTROL PANEL 3/60/230	1.0000	EA	2375.00000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description: Renaud Lift Station *Processed*

Vendor Item: Mult

Account: 5027099 89500 Dist Co: 100

Activity: 50230180309 13211 Bill Cat:

Asset Template: Item Entry Code: 1 *Item*

Requested Delivery Date: 04/05/2018 - Priority: 50 Create PO: Y

Item Type: X Cost Opt: 1 Use Entered Cost: Y Add comments

Service Code: *Not service type* Alternate Item

PO 191986

APPENDIX C-7

Requester 5012-1 *David Bertrand* *USD*

Requisition Number 100705 *Processed* Total *7875.00*

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item	Quantity	UOM	Unit Cost	Curr
	1	PEPLACEMENT DUPLEX CONTRO PANEL	1.0000	EA	7875.00000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description: Saul Lift Station *Processed*

Vendor Item: Mult

Account: 5027099 | 89500 | Dist Co: 100

Activity: 50230180309 | 13211 | Bill Cat:

Asset Template: | Item Entry Code: 1 *Item*

Requestad Delivery Date: 05/09/2018 - | Priority: 50 | Create PO: Y

Item Type: X | Cost Opt: 1 | Use Entered Cost: Y | Add comments

Service Code: *Not service type* | Alternate Item:

PO# 193250

APPENDIX C-7

Requester 5012-1 *David Bertrand* *USD*

Requisition Number 102550 *Processed* Total *2375.00*

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item	Quantity	UOM	Unit Cost	Curr
	1	DUPLEX CONTROL PANEL	1.0000	EA	2375.00000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description: Renaud Lift Station *Processed*

Vendor Item:

Account: 5027099 89520 Mult

Activity: 50230153920 13211 Dist Co: 100

Asset Template: Bill Cat:

Item Entry Code: 1 *Item*

Requested Delivery Date: 06/28/2018 - Priority: 50 Create PO: Y

Item Type: X Cost Opt: 1 Use Entered Cost: Y Add comments

Service Code: *Not service type* Alternate Item

PO# 1955034

Requester 5012-1 ***David Bertrand*** ***USD***

Requisition Number 109323 ***Processed*** Total ***2450.00***

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item	Quantity	UOM	Unit Cost	Curr
	1	DUPLEX CONTROL PANEL	1.0000	EA	2450.00000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description: wilfred lift station ***Processed***

Vendor Item: | Mult

Account: 5027099 | 89500 | Dist Co: 100

Activity: 50230190309 | 13211 | Bill Cat:

Asset Template: | Item Entry Code: 1 ***Item***

Requested Delivery Date: 12/19/2018 - | Priority: 50 | Create PO: Y

Item Type: X | Cost Opt: 1 | Use Entered Cost: Y | Add comments

Service Code: ***Not service type*** Alternate Item

PO # 201378

APPENDIX C-7

Requester 5012-1 ***David Bertrand*** ***USD***

Requisition Number 110276 ***Processed*** Total ***2450.00***

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item	Quantity	UOM	Unit Cost	Curr
	1	DUPLEX CONTRO PANEL	1.0000	EA	2450.00000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description: Center Street LS ***Processed***

Vendor Item | Mult

Account: 5027099 | 89500 | Dist Co: 100

Activity: 50230190309 | 13211 | Bill Cat:

Asset Template: | Item Entry Code: 1 ***Item***

Requested Delivery Date: 01/16/2019 - | Priority: 50 | Create PO: Y

Item Type: X | Cost Opt: 1 | Use Entered Cost: Y | Add comments

Service Code: ***Not service type*** Alternate Item

P.O. # 202252

APPENDIX C-7

Requester 5012-1 *David Bertrand* *USD*

Requisition Number 113283 *Processed* Total *2455.00*

Header | Miscellaneous | Lines | Template | Drop Ship | PO Bill To | User Fields | Global

FC	Line	Item	Quantity	UOM	Unit Cost	Curr
	1	DUBPLEX CONTROL PANEL	1.0000	EA	2455.00000	USD

Line Detail | Purchasing | Classes/Code | Miscellaneous | Line User Fields | Currency | Global | Back Order

Item Description: Manila Lift Station *Processed*

Vendor Item | Mult

Account: 5027099 | 89500 | Dist Co: 100

Activity: 50230190309 | 13211 | Bill Cat

Asset Template | Item Entry Code: 1 *Item*

Requested Delivery Date: 04/03/2019 - | Priority: 50 | Create PO: Y

Item Type: X | Cost Opt: 1 | Use Entered Cost: Y | Add comments

Service Code | *Not service type* | Alternate Item

P.O # 205030

APPENDIX C-7

PURCHASE ORDER

Lafayette City-Parish Consolidated Government
Department of Finance
Purchasing Division
P.O. Box 4017-C
Lafayette, LA 70502

Lafayette CONSOLIDATED GOVERNMENT

Contract No.:
Grant No.:
P.O. Number: **191583**
P.O. Date: **03/26/2018**

Purchase order number must appear on all invoices, packing slips, cartons, and correspondence related to this order.

Vendor Number: 3906-1
Vendor Name: THE REYNOLDS COMPANY
Address: 307 MECCA STREET
LAFAYETTE LA 70508-3305

Buyer: Liz Morrison
Phone: 337 291-7173

Mail Invoice To: Lafayette Consolidated Government
Accounting Division
P.O. Box 4017-C
Lafayette, LA 70502

Ship to: S Wastewater Treatment Plant
231 W. Bayou Parkway
Lafayette LA 70503

Shipping Terms, F.O.B.: FOB DEST/FREIGHT PREPAID&CB

Freight Terms: FOB DESTINATION

Line	Stock No.	Item / Description / Service	Quantity	UoM	Unit Price	Extension
		Deliver on March 26, 2018 unless specified by line Purchase Order Currency: US DOLLARS Additional Contacts : Invoice by mail Process Level: 100 David Bertrand 337-291-5926 Route code 7060 Ship code 07 Vendor to prepay and add if any., Not an asset				
1	A-B2080LC20AWBR MICRO820 20/I	**Programable Logic controllers Requesting Location: SWWTP 8.0000 EA Req Comp: 0100 Item Detail: A-B2080LC20AWBR MICRO820 20/I**	8.0000	EA	290.00000	2,320.00
		Purchase Order Summary Goods Total: Order Total:				**$2,320.00 $2,320.00**

Total Amount: **$2,320.00**

Please note that only original purchase orders "PO's" issued directly from the Purchasing Department are considered legal and binding. If the vendor notes a discrepancy between the invoice and the PO price, then they shall contact the buyer listed at the top of the PO. If the Purchasing Department is not contacted regarding any discrepancies then the PO will be the prevailing document and only those prices and items listed on the PO will be paid.

CFO

Comments: For dalivery questions please reference the contact name and phone number in the "Ship to" location above.

Note: PURCHASE ORDER IS SUBJECT TO TERMS AND CONDITIONS FOUND ON OUR WEBSITE <http://www.lafayettela.gov/finance/Pages/Purchasing.aspx>

APPENDIX C-7

Contract No.:

Grant No.:

PURCHASE ORDER

Lafayette City-Parish Consolidated Government
Department of Finance
Purchasing Division
P.O. Box 4017-C
Lafayette, LA 70502

P.O. Number: **191798**

P.O. Date: **04/03/2018**

Purchase order number must appear on all invoices, packing slips, cartons, and correspondence related to this order.

Vendor Number: 3906-1
Vendor Name: THE REYNOLDS COMPANY
Address: 307 MECCA STREET
LAFAYETTE LA 70508-3305

Buyer: Shawn Moore
Phone: 337 291-8262

Mail Invoice To: Lafayette Consolidated Government
Accounting Division
P.O. Box 4017-C
Lafayette, LA 70502

Ship to: S Wastewater Treatment Plant
231 W. Bayou Parkway
Lafayette LA 70503

Shipping Terms, F.O.B.: FOB DEST/FREIGHT PREPAID&CB

Freight Terms: FOB DESTINATION

Line	Stock No.	Item / Description / Service	Quantity	UoM	Unit Price	Extension
		Deliver on April 3, 2018 unless specified by line **Purchase Order Currency: US DOLLARS** **Additional Contacts :** **Invoice by mail** **Process Level: 100** **David Bertrand 337-291-5926** **Route code 7060** **Ship code 07 Vendor to prepay and add.** **sole source**				
1	A-B 2080 LC20-20A WBR MICRO PROC	**Lift Station Fiber Communicati** **Requesting Location: SWWTP 32.0000 EA Req Comp: 0100** **Item Detail: A-B 2080 LC20-20A WBR MICRO PROC**	32.0000	EA	278.40000	8,908.80
		Purchase Order Summary				
		Goods Total:				**$8,908.80**
		Order Total:				**$8,908.80**

Total Amount: **$8,908.80**

Please note that only original purchase orders "PO's" issued directly from the Purchasing Department are considered legal and binding. If the vendor notes a discrepancy between the invoice and the PO price, then they shall contact the buyer listed at the top of the PO. If the Purchasing Department is not contacted regarding any discrepancies then the PO will be the prevailing document and only those prices and items listed on the PO will be paid.

CFO

Comments: For delivery questions please reference the contact name and phone number in the "Ship to" location above.

Note: PURCHASE ORDER IS SUBJECT TO TERMS AND CONDITIONS FOUND ON OUR WEBSITE <http://www.lafayettela.gov/finance/Pages/Purchasing.aspx>

APPENDIX C-7

PURCHASE ORDER

Lafayette City-Parish Consolidated Government
Department of Finance
Purchasing Division
P.O. Box 4017-C
Lafayette, LA 70502

Contract No.:
Grant No.:
P.O. Number: **194492**
P.O. Date: **06/14/2018**

Purchase order number must appear on all invoices, packing slips, cartons, and correspondence related to this order.

Vendor Number: 3858
Vendor Name: RALPH'S INDUSTRIAL
Address: ELECTRONIC SUPPLIES
P O BOX 60700
LAFAYETTE LA 70598

Buyer: Shawn Moore
Phone: 337 291-8262

Mail Invoice To: Lafayette Consolidated Government
Accounting Division
P.O. Box 4017-C
Lafayette, LA 70502

Ship to: S Wastewater Treatment Plant
231 W. Bayou Parkway
Lafayette LA 70503

Shipping Terms, F.O.B.: FOB DEST/FREIGHT PREPAID&CB

Freight Terms: FOB DESTINATION

Line	Stock No.	Item / Description / Service	Quantity	UoM	Unit Price	Extension
		Deliver on June 14, 2018 unless specified by line **Purchase Order Currency: US DOLLARS** **Additional Contacts :** **Invoice by mail** **Process Level: 100** **David Bertrand 337-291-5926** **Route code 7060** **Ship code 07 Vender to prepay and add**				
1	PARTS NEEDED TO HOOK FIBER	**Parts needed for** Techneaux **Requesting Location: SWWTP 1.0000 EA Req Comp: 0100** **Item Detail: PARTS NEEDED TO HOOK FIBER**	1.0000	EA	22,657.41000	**22,657.41**
		Purchase Order Summary				
		Goods Total:				**$22,657.41**
		Order Total:				**$22,657.41**

Total Amount: **$22,657.41**

Please note that only original purchase orders "PO's" issued directly from the Purchasing Department are considered legal and binding. If the vendor notes a discrepancy between the invoice and the PO price, then they shall contact the buyer listed at the top of the PO. If the Purchasing Department is not contacted regarding any discrepancies then the PO will be the prevailing document and only those prices and items listed on the PO will be paid.

CFO

Comments: For delivery questions please reference the contact name and phone number in the "Ship to" location above.

Note: PURCHASE ORDER IS SUBJECT TO TERMS AND CONDITIONS FOUND ON OUR WEBSITE <http://www.lafayettela.gov/finance/Pages/Purchasing.aspx>

PURCHASE ORDER

Contract No.:
Grant No.:
P.O. Number: **202751**
P.O. Date: **01/29/2019**

Lafayette CONSOLIDATED GOVERNMENT

Lafayette City-Parish Consolidated Government
Department of Finance
Purchasing Division
P.O. Box 4017-C
Lafayette, LA 70502

Purchase order number must appear on all invoices, packing slips, cartons, and correspondence related to this order.

Vendor Number: 1713
Vendor Name: CED-CREDIT OFFICE
Address: CONSOLIDATED ELECTRICAL DIST.
P.O. BOX 207088
DALLAS TX 75320

Buyer: Shawn Moore
Phone: 337 291-8262

Mail Invoice To: Lafayette Consolidated Government
Accounting Division
P.O. Box 4017-C
Lafayette, LA 70502

Ship to: S Wastewater Treatment Plant
231 W. Bayou Parkway
Lafayette LA 70503

Shipping Terms, F.O.B.: FOB DEST/FREIGHT PREPAID&CB

Freight Terms: FOB DESTINATION

Line	Stock No.	Item / Description / Service	Quantity	UoM	Unit Price	Extension
		Deliver on January 29, 2019 unless specified by line **Purchase Order Currency: US DOLLARS** **Additional Contacts :** **Invoice by mail** **Process Level: 100** **David Bertrand 337-291-5926** **Route code 7060** **Ship code 07 Vendor to prepay and add.**				
1	DWYER CURRENT TRANSFORMER	**Fiber telemetry parts** **Requesting Location: SWWTP 56.0000 EA Req Comp: 0100** **Item Detail: DWYER CURRENT TRANSFORMER**	56.0000	EA	46.00000	2,576.00
2	DWYER SUBMERSIBLE TRANDUCES	**Fiber hookup parts** **Requesting Location: SWWTP 25.0000 EA Req Comp: 0100** **Item Detail: DWYER SUBMERSIBLE TRANDUCES**	25.0000	EA	306.00000	7,650.00
		Purchase Order Summary **Goods Total:** **Order Total:**				**$10,226.00** **$10,226.00**

Total Amount: **$10,226.00**

Please note that only original purchase orders "PO's" issued directly from the Purchasing Department are considered legal and binding. If the vendor notes a discrepancy between the invoice and the PO price, then they shall contact the buyer listed at the top of the PO. If the Purchasing Department is not contacted regarding any discrepancies then the PO will be the prevailing document and only those prices and items listed on the PO will be paid.

PURCHASING & PROPERTY MANAGER

Comments: For delivery questions please reference the contact name and phone number in the "Ship to" location above.

Note: PURCHASE ORDER IS SUBJECT TO TERMS AND CONDITIONS FOUND ON OUR WEBSITE <http://www.lafayettela.gov/finance/Pages/Purchasing.aspx>

PURCHASE ORDER

Contract No.:
Grant No.:
P.O. Number: **202806**
P.O. Date: **01/30/2019**

Lafayette
CONSOLIDATED GOVERNMENT

Lafayette City-Parish Consolidated Government
Department of Finance
Purchasing Division
P.O. Box 4017-C
Lafayette, LA 70502

Purchase order number must appear on all invoices, packing slips, cartons, and correspondence related to this order.

Vendor Number: 3906-1
Vendor Name: THE REYNOLDS COMPANY
Address: 307 MECCA STREET
LAFAYETTE LA 70508-3305

Buyer: Shawn Moore
Phone: 337 291-8262

Mail Invoice: Lafayette Consolidated Government
To: Accounting Division
P.O. Box 4017-C
Lafayette, LA 70502

Ship to: S Wastewater Treatment Plant
231 W. Bayou Parkway
Lafayette LA 70503

Shipping Terms, F.O.B.: FOB DEST/FREIGHT PREPAID&CB

Freight Terms: FOB DESTINATION

Line	Stock No.	Item / Description / Service	Quantity	UoM	Unit Price	Extension
		Deliver on January 30, 2019 unless specified by line **Purchase Order Currency: US DOLLARS** **Additional Contacts :** **Invoice by mail** **Process Level: 100** **David Bertrand 337-291-5926** **Route code 7060** **Ship code 07 Vendor to prepay and add.**				
1	ALBR2080IF4	**Telemetry fiber** **Requesting Location: SWWTP 22.0000 EA Req Comp: 0100** **Item Detail: ALBR2080IF4**	22.0000	EA	157.00000	3,454.00
2	ALBR2080LC2020A WB	**Telemetry Micro Processor** **Requesting Location: SWWTP 26.0000 EA Req Comp: 0100** **Item Detail: ALBR2080LC2020A WB**	26.0000	EA	258.24000	6,714.24
3	ALBR2080LC5024AWB	**Telemtry** **Requesting Location: SWWTP 4.0000 EA Req Comp: 0100** **Item Detail: ALBR2080LC5024AWB**	4.0000	EA	472.00000	1,888.00
4	ALBR2085IA8	**Fiber hook up** **Requesting Location: SWWTP 4.0000 EA Req Comp: 0100** **Item Detail: ALBR2085IA8**	4.0000	EA	118.00000	472.00
5	ALBR2085IF88	**Telemetry** **Requesting Location: SWWTP 4.0000 EA Req Comp: 0100** **Item Detail: ALBR2085IF88**	4.0000	EA	411.00000	1,644.00
		Purchase Order Summary				
		Goods Total:				$14,172.24
		Order Total:				$14,172.24

Total Amount: $14,172.24

Please note that only original purchase orders "PO's" issued directly from the Purchasing Department are considered legal and binding. If the vendor notes a discrepancy between the invoice and the PO price, then they shall contact the buyer listed at the top of the PO. If the Purchasing Department is not contacted regarding any discrepancies then the PO will be the prevailing document and only those prices and items listed on the PO will be paid.

PURCHASING & PROPERTY MANAGER

Comments: For delivery questions please reference the contact name and phone number in the "Ship to" location above.

Note: PURCHASE ORDER IS SUBJECT TO TERMS AND CONDITIONS FOUND ON OUR WEBSITE <http://www.lafayettela.gov/finance/Pages/Purchasing.aspx>

PURCHASE ORDER

Contract No.:
Grant No.:
P.O. Number: **204000**
P.O. Date: **03/06/2019**

Lafayette City-Parish Consolidated Government
Department of Finance
Purchasing Division
P.O. Box 4017-C
Lafayette, LA 70502

Purchase order number must appear on all invoices, packing slips, cartons, and correspondence related to this order.

Vendor Number: 3858
Vendor Name: RALPH'S INDUSTRIAL
Address: ELECTRONIC SUPPLIES
P O BOX 60700
LAFAYETTE LA 70596

Buyer: Shawn Moore
Phone: 337 291-8262

Mail Invoice To: Lafayette Consolidated Government
Accounting Division
P.O. Box 4017-C
Lafayette, LA 70502

Ship to: S Wastewater Treatment Plant
231 W. Bayou Parkway
Lafayette LA 70503

Shipping Terms, F.O.B.: FOB DEST/FREIGHT PREPAID&CB

Freight Terms: FOB DESTINATION

Line	Stock No.	Item / Description / Service	Quantity	UoM	Unit Price	Extension
		Deliver on March 6, 2019 unless specified by line **Purchase Order Currency: US DOLLARS** **Additional Contacts :** **Invoice by mail** **Process Level: 100** **David Bertrand 337-291-5926** **Route code 7060** **Ship code 07 Vendor to prepay and add.**				
1	PARTS FOR FIBER TELEMETRY HOOKUP	**Fiber hookup at lift stations** **Requesting Location: SWWTP 1.0000 EA Req Comp: 0100** **Item Detail: PARTS FOR FIBER TELEMETRY HOOKUP**	1.0000	EA	21,880.59000	21,880.59
		Purchase Order Summary **Goods Total:** **Order Total:**				**$21,880.59** **$21,880.59**

Total Amount: **$21,880.59**

Please note that only original purchase orders "PO's" issued directly from the Purchasing Department are considered legal and binding. If the vendor notes a discrepancy between the invoice and the PO price, then they shall contact the buyer listed at the top of the PO. If the Purchasing Department is not contacted regarding any discrepancies then the PO will be the prevailing document and only those prices and items listed on the PO will be paid.

PURCHASING & PROPERTY MANAGER

Comments: For delivery questions please reference the contact name and phone number in the "Ship to" location above.

Note: PURCHASE ORDER IS SUBJECT TO TERMS AND CONDITIONS FOUND ON OUR WEBSITE <http://www.lafayettela.gov/finance/Pages/Purchasing.aspx>

PURCHASE ORDER

Lafayette City-Parish Consolidated Government
Department of Finance
Purchasing Division
P.O. Box 4017-C
Lafayette, LA 70502

Contract No.:
Grant No.:
P.O. Number: **208142**
P.O. Date: **06/11/2019**

Purchase order number must appear on all invoices, packing slips, cartons, and correspondence related to this order.

Vendor Number: 8704
Vendor Name: BBP SALES, INC.
Address: 337 HIGHLANDIA DRIVE
BATON ROUGE LA 70810

Buyer: Liz Morrison
Phone: 337 291-7173

Mail Invoice: Lafayette Consolidated Government
To: Accounting Division
P.O. Box 4017-C
Lafayette, LA 70502

Ship to: S Wastewater Treatment Plant
231 W. Bayou Parkway
Lafayette LA 70503

Shipping Terms, F.O.B.: FOB DEST/FREIGHT PREPAID&CB

Freight Terms: FOB DESTINATION

Line	Stock No.	Item / Description / Service	Quantity	UoM	Unit Price	Extension
		Deliver on June 11, 2019 unless specified by line **Purchase Order Currency: US DOLLARS** **Additional Contacts :** **Invoice by mail** **Process Level: 100** **David Bertrand 337-291-5926** **Route code 7060** **Ship code 07 Vendor to prepay and add.** **Spare Radar Sensor for Flow Control at Lift Stations.** **Not an asset.**				
1	MODEL PSWLS61.XXX RADAR SENSOR	**Radar Sensor Control** **Requesting Location: SWWTP 3.0000 EA Req Comp: 0100** **Item Detail: MODEL PSWLS61.XXX RADAR SENSOR**	3.0000	EA	655.00000	1,965.00
		Purchase Order Summary				
		Goods Total:				$1,965.00
		Order Total:				$1,965.00

Total Amount: $1,965.00

Please note that only original purchase orders "PO's" issued directly from the Purchasing Department are considered legal and binding. If the vendor notes a discrepancy between the invoice and the PO price, then they shall contact the buyer listed at the top of the PO. If the Purchasing Department is not contacted regarding any discrepancies then the PO will be the prevailing document and only those prices and items listed on the PO will be paid.

PURCHASING & PROPERTY MANAGER

Comments: For delivery questions please reference the contact name and phone number in the "Ship to" location above.

Note: PURCHASE ORDER IS SUBJECT TO TERMS AND CONDITIONS FOUND ON OUR WEBSITE <http://www.lafayettela.gov/finance/Pages/Purchasing.aspx>

PURCHASE ORDER

Contract No.:
Grant No.:
P.O. Number: **210593**
P.O. Date: **07/31/2019**

Lafayette City-Parish Consolidated Government
Department of Finance
Purchasing Division
P.O. Box 4017-C
Lafayette, LA 70502

Purchase order number must appear on all invoices, packing slips, cartons, and correspondence related to this order.

Vendor Number: 1713
Vendor Name: CED-CREDIT OFFICE
Address: CONSOLIDATED ELECTRICAL DIST.
P.O. BOX 207088
DALLAS TX 75320

Buyer: Shawn Moore
Phone: 337 291-8262

Mail Invoice To: Lafayette Consolidated Government
Accounting Division
P.O. Box 4017-C
Lafayette, LA 70502

Ship to: S Wastewater Treatment Plant
231 W. Bayou Parkway
Lafayette LA 70503

Shipping Terms, F.O.B.: FOB DEST/FREIGHT PREPAID&CB

Freight Terms: FOB DESTINATION

Line	Stock No.	Item / Description / Service	Quantity	UoM	Unit Price	Extension
		Deliver on July 31, 2019 unless specified by line **Purchase Order Currency: US DOLLARS** **Additional Contacts :** **Invoice by mail** **Process Level: 100** **David Bertrand 337-291-5926** **Route code 7060** **Ship code 07 Vendor to prepay and add.** **Current Transmitter for Monitoring Current for spikes at Lift Station tied into Fiber Monitoring.**				
1	CURRENT TRANSMITTER	**Current transformers LS** **Requesting Location: SWWTP 90.0000 EA Req Comp: 0100** **Item Detail: CURRENT TRANSMITTER**	90.0000	EA	41.80000	3,762.00
		Purchase Order Summary				
		Goods Total:				**$3,762.00**
		Order Total:				**$3,762.00**

Total Amount: **$3,762.00**

Please note that only original purchase orders "PO's" issued directly from the Purchasing Department are considered legal and binding. If the vendor notes a discrepancy between the invoice and the PO price, then they shall contact the buyer listed at the top of the PO. If the Purchasing Department is not contacted regarding any discrepancies then the PO will be the prevailing document and only those prices and items listed on the PO will be paid.

PURCHASING & PROPERTY MANAGER

Comments: For delivery questions please reference the contact name and phone number in the "Ship to" location above.

Note: PURCHASE ORDER IS SUBJECT TO TERMS AND CONDITIONS FOUND ON OUR WEBSITE <http://www.lafayettela.gov/finance/Pages/Purchasing.aspx>

PURCHASE ORDER

Contract No.:
Grant No.:
P.O. Number: **210818**
P.O. Date: **08/05/2019**

Lafayette
CONSOLIDATED GOVERNMENT

Lafayette City-Parish Consolidated Government
Department of Finance
Purchasing Division
P.O. Box 4017-C
Lafayette, LA 70502

Purchase order number must appear on all invoices, packing slips, cartons, and correspondence related to this order.

Vendor Number: 1713
Vendor Name: CED-CREDIT OFFICE
Address: CONSOLIDATED ELECTRICAL DIST.
P.O. BOX 207088
DALLAS TX 75320

Buyer: Shawn Moore
Phone: 337 291-8262

Mail Invoice To: Lafayette Consolidated Government
Accounting Division
P.O. Box 4017-C
Lafayette, LA 70502

Ship to: S Wastewater Treatment Plant
231 W. Bayou Parkway
Lafayette LA 70503

Shipping Terms, F.O.B.: FOB DEST/FREIGHT PREPAID&CB

Freight Terms: FOB DESTINATION

Line	Stock No.	Item / Description / Service	Quantity	UoM	Unit Price	Extension
		Deliver on August 5, 2019 unless specified by line Purchase Order Currency: US DOLLARS Additional Contacts : Invoice by mail Process Level: 100 David Bertrand 337-291-59262 Route code 7060 Ship code 07 Vendor to prepay and add. Electrical parts needed for LS upgrade to install level and voltage sensors to Fiber monitoring system;.				
1	# 8 X 1 SS SCREW PHILIP SELF TAP	**LS Upgrade Requesting Location: SWWTP 2.0000 BX Req Comp: 0100 Item Detail: # 8 X 1 SS SCREW PHILIP SELF TAP**	2.0000	BX	20.00000	40.00
2	1 90 D NON METALIC CONN	**LS upgrade Requesting Location: SWWTP 60.0000 EA Req Comp: 0100 Item Detail: 1 90 D NON METALIC CONN**	60.0000	EA	6.60000	396.00
3	1 IN STR L/T PVC CONN	**LS upgrade Requesting Location: SWWTP 60.0000 EA Req Comp: 0100 Item Detail: 1 IN STR L/T PVC CONN**	60.0000	EA	2.90000	174.00
4	1" HUB	**LS Upgrade Requesting Location: SWWTP 40.0000 EA Req Comp: 0100 Item Detail: 1" HUB**	40.0000	EA	4.10000	164.00
5	100 1-IN LT NON METALLIC FLEX	**LS upgrade Requesting Location: SWWTP 3.0000 EA Req Comp: 0100 Item Detail: 100 1-IN LT NON METALLIC FLEX**	3.0000	EA	95.00000	285.00
		******** CONTINUED ********				

Total Amount: **$5,219.82**

Please note that only original purchase orders "PO's" issued directly from the Purchasing Department are considered legal and binding. If the vendor notes a discrepancy between the invoice and the PO price, then they shall contact the buyer listed at the top of the PO. If the Purchasing Department is not contacted regarding any discrepancies then the PO will be the prevailing document and only those prices and items listed on the PO will be paid.

Comments: For delivery questions please reference the contact name and phone number in the "Ship to" location above.

Note: PURCHASE ORDER IS SUBJECT TO TERMS AND CONDITIONS FOUND ON OUR WEBSITE <http://www.lafayettela.gov/finance/Pages/Purchasing.aspx>

Contract No.:

Grant No.:

P.O. Number: **210818**

P.O. Date: **08/05/2019**

PURCHASE ORDER

Lafayette City-Parish Consolidated Government
Department of Finance
Purchasing Division
P.O. Box 4017-C
Lafayette, LA 70502

Purchase order number must appear on all invoices, packing slips, cartons, and correspondence related to this order.

Vendor Number: 1713
Vendor Name: CED-CREDIT OFFICE
Address: CONSOLIDATED ELECTRICAL DIST.
P.O. BOX 207088
DALLAS TX 75320

Buyer: Shawn Moore
Phone: 337 291-8262

Mail Invoice To: Lafayette Consolidated Government
Accounting Division
P.O. Box 4017-C
Lafayette, LA 70502

Ship to: S Wastewater Treatment Plant
231 W. Bayou Parkway
Lafayette LA 70503

Shipping Terms, F.O.B.: FOB DEST/FREIGHT PREPAID&CB

Freight Terms: FOB DESTINATION

Line	Stock No.	Item / Description / Service	Quantity	UoM	Unit Price	Extension
6	1000 FT 18 AWG MTW CABLE YELLOW	**LS up grade** **Requesting Location: SWWTP 4.0000 EA Req Comp: 0100** **Item Detail: 1000 FT 18 AWG MTW CABLE YELLOW**	4.0000	EA	80.00000	320.00
7	1000 FT 18/2 SHIELDED 300V WIRE	**Fiber ready parts** **Requesting Location: SWWTP 1.0000 EA Rsq Comp: 0100** **Item Detail: 1000 FT 18/2 SHIELDED 300V WIRE**	1.0000	EA	270.00000	270.00
8	1000 FT 18AWG MTW CABLE BLACK	**Lift Station up grade** **Requesting Location: SWWTP 4.0000 EA Req Comp: 0100** **Item Detail: 1000 FT 18AWG MTW CABLE BLACK**	4.0000	EA	80.00000	320.00
9	100FT 18 AWG MTW CABLE RED	**LS Upgrade** **Requesting Location: SWWTP 2.0000 EA Req Comp: 0100** **Item Detail: 100FT 18 AWG MTW CABLE RED**	2.0000	EA	80.00000	160.00
10	1P 10A 480Y/277 CB	**LS upgrade** **Requesting Location: SWWTP 50.0000 EA Req Comp: 0100** **Item Detail: 1P 10A 460Y/277 CB**	50.0000	EA	13.60000	680.00
11	1P 4A 480Y277 CB	**LS up grade** **Requesting Location: SWWTP 50.0000 EA Req Comp: 0100** **Item Detail: 1P 4A 480Y277 CB**	50.0000	EA	18.90000	845.00
12	6500FT 200LB PULL LINE	**LS upgrade** **Requesting Location: SWWTP 1.0000 EA Req Comp: 0100** **Item Detail: 6500FT 200LB PULL LINE**	1.0000	EA	47.72000	47.72
13	8 IN NAT NYL CBL TIE 100	**LS Upgrade** **Requesting Location: SWWTP 8.0000 EA Req Comp: 0100** **Item Detail: 8 IN NAT NYL CBL TIE 100**	8.0000	EA	19.70000	157.60
		******** CONTINUED ********				

Total Amount: **$5,219.82**

Please note that only original purchase orders "PO's" issued directly from the Purchasing Department are considered legal and binding. If the vendor notes a discrepancy between the invoice and the PO price, then they shall contact the buyer listed at the top of the PO. If the Purchasing Department is not contacted regarding any discrepancies then the PO will be the prevailing document and only those prices and items listed on the PO will be paid.

Comments: For delivery questions please reference the contact name and phone number in the "Ship to" location above.

Note: PURCHASE ORDER IS SUBJECT TO TERMS AND CONDITIONS FOUND ON OUR WEBSITE <http://www.lafayettela.gov/finance/Pages/Purchasing.aspx>

Contract No.:

Grant No.:

P.O. Number: **210818**

P.O. Date: **08/05/2019**

PURCHASE ORDER

Lafayette City-Parish Consolidated Government
Department of Finance
Purchasing Division
P.O. Box 4017-C
Lafayette, LA 70502

Purchase order number must appear on all invoices, packing slips, cartons, and correspondence related to this order.

Vendor Number: 1713
Vendor Name: CED-CREDIT OFFICE
Address: CONSOLIDATED ELECTRICAL DIST.
P.O. BOX 207088
DALLAS TX 75320

Buyer: Shawn Moore
Phone: 337 291-8262

Mail Invoice To: Lafayette Consolidated Government
Accounting Division
P.O. Box 4017-C
Lafayette, LA 70502

Ship to: S Wastewater Treatment Plant
231 W. Bayou Parkway
Lafayette LA 70503

Shipping Terms, F.O.B.: FOB DEST/FREIGHT PREPAID&CB

Freight Terms: FOB DESTINATION

Line	Stock No.	Item / Description / Service	Quantity	UoM	Unit Price	Extension
14	INSULATFERRULE BOX OF 100 20/18R	**LS upgrade** **Requesting Location: SWWTP 20.0000 EA Req Comp: 0100** **Item Detail: INSULATFERRULE BOX OF 100 20/18R**	20.0000	EA	15.00000	300.00
15	TERMINAL BLOCK	**LS Upgrade** **Requesting Location: SWWTP 400.0000 EA Req Comp: 0100** **Item Detail: TERMINAL BLOCK**	400.0000	EA	1.30000	520.00
16	WEID END STOP	**LS upgrade** **Requesting Location: SWWTP 30.0000 EA Req Comp: 0100** **Item Detail: WEID END STOP**	30.0000	EA	.95000	28.50
17	WIRE MARKERS	**ls Upgrade** **Requesting Location: SWWTP 10.0000 EA Req Comp: 0100** **Item Detail: WIRE MARKERS**	10.0000	EA	51.20000	512.00
		Purchase Order Summary **Goods Total:** **Order Total:**				**$5,219.82** **$5,219.82**

Total Amount: **$5,219.82**

Please note that only original purchase orders "PO's" issued directly from the Purchasing Department are considered legal and binding. If the vendor notes a discrepancy between the invoice and the PO price, then they shall contact the buyer listed at the top of the PO. If the Purchasing Department is not contacted regarding any discrepancies then the PO will be the prevailing document and only those prices and items listed on the PO will be paid.

PURCHASING & PROPERTY MANAGER

Comments: For delivery questions please reference the contact name and phone number in the "Ship to" location above.

Note: PURCHASE ORDER IS SUBJECT TO TERMS AND CONDITIONS FOUND ON OUR WEBSITE <http://www.lafayettela.gov/finance/Pages/Purchasing.aspx>

APPENDIX C-7

Contract No.:

Grant No.:

PURCHASE ORDER

Lafayette City-Parish Consolidated Government
Department of Finance
Purchasing Division
P.O. Box 4017-C
Lafayette, LA 70502

P.O. Number: **211934**

P.O. Date: **08/26/2019**

Purchase order number must appear on all invoices, packing slips, cartons, and correspondence related to this order.

Vendor Number: 3906-1
Vendor Name: THE REYNOLDS COMPANY
Address: 307 MECCA STREET
LAFAYETTE LA 70508-3305

Buyer: Wil Giron
Phone: 337 291-8262

Mail Invoice To: Lafayette Consolidated Government
Accounting Division
P.O. Box 4017-C
Lafayette, LA 70502

Ship to: S Wastewater Treatment Plant
231 W. Bayou Parkway
Lafayette LA 70503

Shipping Terms, F.O.B.:

Freight Terms: FOB DESTINATION

Line	Stock No.	Item / Description / Service	Quantity	UoM	Unit Price	Extension
		Deliver on August 26, 2019 unless specified by line **Purchase Order Currency: US DOLLARS** **Additional Contacts :** **Invoice by mail** **Process Level: 100** **David Bertrand 337-291-5926** **Route code 7060** **Ship code 07 Vendor to prepay and add.** **Alen Bradley 4 Point analog monitor for Lift Station Monitoring of Status for Fiber Connection.**				
1	AKBR2080IF4 4 POINT ANALOG	**4 point analog for LS Monitori** **Requesting Location: SWWTP 45.0000 EA Req Comp: 0100** **Item Detail: AKBR2080IF4 4 POINT ANALOG**	**45.0000**	**EA**	**157.00000**	**7,065.00**
		Purchase Order Summary **Goods Total:** **Order Total:**				**$7,065.00** **$7,065.00**

Total Amount: **$7,065.00**

Please note that only original purchase orders "PO's" issued directly from the Purchasing Department are considered legal and binding. If the vendor notes a discrepancy between the invoice and the PO price, then they shall contact the buyer listed at the top of the PO. If the Purchasing Department is not contacted regarding any discrepancies then the PO will be the prevailing document and only those prices and items listed on the PO will be paid.

PURCHASING & PROPERTY MANAGER

Comments: For delivery questions please reference the contact name and phone number in the "Ship to" location above.

Note: PURCHASE ORDER IS SUBJECT TO TERMS AND CONDITIONS FOUND ON OUR WEBSITE <http://www.lafayettela.gov/finance/Pages/Purchasing.aspx>

PURCHASE ORDER

Contract No.:
Grant No.:
P.O. Number: **210820**
P.O. Date: **08/05/2019**

Lafayette City-Parish Consolidated Government
Department of Finance
Purchasing Division
P.O. Box 4017-C
Lafayette, LA 70502

Purchase order number must appear on all invoices, packing slips, cartons, and correspondence related to this order.

Vendor Number: 8704
Vendor Name: BBP SALES, INC.
Address: 337 HIGHLANDIA DRIVE
BATON ROUGE LA 70810

Buyer: Shawn Moore
Phone: 337 291-8262

Mail Invoice To: Lafayette Consolidated Government
Accounting Division
P.O. Box 4017-C
Lafayette, LA 70502

Ship to: S Wastewater Treatment Plant
231 W. Bayou Parkway
Lafayette LA 70503

Shipping Terms, F.O.B.: FOB DEST/FREIGHT PREPAID&CB

Freight Terms: FOB DESTINATION

Line	Stock No.	Item / Description / Service	Quantity	UoM	Unit Price	Extension
		Deliver on August 5, 2019 unless specified by line **Purchase Order Currency: US DOLLARS** **Additional Contacts :** **Invoice by mail** **Process Level: 100** **David Bertrand 337-291-5926** **Route code 7060** **Ship code 07 Vendor to prepay and add.** **Radar Sensor for continuous Level Measurement and monitoring of Lift Stations.**				
1	RADAR SENSOR MOD PSWLS61.XXX	**Radar continuous monitoring** **Requesting Location: SWWTP 50.0000 EA Req Comp: 0100** **Item Detail: RADAR SENSOR MOD PSWLS61.XXX**	50.0000	EA	578.00000	28,900.00
		Purchase Order Summary				
		Goods Total:				$28,900.00
		Order Total:				$28,900.00

Total Amount: $28,900.00

Please note that only original purchase orders "PO's" issued directly from the Purchasing Department are considered legal and binding. If the vendor notes a discrepancy between the invoice and the PO price, then they shall contact the buyer listed at the top of the PO. If the Purchasing Department is not contacted regarding any discrepancies then the PO will be the prevailing document and only those prices and items listed on the PO will be paid.

PURCHASING & PROPERTY MANAGER

Comments: For delivery questions please reference the contact name and phone number in the "Ship to" location above.

Note: PURCHASE ORDER IS SUBJECT TO TERMS AND CONDITIONS FOUND ON OUR WEBSITE <http://www.lafayettela.gov/finance/Pages/Purchasing.aspx>

APPENDIX C-7

ACCT DESC	ACT NO	ACTIVITY NAME	ACCTCAT	SYS	YEAR	PER	CNTLGRP	ST	VEND	VEND NAME	CHK NO	CHK DT	PO#	INVOICE	GL DESCRIPTION	TRAN_AMT	POST_DT
NORMAL CAPITAL	50230160309	LIFT STATION REHAB	13211	AP	2016	6	206	9	16105	TECHNEAUX TECHNOLOGY	172990	04/29/2016	162540	5648	FIELD INSTALLATION	1,800.00	04/26/2016
NORMAL CAPITAL	50230160309	LIFT STATION REHAB	13211	AP	2016	6	206	9	16105	TECHNEAUX TECHNOLOGY	172990	04/29/2016	162578	5649	DEVELOP PLC APPLICATION	2,462.78	04/26/2016
NORMAL CAPITAL	50230160309	LIFT STATION REHAB	13211	AP	2016	6	206	9	16105	TECHNEAUX TECHNOLOGY	172990	04/29/2016	162024	5650	DEVELOP PLC APPLICATION	1,210.00	04/26/2016
NORMAL CAPITAL	50230160309	LIFT STATION REHAB	13211	AP	2016	6	206	9	16105	TECHNEAUX TECHNOLOGY	172990	04/29/2016	162024	5650	FAT TEST	385.00	04/26/2016
NORMAL CAPITAL	50230160309	LIFT STATION REHAB	13211	AP	2016	6	206	9	16105	TECHNEAUX TECHNOLOGY	172990	04/29/2016	162024	5650	FIELD INSTALLATION	880.00	04/26/2016
NORMAL CAPITAL	50230160309	LIFT STATION REHAB	13211	AP	2016	6	206	9	16105	TECHNEAUX TECHNOLOGY	172990	04/29/2016	162024	5650	MILEAGE TO SITE & BACK TO OFFI	21.25	04/26/2016
2010 LUS CONSTRUCTION	50230135925	LIFT STATION TELEMETRY	19531	AP	2016	10	133	9	16105	TECHNEAUX TECHNOLOGY	182635	08/19/2016	163559	6061	INSTALLATION OF PLC	2,496.25	08/01/2016
2010 LUS CONSTRUCTION	50230135925	LIFT STATION TELEMETRY	19531	AP	2016	10	133	9	16105	TECHNEAUX TECHNOLOGY	182635	08/19/2016	163559	6061	INSTALLATION OF PLC	(33.47)	08/01/2016
2010 LUS CONSTRUCTION	50230135925	LIFT STATION TELEMETRY	19531	AP	2016	10	168	9	16105	TECHNEAUX TECHNOLOGY	183360	08/31/2016	164564	6085	MICRO820 PROGRAMMING & SITE SU	2,496.25	08/01/2016
2010 LUS CONSTRUCTION	50230135925	LIFT STATION TELEMETRY	19531	AP	2016	10	168	9	16105	TECHNEAUX TECHNOLOGY	183360	08/31/2016	164564	6085	MICRO820 PROGRAMMING & SITE SU	(33.47)	08/01/2016
RETAINED EARNINGS CAPITAL	50230153930	LIFT STATION CONTROL PANELS	13211	AP	2017	1	11	9	16105	TECHNEAUX TECHNOLOGY	189405	11/04/2016	167704	6491	PLC APPLICATION MODBUS MAP	2,496.25	11/01/2016
RETAINED EARNINGS CAPITAL	50230153930	LIFT STATION CONTROL PANELS	13211	AP	2017	1	11	9	16105	TECHNEAUX TECHNOLOGY	189405	11/04/2016	167704	6491	PLC APPLICATION MODBUS MAP	(33.47)	11/01/2016
NORMAL CAPITAL	50230170309	LIFT STATION REHAB	13211	AP	2018	2	174	9	16105	TECHNEAUX TECHNOLOGY	225174	12/29/2017	184690	8743	PROGRAM PLC FOR SCADA COMMUNIC	2,496.25	12/26/2017
NORMAL CAPITAL	50230180309	LIFT STATION REHAB	13211	AP	2018	4	203	9	16105	TECHNEAUX TECHNOLOGY	230017	02/28/2018	188327	8958	PROGRAM A PLC FOR SCADA COMM	2,496.25	02/24/2018
NORMAL CAPITAL	50230180309	LIFT STATION REHAB	13211	AP	2018	5	159	9	16105	TECHNEAUX TECHNOLOGY	232186	03/23/2018	189041	9146	DEVELOP PLC APPLICATION	2,496.25	03/21/2018
NORMAL CAPITAL	50230180309	LIFT STATION REHAB	13931	AP	2018	9	90	9	16105	TECHNEAUX TECHNOLOGY	242435	07/20/2018	195434	9649	PROGRAM/TRBLSHOOT 80309 13931	3,195.28	07/14/2018
RETAINED EARNINGS CAPITAL	50230163902	LIFT STATION TELEMETRY	13931	AP	2018	9	90	9	16105	TECHNEAUX TECHNOLOGY	242435	07/20/2018	195434	9649	PROGRAM/TRBLSHOOT 63902 13931	11,704.72	07/14/2018
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2018	10	8	9	16105	TECHNEAUX TECHNOLOGY	243632	08/03/2018	195434	9820	PROGRAM/TRBLSHOOT 73935 13931	9,810.00	08/01/2018
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2018	11	47	9	16105	TECHNEAUX TECHNOLOGY	247047	09/14/2018	195434	10019	PROGRAM/TRBLSHOOT 73935 13931	11,000.00	09/11/2018
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2018	11	225	9	16105	TECHNEAUX TECHNOLOGY	248224	09/28/2018	195434	10032	PROGRAM/TRBLSHOOT 73935 13931	11,602.27	09/27/2018
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2018	11	225	9	16105	TECHNEAUX TECHNOLOGY	248224	09/28/2018	195434	10212	PROGRAM/TRBLSHOOT 73935 13931	4,400.00	09/27/2018
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2018	12	293	9	16105	TECHNEAUX TECHNOLOGY	251372	11/02/2018	195434	10251	PROGRAM/TRBLSHOOT 73935 13931	19,085.00	10/31/2018
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2018	12	293	9	16105	TECHNEAUX TECHNOLOGY	251372	11/02/2018	195434	10415	PROGRAM/TRBLSHOOT 73935 13931	18,890.00	10/31/2018
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2019	2	81	9	16105	TECHNEAUX TECHNOLOGY	254409	12/14/2018	195434	10556	PROGRAM/TRBLSHOOT 73935 13931	18,540.00	12/12/2018
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2019	2	81	9	16105	TECHNEAUX TECHNOLOGY	254409	12/14/2018	195434	10675	PROGRAM/TRBLSHOOT 73935 13931	11,110.00	12/12/2018
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2019	3	146	9	16105	TECHNEAUX TECHNOLOGY	257611	01/25/2019	195434	10874	PROGRAM/TRBLSHOOT 73935 13931	6,990.00	01/22/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2019	4	136	9	16105	TECHNEAUX TECHNOLOGY	259975	02/22/2019	195434	11131	PROGRAM/TRBLSHOOT 73935 13931	4,400.00	02/15/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2019	4	137	9	16105	TECHNEAUX TECHNOLOGY	259975	02/22/2019	195434	11111	PROGRAM/TRBLSHOOT 73935 13931	1,980.00	02/16/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2019	6	15	9	16105	TECHNEAUX TECHNOLOGY	263583	04/05/2019	195434	11337	PROGRAM/TRBLSHOOT 73935 13931	11,165.00	04/03/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2019	7	28	9	16105	TECHNEAUX TECHNOLOGY	266370	05/10/2019	195434	11568	PROGRAM/TRBLSHOOT 73935 13931	11,000.00	05/07/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2019	7	205	9	16105	TECHNEAUX TECHNOLOGY	267996	05/31/2019	195434	11771	PROGRAM/TRBLSHOOT 73935 13931	24,280.00	05/28/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2019	9	3	9	16105	TECHNEAUX TECHNOLOGY	270598	07/05/2019	195434	12011	PROGRAM/TRBLSHOOT 73935 13931	27,555.00	07/01/2019
NORMAL CAPITAL	50230190309	LIFT STATION REHAB	13931	AP	2019	9	174	9	16105	TECHNEAUX TECHNOLOGY	272534	07/26/2019	195434	12252	PROGRAM/TRBLSHOOT 90309 13931	4,400.00	07/25/2019
NORMAL CAPITAL	50230190309	LIFT STATION REHAB	13931	AP	2019	9	174	9	16105	TECHNEAUX TECHNOLOGY	272534	07/26/2019	195434	12276	PROGRAM/TRBLSHOOT 90309 13931	18,965.00	07/25/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2019	9	174	9	16105	TECHNEAUX TECHNOLOGY	272534	07/26/2019	195434	12276	PROGRAM/TRBLSHOOT 73935 13931	9,000.00	07/25/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2019	10	272	9	16105	TECHNEAUX TECHNOLOGY	275896	09/06/2019	195434	12429	PROGRAM/TRBLSHOOT 73935 13931	19,475.00	08/31/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2019	11	139	9	16105	TECHNEAUX TECHNOLOGY	277158	09/20/2019	195434	12491	PROGRAM/TRBLSHOOT 73935 13931	16,390.00	09/19/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2019	11	233	9	16105	TECHNEAUX TECHNOLOGY	278231	10/04/2019	195434	12659	PROGRAM/TRBLSHOOT 73935 13931	12,655.00	09/30/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2019	11	233	9	16105	TECHNEAUX TECHNOLOGY	278231	10/04/2019	195434	12680	PROGRAM/TRBLSHOOT 73935 13931	9,260.00	09/30/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13360	AP	2020	1	131	9	16105	TECHNEAUX TECHNOLOGY	281892	11/22/2019	215607	12943	TWO CONDUCTOR SHIELDED CABLE	164.91	11/21/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13360	AP	2020	1	131	9	16105	TECHNEAUX TECHNOLOGY	281892	11/22/2019	215607	12943	WIN-911	1,755.00	11/21/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2020	1	117	9	16105	TECHNEAUX TECHNOLOGY	281892	11/22/2019	215980	12805	PROGRAM/TRBLSHOOT 73935 13931	12,572.50	11/20/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2020	1	117	9	16105	TECHNEAUX TECHNOLOGY	281892	11/22/2019	215980	12806	PROGRAM/TRBLSHOOT 73935 13931	14,905.00	11/20/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2020	1	117	9	16105	TECHNEAUX TECHNOLOGY	281892	11/22/2019	215980	12807	PROGRAM/TRBLSHOOT 73935 13931	8,195.00	11/20/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2020	2	98	9	16105	TECHNEAUX TECHNOLOGY	283824	12/20/2019	215980	12991	PROGRAM/TRBLSHOOT 73935 13931	10,175.00	12/16/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2020	2	98	9	16105	TECHNEAUX TECHNOLOGY	283824	12/20/2019	215980	12992	PROGRAM/TRBLSHOOT 73935 13931	12,980.00	12/16/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2020	2	98	9	16105	TECHNEAUX TECHNOLOGY	283824	12/20/2019	215980	12993	PROGRAM/TRBLSHOOT 73935 13931	8,305.00	12/16/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2020	2	98	9	16105	TECHNEAUX TECHNOLOGY	283824	12/20/2019	215980	13134	PROGRAM/TRBLSHOOT 73935 13931	11,000.00	12/16/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2020	2	98	9	16105	TECHNEAUX TECHNOLOGY	283824	12/20/2019	215980	13135	PROGRAM/TRBLSHOOT 73935 13931	10,890.00	12/16/2019
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2020	4	53	9	16105	TECHNEAUX TECHNOLOGY	288006	02/14/2020	215980	13355	PROGRAM/TRBLSHOOT 73935 13931	7,700.00	02/07/2020
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2020	4	53	9	16105	TECHNEAUX TECHNOLOGY	288006	02/14/2020	215980	13356	PROGRAM/TRBLSHOOT 73935 13931	8,030.00	02/07/2020
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2020	5	82	9	16105	TECHNEAUX TECHNOLOGY	290289	03/13/2020	215980	13428	PROGRAM/TRBLSHOOT 73935 13931	9,905.00	03/12/2020
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2020	6	13	9	16105	TECHNEAUX TECHNOLOGY	291772	04/09/2020	215980	13656	PROGRAM/TRBLSHOOT 73935 13931	11,330.00	04/06/2020
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2020	7	86	9	16105	TECHNEAUX TECHNOLOGY	294127	05/15/2020	215980	13843	PROGRAM/TRBLSHOOT 73935 13931	6,490.00	05/11/2020
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2020	8	58	9	16105	TECHNEAUX TECHNOLOGY	295972	06/12/2020	215980	14020	PROGRAM/TRBLSHOOT 73935 13931	6,490.00	06/08/2020
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2020	8	58	9	16105	TECHNEAUX TECHNOLOGY	295972	06/12/2020	215980	14055	PROGRAM/TRBLSHOOT 73935 13931	12,565.00	06/08/2020
RETAINED EARNINGS CAPITAL	50230173935	LIFT STATION TELEM	13931	AP	2020	9	72	9	16105	TECHNEAUX TECHNOLOGY	298388	07/17/2020	215980	14324	PROGRAM/TRBLSHOOT 73935 13931	8,645.00	07/13/2020
															For Lift Station Panels	**480,585.80**	

Appendix D

Documents Related to the 2013-2014 Service Upgrades and Additions

From: Doug Dawson
To: THUVAL@lus.org
Subject: Follow-up to an earlier email
Date: Tuesday, July 23, 2013 3:04:19 PM

Terri:

You said that you would like to start paying ILOT and we can do that any year you want. Since you are planning to find a way for LUS to bill enough to then have fiber be able to pay for the imputed taxes, you have that pile of money to play around with. Let's just assume for now that imputed taxes will now be about $1.1 M each year for the new taxes. Since LUS-Fiber will be billing LUS approximately that amount, they could use that cash interchangeably to pay either the LUS imputed tax bill or ILOT. The real question is how much money that you want to leave US and go to the City, because the amount could be anywhere each year from $0 to $1.1 M.

Actually the imputed taxes should drop a little each year since the assets will be aging and the property taxes will go down. Would you want to reset the 'services' that US buys each year or would like to keep that at $1.1 M for a while even though the imputed taxes will be dropping? That is another way to pay off some of the older balances a little faster.

I like your idea of starting this low at something like $100k per year for ILOT. That makes a political statement that fiber is contributing to the general fund. (They actually are already contributing a lot because of the allocations they get, but that is a different issue).

So my question for you is what you would like to see me do in these first draft of a new model. I can start at $100k and increase it each year. I could pay a larger amount if you want to be more aggressive (but that takes real cash away from LUS).

Doug Dawson
President
CCG Consulting, LLC
202 255-7689

Check out our blog at http://potsandpansbyccg.com/. Or Join us on Facebook at https://www.facebook.com/CCGConsultingLLC.

From:	Terry Huval
To:	Antonio Conner; Alison Alleman; Frank Ledoux; Mona Simon; Melinda Felps
Subject:	Fw: Revised Forecast
Date:	Monday, July 29, 2013 3:56:02 PM
Attachments:	CashFlowModel 072613 - 18k.xlsx CashFlowModel 072613 - 20k.xlsx CashFlowModel 072613 - 22k.xlsx

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From: Doug Dawson [mailto:blackbean2@ccgcomm.com]
Sent: Friday, July 26, 2013 09:43 AM Central Standard Time
To: Terry Huval
Subject: Revised Forecast

Terry:

I've made a lot of changes to the cash-basis forecast model. Following are a list of the changes, followed by questions, concerns and issues to consider going forward:

Changes to the model:

- Added 2014 in monthly.
- Added years up through 2030 to match the term of the original bond issue.
- Updated with June actuals.
- Updated customer counts through June.
- Changed the way that customers are predicted and established a cap on growth. I have done this using three versions which cap the customers at 18k, 20k and 22k. We will have to figure out which of these we want as an ongoing base model since it will not make sense to always update three models.
- I have included the revised internal loans. I have assumed that we will be able to restate the imputed tax loans to the lower rates. I have also assumed that we can refinance the whole pile of loans at 3.5%. This rate may end up slightly different and I have a call scheduled with Lee and Antonio to start pinning this down.
- I have set a basement on the operating cash and never let it ever drop below $1M. Every company needs working capital to make sure you can pay the bills. There are always times of the year when there are more expenses than others, particularly when you remember that this account is soon going to have to cover expenses, debt and capital. But we will need to figure out what the right amount of cash on hand should be, and it's likely that it will increase over time as the revenues and expenses increase.
- There is a new worksheet with several alternate ideas on how to tackle the internal loans. All of the scenarios start with the concept of paying off the cash loan first. Unless you find a way to get more revenues, it looks like you can't pay the cash loan off until 2017, but you can make substantial payments each year until then. Depending upon the customer scenario, the length of time required to pay off the other loans vary. I will send around a separate summary of those scenarios.
- The model assumes a small payment to LCG that is a surrogate for ILOT. This is $100k in 2015, $200k in 2016 and $250k each year after that.
- The model calculates potential ILOT at the bottom. I am going to address ILOT in a separate

email to you.

Some Issues to Consider

- As mentioned above, we will have to pick a customer scenario as the ongoing base model, be that capping the company at 18k, 20k or 22k.
    - I would suggest to you that you might do better with customers than you think. Derrel and I are talking to a company right now that seems to have solved the problem of how to get into apartment buildings cheaply. They have a technology that can put nearly a gigabit of bandwidth onto the existing coaxial cable without disturbing what is already on the coax today. This means that you can sell your service over top of coax carrying Cox. I know these guys and I think this is going to work well, but the point is that there will probably be some cost-effective solution to open up the MDU market soon, which means the potential of adding a lot more customers affordably. Anyway, Derrel and I will be getting to you separately about this soon.
    - Also, I sent you a list a week or so ago of new revenue opportunities. Some of these revenue streams have the potential to be significant and can greatly increase your ARPU even with the existing customer base. So maybe you grow to 17k or 18k customers but have the bottom line that looks like the models I have created for 20k or 22k customers.
    - Your business is starting to reach the early stages of maturity. This is the stage of a company when you have started to exhaust the possibilities in the original market. Your growth is slowing, but is still healthy and has not stopped. And companies at this stage have two choices. One is to accept a certain level of revenues and accept that you will stop growing. If you make that choice, a natural thing to do is to shed the parts of your company that are geared towards growth and reform your company to maximize the profits with the revenue stream you will get. That mostly means cutting staff. But the other possibility is to find ways to keep growing. That can be by expanding the market (such as getting into the MDU market), or increase revenue per customer by adding on new product lines.
- Paying off the Cash Loan Faster. This model has you generating $1.1M per year in new revenue from LUS in order to not incur new imputed tax loans. There is one big upside to this scenario, which is that we can then tell the outside world that you are now currently covering imputed taxes. Perhaps that will even be a good enough reason to stop having to pay them at all. But every scenario I look at takes 4 – 5 years to pay off the current cash loan. This is because at the current customer count you are just barely above water, so the amount of cash available to pay on that loan is pretty slender. So I have an alternate idea, which is to go ahead and charge LUS an additional $1.1 M per year in new services, but then use that money to pay off the cash loan instead of the new imputed taxes. Your overall debt balance will be the same but it gets rid of a political issue a lot faster. You would be able to pay that cash loan off in 2016, and you would know this a year in advance, so that would take most of the pressure off in 2015. The downside to this is that you generate a few more years of imputed taxes, so the question is: which would you prefer to go away the most, the existing cash loan or the new imputed taxes?

Summary of the 3 Scenarios

Here are the results of the three scenarios that look at various customer counts.

At 22k customers you can pay all of the internal loans off by around 2022. This scenario generates a lot of extra cash. I used this many customers because this was the original goal set in the feasibility study in the best case scenario. Just like then, this looks to be able to generate significant excess cash each year. It's still not impossible to get to that number, but it would take getting into a significant percentage of the MDUs to get there. You can pay off the cash loan in 2017 under this scenario.

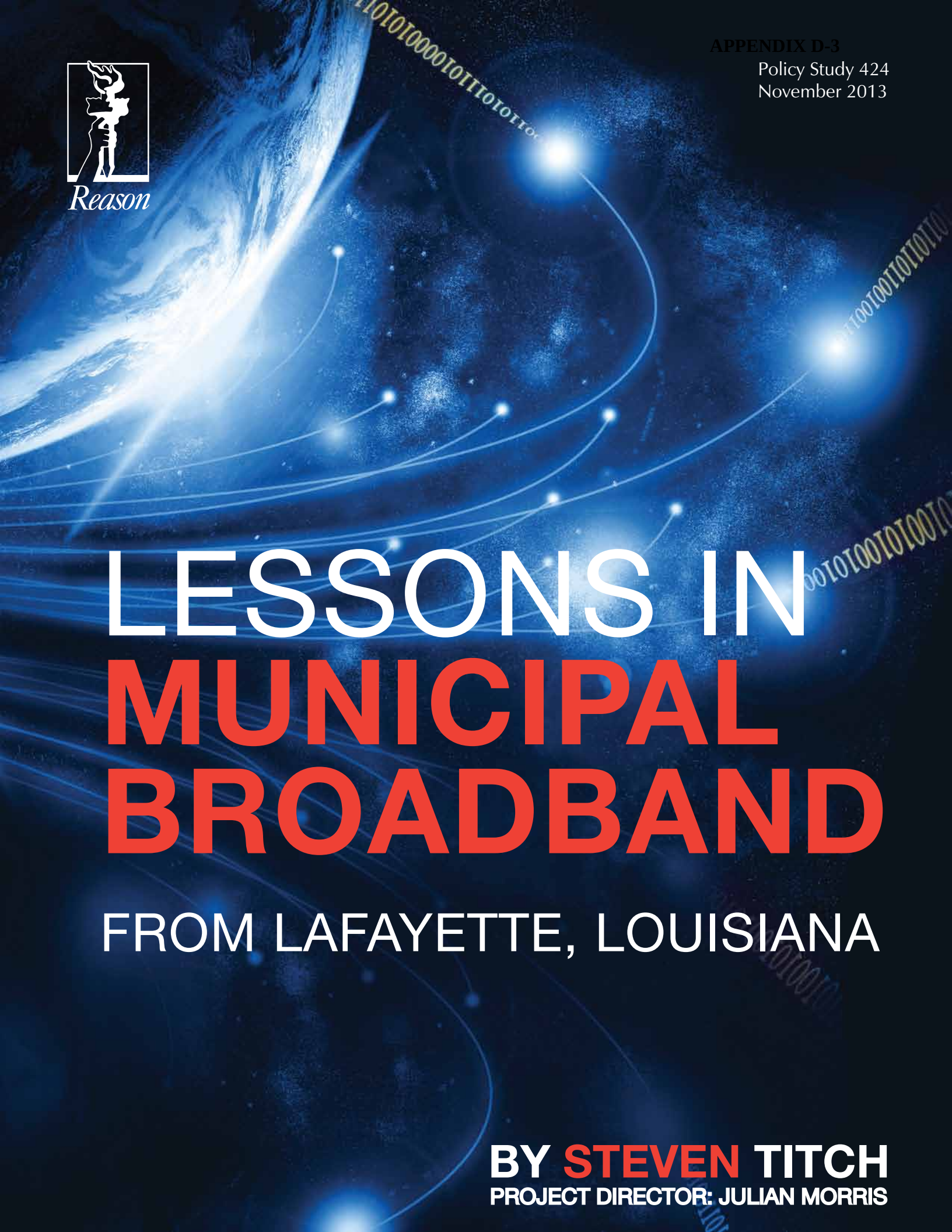
At 20k customer you can pay all of the internal loans by 2027. This scenario generates over $3M per year in excess cash over and above paying for expenses, external debt and capital. This also pays off the cash loan in 2017.

At 18k customers you are able to pay the cash loan off by 2018. But the excess cash in the business gets lower every year and by 2027 the cash in the business starts going negative. This scenario is slightly under breakeven and I have always eyeballed breakeven to be around18.5k and this would seem to prove that number. At 18.5k customers (or the equivalent EBITDA to that) you can pay for all operating expenses including capital. You just don't have a lot extra to ever pay off the old internal loan balances. At that point in the business a few customers makes all of the difference since at 18k you go negative and at 20k you can pay off all of the old loans by 2027.

Again, it's not actually the number of customers that is the magic number, it's the amount of EBITDA and cash that is generated. You can probably thrive at something lower like 16k customers if you add a whole other business line like wireless. If you don't think we can get the business eventually to 18.5k customers, then we need to instead start planning on how to generate other new revenues to take the place of growth.

Doug Dawson
President
CCG Consulting, LLC
202 255-7689

Check out our blog at http://potsandpansbyccg.com/. Or Join us on Facebook at https://www.facebook.com/CCGConsultingLLC.



Policy Study 424
November 2013

Reason

LESSONS IN MUNICIPAL BROADBAND

FROM LAFAYETTE, LOUISIANA

BY STEVEN TITCH
PROJECT DIRECTOR: JULIAN MORRIS

Reason Foundation

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Reason Foundation

Lessons in Municipal Broadband from Lafayette, Louisiana

By Steven Titch

Project Director: Julian Morris

Executive Summary

Government-funded broadband projects, exemplified by the one undertaken in 2005 by Lafayette Utilities Service (LUS), start with a fundamental error: governments believe they are entering a monopoly-based infrastructure business when in reality, they are entering an extremely competitive service business.

Because they assume broadband is an infrastructure business, they believe the model will follow the classic utility: high upfront construction costs, followed by high yield revenues that pay back the investment, while the installed plant can be routinely maintained as it depreciates on a long schedule. As with a classic utility, customer acquisition costs are believed to be low and incremental.

The shock comes when they learn, usually within two years of start-up, that technology cycles in broadband are short. Equipment can't be "maintained" over a decade; it often has to be upgraded or replaced every two to three years. An even bigger shock comes when cities discover how much they must spend year-to-year to build and maintain viable market share. This is when municipalities realize that it's not the speed of its Internet connections, but the quality, breadth and competitiveness of its cable TV service that drives revenues.

This paper examines one of the largest and most publicized municipal broadband projects in the U.S.: the $160-million fiber-to-the-home (FTTH) project launched by Lafayette Utilities Service (LUS) in Lafayette, Louisiana.

Six years into the operation, LUS Fiber is:

- 30% short of its revenue projection as set out in its business plan
- More than $160 million in debt

- As of last year was losing $45,000 a day, according to the Lafayette's independent auditor
- Struggling to compete with cable, telephone, wireless and satellite service providers in terms of price, performance and service options.

Reason chose to profile LUS Fiber because it is often held up as a policy success. Groups such as the Institute for Local Self-Reliance, which profiled the operation last year in a report titled *Broadband at the Speed of Light: How Three Communities Built Next-Generation Networks,* say it is a model to be followed. It has drawn national coverage from prominent journalists Bill Moyers and Tom Friedman. Susan Crawford, former telecom advisor to President Obama, devotes several pages of her new book, *Captive Audience: The Telecom Industry and Monopoly Power in the New Gilded Age,* to LUS Fiber's story.

Both progressive analysis and mainstream news reports tend to play up the benefits of fiber optics as well as the compelling story of a small town taking on the huge, impersonal telephone and cable companies. These reports also further reinforce the erroneous notions that broadband is a monopoly that can be effectively countered through government alternatives.

In reality the situation is much more complex. This paper will spell out those complexities, which are either glossed over or dismissed outright by the municipal proponents and the media. They represent risks and realities that should be understood by any municipality before it moves ahead with a public broadband project.

For all the enthusiasm about municipal broadband, one fact remains: A great majority of systems fail. Those that survive end up falling short of their promised goals of lower prices, better service and ubiquity. One high-profile project after another—Ashland, Oregon; Provo, Utah; Tacoma, Washington—have leveraged their taxpayer funding, only to fall short of goals and end up facing a mountain of debt.

In some cases, the city recovers its investment through sale of assets, or by converting a partially completed network into a system exclusively serving the local government agencies. Compared to those past projects, LUS Fiber is in better shape, but it is far from secure. Whether LUS Fiber will truly be a success remains to be seen. But as of early 2013, it is still short of its financial and competitive goals. As this report was going to press, LUS Fiber's management was predicting that the operation would be self-supporting by 2016. But it is turning to its own municipal parent, LUS, for more revenues. The 2013–14 budget for the Lafayette Consolidated Government calls for $1.3 million in LUS purchases from LUS Fiber for the next fiscal year, a 185% increase over the $454,000 projected for the current fiscal year, which will end October 31.

From: Terry Huval
To: Jim Baller
Subject: Re: Question - LUS Services to City
Date: Tuesday, June 24, 2014 8:35:57 PM

Ok. I will revise my proposed response to Chris, accordingly.

The rationale of paying the imputed taxes to LUS instead of the city was so we could have control of it. Had we sent it to the city, some council members may have grabbed it to use for some other purpose and we would not have been able to borrow it - which we knew was essential. Plus, I made it clear to the LPSC during the public discussions on imputed taxes that Fiber could pay it to LUS then borrow it back.

Sent from my iPhone

On Jun 24, 2014, at 3:42 PM, "Jim Baller" <Jim@baller.com> wrote:

> I'd suggest treating these as separate matters. The rules require imputed taxes. LUS Fiber is paying them. LUS needs more sevices from LUS Fiber. It's buying them. End of story. This has nothing to do with cross-subsidization.
>
> Just curious about one thing. What was the rationale for paying the imputed taxes to LUS rather than to the City?
>
> Jim Baller
> Baller Herbst Law Group, PC
> 2014 P Street, NW
> Washington, DC 20036
> (202) 833-1144
> www.Baller.com
>
> -------- Original message --------
> From: Terry Huval
> Date:06/24/2014 4:11 PM (GMT-05:00)
> To: Jim Baller
> Subject: Re: Question - LUS Services to City
>
> I gave it to you straight up. You have any suggestions on how I might better characterize this?
>
> Sent from my iPhone
>
> > On Jun 24, 2014, at 3:00 PM, "Jim Baller" <Jim@baller.com> wrote:
> >
> > Terry, is there any reason to link the additional revenues to LUS and LUS's increased purchases from LUS Fiber?
> >
> > Jim Baller
> > Baller Herbst Law Group, PC

> 2014 P Street, NW
> Suite 200
> Washington, DC 20036
> (202) 833-1144
> www.Baller.com
>
>
> -----Original Message-----
> From: Terry Huval [mailto:THUVAL@lus.org]
> Sent: Monday, June 23, 2014 8:43 PM
> To: Jim Baller
> Subject: Re: Question - LUS Services to City
>
> I did all this from memory out of my office. I was going to check out the timing. Actually, it makes more sense as to why the reinterpretation of the imputed taxes came up, as the teleco's were trying to make the inevitable more difficult for us.
>
> Concerning our use of the imputed tax payments as a new revenue source for LUS which are being used to buy more services from LUS Fiber, do you see any issues about us doing that?
>
> Sent from my iPhone
>
>> On Jun 23, 2014, at 6:51 PM, "Jim Baller" <Jim@baller.com> wrote:
>>
>> I do recall the shift in BS/Cox's position on imputed taxes, but I'm pretty sure that we didn't address that issue with the LPSC until after the referendum in the Spring of 2005, and the LPSC didn't issue its rules until around October 2005. See attached email.
>>
>> As to the mechanics of how you actually handled the imputed taxes, I never knew how you did that.
>>
>> Jim Baller
>> Baller Herbst Law Group, PC
>> 2014 P Street, NW
>> Suite 200
>> Washington, DC 20036
>> (202) 833-1144
>> www.Baller.com
>>
>>
>> -----Original Message-----
>> From: Terry Huval [mailto:THUVAL@lus.org]
>> Sent: Monday, June 23, 2014 6:42 PM
>> To: Jim Baller
>> Subject: Re: Question - LUS Services to City
>>
>> Jim,
>>
>> Here us what I propose to send to Chris. Give me your thoughts.
>>
>> .....
>> Chris,
>>
>> Thanks for getting back with us and thanks for your help.
>>
>> The increase noted in the Titch report is derived from a long history. During the negotiations of the Louisiana "Local Government Fair Competition Act", the private companies included language

From: Doug Dawson
To: "Terry Huval"
Subject: Cash analysis
Date: Tuesday, January 14, 2014 8:59:45 AM
Attachments: CashFlowModel 011314.xlsx

Terry:

Attached is the latest cash flow analysis, updated through December.

I have made a number of changes to the model:

1. Reflected the latest schedule for paying internal loans. It starts with the payment just made in December and follows the payout schedule I got from Antonio.
2. I have new LUS revenues starting in January that would be used to pay off the current year's new accrual for imputed tax loan. I have set this at $1.4M per year, but it's a wash at any level as long as the amount charged will equal the imputed tax.

Some observations:

1. It looks like bond money for construction will run out around September. After that construction must be funded out of operations.
2. You end this year with around $2.8M in cash. That might be a little low since this analysis is cash basis and the company has paid some rather large payments for expenses in the first few months that should normalize over time. But next year I show cash ending at only $834k. However, cash stays positive throughout the future years until it dips in 2029. That is so far out that I didn't even both to see what drives that. Obviously the business will change a lot before then.
3. The capital budget for 2015 is shown as $4.5 M. To the extent you can lower that a bit you could have more of a cash cushion next year. Once capital is all funded from operations we will have to be cautious and careful about every dollar of capital spent.
4. I have small ILOT payments starting in 2015 and getting a little larger over time. Since you are going to collect a revenue from LUS equal to the amount of imputed taxes, you always have the option of paying some or all of that as ILOT. The big difference, of course, is that ILOT payments leave LUS while imputed tax cash stays inside the company.
5. The model shows customers growing by 100 per month. You averaged this over the last six months.

Doug Dawson
CCG Consulting
202 255-7689

-

From: Andrew Duhon
To: Alison Alleman
Subject: FW: Billings
Date: Tuesday, January 21, 2014 9:39:43 AM

Let's discuss what if anything needs to do be done for another amended budget.

Andrew

-----Original Message-----
From: Terry Huval
Sent: Friday, January 10, 2014 1:53 PM
To: Teles Fremin; Lisa Chiasson
Cc: Frank Ledoux; Andrew Duhon; Mona Simon; William Ness
Subject: RE: Billings

Teles,

Thanks for getting this done!

Andrew,

Please look over this and let me know if there are any issues we will need to address in either the Fiber budget or the LUS budget.

Thanks,
Terry

-----Original Message-----
From: Teles Fremin
Sent: Friday, January 10, 2014 10:39 AM
To: Terry Huval; Lisa Chiasson
Cc: Frank Ledoux; Andrew Duhon; Mona Simon; William Ness
Subject: RE: Billings

According to the budget the imputed tax expense is $1,200,000. Therefore we would be approximately $387,174.48 over. If you remove the back billings of $169,022.67 this would bring the overage to 218,151.81. I believe the budgeted amount of $1,472,880 was used for increase in LUS services.

-----Original Message-----
From: Terry Huval
Sent: Thursday, January 09, 2014 1:50 PM
To: Teles Fremin; Lisa Chiasson
Cc: Frank Ledoux; Andrew Duhon; Mona Simon; William Ness
Subject: RE: Billings

How does this compare to the budgeted revenue for FY2013-2014 for new revenues to LUS as compared to the imputed taxes to be paid to LUS Fiber from LUS.

-----Original Message-----
From: Teles Fremin
Sent: Thursday, January 09, 2014 11:35 AM

To: Terry Huval; Lisa Chiasson
Cc: Frank Ledoux; Andrew Duhon; Mona Simon; William Ness
Subject: RE: Billings

Attached you will find the billings as of today.

Including back billings we have billed $450,267.49 in increased revenue. $169,022.67 of which is for charges that needed to be corrected prior to November 1. Total estimated increased revenue thus far for LUS Fiber (including back billing) is $1,347,174.48. We do still have approximately $240,000 in wholesale changes that are being made currently. This would increase the yearly total to $1,587,174.48.

Please let me know if you need any additional information or would like this to presented in a different way. I would like to send to Antonio once I receive the approval so that he is aware of the increase in revenue.

Thanks,

Teles

-----Original Message-----
From: Terry Huval
Sent: Thursday, January 09, 2014 8:12 AM
To: Teles Fremin; Lisa Chiasson
Cc: Frank Ledoux; Andrew Duhon
Subject: Billings

Is LUS Fiber receiving the new revenues from LUS related to the new imputed tax revenues LUS will be receiving?

If so, how much has LUS Fiber received so far and how much will LUS Fiber receive by the end of this FY?

Also, how do these numbers compare to the budget?

Thanks,
Terry

APPENDIX D-5

Account	Division	Description	# of Sites	Back Bill Amount	Back bill (Nov-Dec)	Monthly rate	Monthly rev increase	Yearly total (increase)	Yearly Total including back bill	Billings as of 1/9/13
111525	Wastewater (770)	Lift Stations	93	$ 104,436.00	$ 46,745.73	$ 39,060.00	$ 33,331.50	$ 399,978.00	$ 484,496.73	$ 190,241.73
111525	Wastewater (770)	Business Internet at Plant	1	$ -	$ 469.74	$ 300.00	$ 169.74	$ 2,036.88	$ 2,167.14	$ 769.74
111525	Wastewater (770)	Liftstation Main site	1	$ -	$ -	$ 680.00	$ 680.00	$ 8,160.00	$ 6,800.00	$ 680.00
114835	Water Operations	Water pressure points and Plants	14	$ -	$ 5,761.00	$ 5,880.00	$ 3,150.00	$ 37,800.00	$ 37,261.00	$ 11,641.00
114835	Water Operations	Water pressure points and plants main sites	2	$ -	$ -	$ 680.00	$ 960.10	$ 11,521.20	$ 9,601.00	$ 680.00
118417	LUS AMI Gatekeeper	100M VPLS to gatekeeper locations	70	$ -	$ 11,866.40	$ 47,600.00	$ 5,933.20	$ 71,198.40	$ 71,198.40	$ 59,466.40
124109	LUS Electiric	Cap banks and Reclosures	142	$ -	$ 58,361.95	$ 59,640.00	$ 59,640.00	$ 715,680.00	$ 654,761.95	$ 118,001.95
128136	LUS Network Engineerir	Fiber lease	1	$ 64,586.67	$ 2,800.00	$ 1,400.00	$ 1,400.00	$ 16,800.00	$ 81,386.67	$ 68,786.67
							$ 105,264.54	**$ 1,263,174.48**	**$ 1,347,672.89**	**$ 450,267.49**

From: Teles Fremin
To: Mona Simon
Cc: Ryan Meche
Subject: LUS Services
Date: Tuesday, November 12, 2013 9:53:45 PM
Attachments: LUS Services 111213.xlsx

Mona,

Please see attached comparison of the orders in the system compared to the original list. This does not include all LUS services only the comparison of services for imputed taxes. I have not even started on the $210k yearly for electric. I will get with Mike and Marlin tomorrow to discuss. All others have been worked with the respective supervisors (see the notes column for discrepancies). We can also offset some of this if we choose to provide hosted voice to LUS. Please let me know if you have any questions or need to discuss prior to providing the information to Terry.

Thanks,

Teles Fremin
Chief Communications Engineer
LUS Fiber
1314 Walker Rd
Lafayette, LA 70506
Tel: 337-291-8935
tfremin@lus.org

Jean-Paul Tujague

From: William Ness <WNESS@LUS.ORG>
Sent: Friday, January 24, 2014 2:52 PM
To: Terry Huval
Cc: Frank Ledoux; Mona Simon
Subject: FW: Billings
Attachments: LUS Services 010913.pdf

Terry,

Here is the information you requested yesterday regarding the LUS services.

Back billed (prior to Nov 1) : $169,022.67
Back billed (Nov and Dec) : $126,004.82
Total back billed amount : **$295,027.49**

Ongoing MRC increase : **$105,264.54**

Also, Teles indicated that there would a yearly $240,000 increase in revenue on the wholesale side, which comes out to roughly $20,000 per month.

William Ness
LUS Fiber
http://lusfiber.com/

-----Original Message-----
From: Teles Fremin
Sent: Thursday, January 09, 2014 11:35 AM
To: Terry Huval; Lisa Chiasson
Cc: Frank Ledoux; Andrew Duhon; Mona Simon; William Ness
Subject: RE: Billings

Attached you will find the billings as of today.

Including back billings we have billed $450,267.49 in increased revenue. $169,022.67 of which is for charges that needed to be corrected prior to November 1. Total estimated increased revenue thus far for LUS Fiber (including back billing) is $1,347,174.48. We do still have approximately $240,000 in wholesale changes that are being made currently. This would increase the yearly total to $1,587,174.48.

Please let me know if you need any additional information or would like this to presented in a different way. I would like to send to Antonio once I receive the approval so that he is aware of the increase in revenue.

Thanks,

Teles

-----Original Message-----
From: Terry Huval

Sent: Thursday, January 09, 2014 8:12 AM
To: Teles Fremin; Lisa Chiasson
Cc: Frank Ledoux; Andrew Duhon
Subject: Billings

Is LUS Fiber receiving the new revenues from LUS related to the new imputed tax revenues LUS will be receiving?

If so, how much has LUS Fiber received so far and how much will LUS Fiber receive by the end of this FY?

Also, how do these numbers compare to the budget?

Thanks,
Terry

Appendix E

Hayride Article and Subsequent Refund

APPENDIX E-1

ROBICHEAUX: The LUS Ratchet – Or Is It Racket?

March 7th, 2018 Michael Lunsford

A number of years ago, micro-payments were all the rage online. The theory is, if enough people give just one dollar a month for a smart idea, its inventor could become a millionaire. It's also similar to a strategy that some companies employ. Depending on how big their customer base is, increasing the rate just one dollar could mean millions in new revenues. If it works on just one dollar, imagine increasing it by two, four, or six. There's also a built-in advantage to this strategy: small increases in monthly bills, even if noticed, generally go unchallenged because of the effort it takes to complain. The trick is to find and stay just short of the tipping point.

This strategy may be used by profit-makers across the globe, and it turns out governments are also getting in on the action. Gone are the days when governments can only raise revenues through raising our taxes. Tax increase fights involve a messy political process which plays out in the newspapers and on the evening news. The process upsets voters, who then work to upset their legislators. The process of winning or losing often depends on how many irate constituents get involved. That's the way government is supposed to get revenue.

APPENDIX E-1

the day is long. No young man who is the son of a politician gets $50,000 a month who has no experience, working for a Ukrainian oligarch."

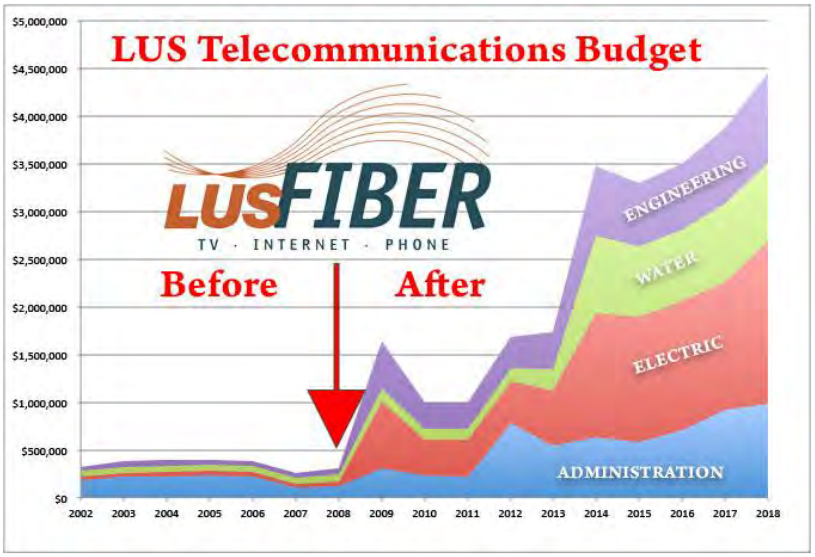
- Sen. Rand Paul

MORE QUOTES ›

But what if a government owned an enterprises that could employ strategic price increases to grow government revenues? What if such an organization had control of some of its operational expenses – could it increase them to justify rate increases? Would rate increases resulting from higher operating costs require the vote of the people or their representatives?

We won't need to travel far to test the hypothesis. We can simply look at the government-owned Lafayette Utilities System (LUS) in Lafayette.

In the year 2008, the total telecommunications bill for all of LUS utilities was only $307,708. The next year, LUS Fiber was awarded a no-bid contract to provide telecom service to LUS Utilities. The result of that contract was immediate: a 428% increase to $1,624,889. In the recently released 2018 budget, LUS Utilities now lists its total adopted telecommunications budget at a shocking $4,449,892. In short, LUS Fiber's no-bid contract grew LUS Utility System's telecommunications expense by 1,346% during a period when Lafayette's population grew 15% or less.



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APPENDIX E-1

An average of water, sewer, and electric customers in Lafayette is about 57,000. If we use that number to work out the math on that $4,142,184 cost increase, each utilities customer would only have to come up with $2 on each of their monthly electric, water, and sewerage bills. Who is going to take the time to call and complain about a $2 increase?

Four and a half million dollars is a pretty big number. How does that break down by department? Let's start again way back in 2008 before LUS Fiber took over LUS's Electric Operations Substation Communications department. At that time, they had a telecommunications budget of just $2,440 a year. The next year, LUS Fiber's no-bid contract increased the price 122 times to $300,544. Fast-forward nine years to 2018, the budget is now 226 times larger at $553,548! If we divide that number by LUS Electric's 68,240 customers and again by 12 months, each customer would only need to contribute $0.68 per month to cover the higher expense.

Another department, Electric Operations Energy Control, had a telecommunications budget of $13,455 in 2008. The next year it jumped 26 times to $367,966. The adopted telecommunications budget for 2018 is $568,216, or 41 times what it was just ten years ago. The per-customer math works out to just $0.69 per month. It's another nickel here and a dime there, but so far, just these last two department increases have added more than a million dollars per year to Lafayette Consolidated Government's bottom line.

There are so many examples. We could go look at Utilities Engineering Electric System Construction's telecommunications budget of $730,150 (a 54 time increase), the Electric Transmission division's $579,722 (a 41 time increase), Support Service Meter Services' $238,201 (a 54 time increase), or any number of others. While these individual departments show us what's contributing to that big $4.5 million number, they're still pretty big numbers. Maybe a closer look will give us a little better insight into what's really happening.

Before LUS Fiber took over LUS Wastewater (sewerage) division's internet access, the annual telecommunications expenditure was only $25,037. No major changes occurred before that — or at least for any of the previous six years. Fast-forward to 2016, the latest year for which we can get actual expenditures, the Internet expense was $564,733. That means that over the last ten years, Wastewater has multiplied its Internet budget 22 times! The math on 44,269 Wastewater customers works out to $1.06 per month per customer. Would you call to complain about one extra dollar on your sewerage bill?

The natural question is what could justify these skyrocketing costs? Fortunately, we know what these telecommunications expenses are for because LUS's Wastewater division was kind enough to provide their Internet billing statement from September of last year. Its total was $43,165.30 (yes, that's just one month of Internet service) and the lion's share of that was to provide Internet access to 100 separate locations that each pay $420 per month. The 12 month total works out to $504,000. A random check of about 40 of these locations revealed them to be Wastewater lift stations — effectively a pump and a pipe to move sewerage to the treatment plant. Ensuring the flow continues uninterrupted is important, so these stations are monitored remotely using a 30mbps LUS Fiber Internet connection.

For a quick price comparison, I pointed my web browser to LUS Fiber's website, which shows 60mbps Internet that's twice as fast for only $29 per month. Maybe residential and business Internet service isn't a fair comparison, so I reached out to Sensaphone, a company that specializes in remote monitoring of all kinds of things including Wastewater lift stations. Their solution would use an industrial strength, wireless cellular phone connection — and it costs 94% less than LUS Fiber charges. So, if we switched from LUS Fiber's $504,000 per year to AT&T or Verizon, it would reduce this expense to $30,000 per year.

Bayou Renaissance Man
BayouBuzz.com
Between The Lines
Bite And Booze
Cajun Conservatism
Jim Brown
Lincoln Parish News Online
Mostly Cajun
Ringside Politics
Sound Off Louisiana!

Texas Blogs

Big Jolly Times
Cahnman's Musings
Empower Texans
Texas Tribune

APPENDIX E-1

Even if we paid the full retail price for 100 brand new industrial cellular devices, it would only add a cost of $170,000 for the first year. We'd still save over $300,000 the first year, and $474,000 per year after that.

Here's one of the wastewater stations in question. This one is located at 203 Ramblewood Drive in Lafayette.

Does LUS utilities control its operational costs for Internet service? Yes. Did it significantly increase the price it pays for Internet? Yes. Have your rates for power, water, and sewer increased since 2008? Yes. Did you vote to allow LUS utilities to raise those rates? No.

What does all this mean? Although this $4.5 million going to LUS Fiber does not include other departments' Internet services (like Fire, Police, Parks, Public Library, etc.) it's still sufficient enough to call into question LUS Fiber's claim of "cash positive" status of $3,245,869.

Another good question might be how much money does Lafayette Consolidate Government spend for their no-bid telecommunications contract with LUS Fiber? During an October 2017 meeting, as LCG started to rededicate LUS Fiber's $960,000 annual ILOT (in lieu of taxes) payment right back to LUS Fiber as "new spending," questioning by the council revealed that LCG spends about $6 million with LUS Fiber every year. If they successfully rededicate the ILOT, that number would grow to $7 million per year. The purpose of that ILOT, by the way, was to level the playing field with private sector Internet service providers that are required to pay taxes because LUS Fiber is not required to.

Even with these efforts, the 2016 audit, the latest as of this writing, mentions that the organization's running negative balance and liabilities combine to keep LUS Fiber in the red by $201,426,839.

From: Joel Robideaux
<jrobideaux@LafayetteLA.gov<mailto:jrobideaux@LafayetteLA.gov>>

Date: March 20, 2018 at 10:02:23 AM CDT

To: Terry Huval <THUVAL@lus.org<mailto:THUVAL@lus.org>>,
"randy@haynie.com<mailto:randy@haynie.com>"
<randy@haynie.com<mailto:randy@haynie.com>>,
"dawn@fullcirclelouisiana.com<mailto:dawn@fullcirclelouisiana.com>"
<dawn@fullcirclelouisiana.com<mailto:dawn@fullcirclelouisiana.com>>,
Marie Centanni
<marie@centannicommunications.com<mailto:marie@centannicommunications.com>>

Cc: Richard Zuschlag
<RZuschlag@acadian.com<mailto:RZuschlag@acadian.com>>, "Michot,
Mike
(mmichot@thepicardgroup.com<mailto:mmichot@thepicardgroup.com>)
(mmichot@thepicardgroup.com<mailto:mmichot@thepicardgroup.com>)"
<mmichot@thepicardgroup.com<mailto:mmichot@thepicardgroup.com>>,
"gregg@lafayette.org<mailto:gregg@lafayette.org>"
<gregg@lafayette.org<mailto:gregg@lafayette.org>>

Subject: FW: LUS Fiber - URGENT

All, wanted to make sure you were aware of our efforts and invite you to help. Joel

From: Joel Robideaux

Sent: Tuesday, March 20, 2018 8:45 AM

To: Rep Jean Paul Coussan; Rep John Stefanski; Rep Julie Emerson; Rep Nancy Landry; Rep Stuart Bishop; Rep Terry Landry; Rep Vincent Pierre; Senator Fred Mills; Senator Gerald Boudreaux; Senator Jonathon Perry; Senator Page Cortez; Speaker Taylor Barras

Subject: LUS Fiber - URGENT

Members,

It was brought to my attention yesterday that Commissioner Skrmetta is singling out LUS Fiber for an audit at tomorrow's PSC meeting. The reason given was that legislators approached him who were concerned following an article in the Hayride.

It is important to note that LUS Fiber has received clean audit reports throughout its existence and will continue to do so. This additional audit maneuver, however, is an unnecessary burden of time, effort and money.

As I am traveling today, I do not have the time to refute every inaccuracy included in the Hayride article. Simply put, LUS Fiber operates within the requirements of the Fair Competition Act which dictates that they charge market rates to any LCG agency it contracts with. Since 2008ish, LUS (Utility System) and LCG has paid for expanded and upgraded services to LUS Fiber. For instance, if I want to put WIFI throughout Girard Park, LUS Fiber would charge LCG for that service, without favor or discount. Hence, next year's financials would show a significant increase in LCG's communications expenditures (specifically the budget for Parks and Recreation). This expenditure is simply the cost of investing in our future and maintaining Lafayette as one of only 22 recognized US Ignite Gig Cities.

In closing, I'm asking that you reach out to Commissioner Greene and the other Commissioners to request a one month delay in tomorrow's vote to allow us time to provide information to each of the Commissioners.

Thank you for your help in this matter.

Joel Robideaux

Mayor-President Joel Robideaux

LAFAYETTE CONSOLIDATED GOVERNMENT

705 West University Avenue/P. O. Box 4017-C/Lafayette, LA 70502

p: 337.291.8300/f: 337.291.8399/
jrobideaux@lafayettela.gov<mailto:jrobideaux@lafayettela.gov>
/lafayette.la.gov<http://lafayette.la.gov>

Randy Young
Partner
Kean Miller LLP

Lafayette
CONSOLIDATED GOVERNMENT

Internal Memorandum

Lafayette Utilities System
Director's Office (7000)

TO: Lorrie Toups **DATE:** April 6, 2018

THRU: Joel Robideaux
Lowell Duhon 4/6/18

FROM: Terry Huval

SUBJECT: Request to Reimburse LUS

Beginning in early 2011, the Communications division has, to date, completed fiber connectivity to 101 of LUS' overall 180 sewer lift stations. The fiber, in place at these 101 lift stations, is available and ready to provide services requested by the Wastewater division. Moreover, the Communications division has allocated the appropriate network resources to be able to provide these fiber services to the Wastewater division.

However, the Wastewater division's efforts to install interface control equipment in the lift stations needed to utilize the fiber service have not kept pace with the fiber installation by the Communications division. Upon indication that this may have happened, LUS, in recent weeks, self-initiated an investigation and has determined that the Wastewater division has completed installation of the interface control equipment in only 38 of the lift stations. Work by the Wastewater division to complete installation of the control equipment in the remaining 63 lift stations is now in-progress, and it is currently estimated the work will be completed for all of the lift stations within six (6) months.

Meanwhile, because the Communications division installed the fiber to the lift stations and made the fiber service available as requested by the Wastewater division, the Communications division has been billing the Wastewater division a monthly charge for the service to all 101 of the lift stations. Thus, the Wastewater division is paying charges for fiber service for all 101 of the lift stations. The earliest charges paid by the Wastewater division were in 2011. The charges were initiated on a per lift station basis as the fiber installations were completed. Some of the billed amount is attributable to installation work that has been completed by the Communications division, such as the cost of the fiber extension and interconnection. However, most of the billed amount is for fiber service that is being made available by the Communications division as requested by the Wastewater division.

Additionally, the Communications division successfully provided services to 168 electric capacitor banks and reclosers beginning in 2013. In August 2015, the Electric division relocated and/or removed 25 of these, for electric system optimization purposes, without also requesting disconnection of fiber service to the original locations.

t: 337.291.5804 / thuval@lus.org / f: 337.291.8318

Lafayette
CONSOLIDATED GOVERNMENT

Although the Communications services were billed in good faith, there is a question as to whether or not it is a violation of LPSC rules that govern affiliate transactions. As such, the LUS Communications division will ask the LPSC to conduct an audit to make a determination. In the meantime, LUS Fiber wishes to transfer the cash paid to the Communications division for the unused service back to the Utilities divisions. I asked my staff to research the charges involved and they have identified the total amount of the transfer, including interest, to be $1,752,194.85, which represents the most conservative approach that ensures that the transactions have been identified accurately and comprehensively. In the event the LPSC audit determines there is no violation, then a reversal of this transfer will be requested. Also, service disconnection orders have been placed to ensure that only sites which are ready to use the Communications services will be billed; and, additional internal controls are being developed to prevent this from re-occurring. A detailed listing of each invoice transaction is attached to this memo.

Please execute a transfer of $1,752,194.85 from Communications Capital Additions to the Utilities Capital Additions as soon as possible. Additionally, journal entries will be necessary to reverse the book impact for the following accounts and amounts:

				2011 - 2016	2017	2018
Electric Capacitor Banks						
5320999	39000			$ 151,023.87		
5320999	46500	53203300002	35427		$123,858.00	$ 52,500.00
5020999	39000			(151,023.87)		
5027032	70500	50201100011	15880		(30,964.50)	(13,125.00)
5027033	70500	50201100011	15880		(30,964.50)	(13,125.00)
5027034	70500	50201100011	15880		(30,964.50)	(13,125.00)
5027084	70500	50201100011	15880		(30,964.50)	(13,125.00)
Wastewater Lift Stations						
5320999	39000			947,375.23		
5320999	46500	53203300002	35427		312,480.00	130,200.00
5020999	39200			(947,375.23)		
5027060	70500	50201100031	13308		(312,480.00)	(130,200.00)
Interest						
5320999	39000			6,201.73		
5323720	47000	53203300002	37320		10,511.96	18,044.06
5020999	39000			(6,201.73)		
5020999	47000	50201100070	14190		(10,511.96)	(18,044.06)

Terry Huval
Director

t: 337.291.5804 / thuval@lus.org / f: 337.291.8318

Summary Sheet

Liftstations

Row Labels	2011	2012	2013	2014	2015	2016	2017	2018
A			$ 8,728.56	$ 78,278.52	$ 84,690.97	$ 85,680.00	$ 85,680.00	$ 35,700.00
I	$ 1,062.33	$ 1,558.80	$ 12,391.41	$ 222,779.64	$ 225,405.00	$ 226,800.00	$ 226,800.00	$ 94,500.00
M	$ 10,272.76	$ 21,909.16	$ 25,134.20	$ 285,986.27	$ 191,520.00	$ 191,520.00	$ 191,520.00	$ 79,800.00
Grand Total	$ 11,335.09	$ 23,467.96	$ 46,254.17	$ 587,044.43	$ 501,615.97	$ 504,000.00	$ 504,000.00	$ 210,000.00

CapBanks

Row Labels	2011	2012	2013	2014	2015	2016	2017	2018	
I	$ -	$ -	$ 894.20	$ 6,801.29	$ 5,040.00	$ 5,040.00			
No	$ -	$ -	$ 7,045.61	$ 107,669.04	$ 117,003.87	$ 120,960.00	$ 123,858.00	$ 52,500.00	* (3 months only)
Yes	$ -	$ -	$ 39,407.99	$ 605,522.40	$ 644,829.68	$ 680,950.08	$ 710,313.50	$ 302,711.61	
Grand Total	$ -	$ -	$ 47,347.80	$ 719,992.73	$ 766,873.55	$ 806,950.08	$ 834,171.50	$ 355,211.61	
Total Credit	$ 1,062.33	$ 1,558.80	$ 21,119.97	$ 301,058.16	$ 340,159.84	$ 433,440.00	$ 436,338.00	$ 182,700.00	$ 1,717,437.10
Total Interest	0.54	6.41	14.13	244.74	1,358.72	4,577.18	10,511.96	18,044.06	$ 34,757.75
Total Transfer									$ 1,752,194.85

					2011 - 2016	2017	2018
Electric Capacitor Banks							
5320999	39000				$ 151,023.87		
5320999	46500	53203300002	35427			$ 123,858.00	$ 52,500.00
5020999	39000				(151,023.87)		
5027032	70500	50201100011	15880			(30,964.50)	(13,125.00)
5027033	70500	50201100011	15880			(30,964.50)	(13,125.00)
5027034	70500	50201100011	15880			(30,964.50)	(13,125.00)
5027084	70500	50201100011	15880			(30,964.50)	(13,125.00)
Wastewater Lift Stations							
5320999	39000				947,375.23		
5320999	46500	53203300002	35427			312,480.00	130,200.00
5020999	39200				(947,375.23)		
5027060	70500	50201100031	13308			(312,480.00)	(130,200.00)
Interest							
5320999	39000				6,201.73		
5323720	47000	53203300002	37320			10,511.96	18,044.06
5020999	39000				(6,201.73)		
5020999	47000	50201100070	14190			(10,511.96)	(18,044.06)

Hand delivered 4/16/18 at 2:15 PM. L Toups

Lafayette
CONSOLIDATED GOVERNMENT

Internal Memorandum

Mayor-President's Office
Administration Division (1200)

TO: Lorrie Toups **DATE:** April 16, 2018

FROM: Joel Robideaux

RE: LUS Fiber/LUS internal assessment findings

As you are aware, on March 19th, 2018 I was informed that the Public Service Commission (PSC) was moving forward with a vote to audit LUS Fiber related to transactions with LUS.

I responded the following day by asking our legislative delegation to respectfully request a deferral of the vote until the April 2018 PSC meeting to allow us time to provide information to the PSC members. The PSC agreed to the one month deferral.

Subsequently, I verbally requested an internal assessment of transactions between LUS Fiber and LUS. This internal assessment resulted in findings that, at best, call into question LUS internal control procedures.

As a result of these findings, I will notify the PSC and ask that you ensure our external auditors are aware of the findings. Additionally, please verify the account numbers and calculations on the attached internal memorandum from LUS dated 4/6/18 and make the requested transfer.

Lastly, as we begin to prepare for next year's budget process, please be prepared to discuss enhanced internal control measures and also be prepared to discuss the separation of LUS Fiber into its own department.

Thank you in advance for your help.

Joel Robideaux
Mayor-President

t: 337.291.8300 / jrobideaux@LafayetteLA.gov / f: 337.291.8399

Received by Hand delivery
on 4/16/18 4:03 p.m.
Melinda Felps

Lafayette
CONSOLIDATED GOVERNMENT

Received by Hand delivery
on 4/17/18 8:52am
Tammie Andrus

Internal Memorandum

Finance & Management
Chief Financial Officer (0100)

TO: Tammie Andrus **DATE:** April 16, 2018

THRU: Melinda Felps MF 4/16/18

FROM: Lorrie R. Toups

SUBJECT: **LUS Fiber/LUS Internal Assessment Findings**

You are hereby authorized to make the requested transfer as indicated on page two (2) of the attached original memorandum dated April 6, 2018 from Terry Huval, Director of Utilities. Additionally, you are authorized to prepare any journal entries necessary to complete the transaction and the prior period adjustment. Please also verify the amounts listed on the itemized detail also attached. A full copy of these attachments must accompany any transfer of funds or journal entries as a complete set of backup documentation.

Please work with our external auditors to ensure proper financial statement presentation.

Should you have any questions or need any additional information, please let me know. Thank you for your assistance in this matter.

Lorrie R. Toups

Lorrie R. Toups, CPA
Chief Financial Officer

Attachments:

Memo from Joel Robideaux dated 04/16/18 (1 page)
Memo from Terry Huval dated 04/06/18 (2 pages)
Summary Sheet totaling $1,752,194.85 (1 page)
Itemized Detail (58 pages)
Investment Rate Comparison dated 04/03/18 (1 page)

C: Burton Kolder
Bryan Joubert

t: 337.291.8202 / ltoups@lafayettela.gov / f: 337.291.8310

Lafayette
FINANCE AND MANAGEMENT

Accounting Division

April 17, 2018

Kathy Pine
Vice President
Client Service Manager
The Bank of New York Mellon Trust Company, N.A.
One American Place
301 Main Street, Suite 1510
Baton Rouge, Louisiana 70825

Dear Kathy,

Please make the following transfer.

Amount of transfer: $ 1,752,194.85

Date of transfer: 04/18/2018

FROM
BNY Account: 281575
Account Name: Communications Capital Additions Account
Capital One Account: 2081396232

TO
BNY Account: 281552
Account Name: Utilities Capital Additions Fund
Capital One Account: 882118452

Reason for Transfer: To reimburse LUS for error with Fiber Billings.

Yours truly,

Jay Lanclos
Financial Operations Supervisor

bam

LUS
LAFAYETTE UTILITIES SYSTEM

Improving the way you live

April 12, 2018

Commissioner Eric Skrmetta
Louisiana Public Service Commission
433 Metairie Road, Suite 406
Metairie, LA 70005

Commissioner Mike Francis
Louisiana Public Service Commission
222 N. Parkerson Avenue
Crowley, LA 70526

Commissioner Lambert C. Boissiere, III
Louisiana Public Service Commission
1450 Poydras, Suite 1402
New Orleans, LA 70112

Commissioner Craig Greene
Louisiana Public Service Commission
10713 North Oak Hills Pkwy., Suite B
Baton Rouge LA 70810

Commissioner Foster L. Campbell
Louisiana Public Service Commission
415 Texas Street, Suite 100
Shreveport, LA 71101

RE: Lafayette Utilities System – Communications Division

Dear Commissioners:

We understand the Louisiana Public Service Commission will consider at its April 18, 2018 Business & Executive Session a proposed Directive to initiate an audit of Lafayette Utilities System's Covered Services for its fiscal year 2016-2017, pursuant to the Local Government Fair Competition Act and the Commission's Cost Allocation and Affiliate Transaction Rules in its General Order R-28270.

While the Local Government Fair Competition Act ordinarily requires that the Commission shall have the authority to conduct a periodic compliance audit as deemed appropriate based on its review of LUS's annual attest audit which is required by the Commission's rules, and which is conducted annually by an independent auditor selected from the list of auditors approved by the legislative auditor, LUS welcomes the proposed audit by the Commission in this instance.

LUS has worked diligently to comply with the Local Government Fair Competition Act and the Commission's Cost Allocation and Affiliate Transaction Rules, and has received overall positive audit results from the Commission's initial audits that covered fiscal years from 2008-2012. Moreover, LUS has endeavored to continually analyze its operations and self-report potential violations for examination as part of the annual attest audit process.

In recent weeks, investigation by LUS has determined that certain fiber service that was requested from and installed by the Communications division at the request of affiliate divisions have not been fully utilized. The Communications division treated the affiliates as it would any

other customer - - it provided the fiber installation and made the fiber service available as requested. Moreover, like for any other customer, the Communications division billed the affiliates for the fiber service. The Communications division charges to its customers are not based on or determined by levels of actual usage of the fiber service provided. Nevertheless, considering the affiliate nature of the transactions, LUS will report the facts to the attest auditor to be evaluated and considered in the upcoming audit for the most recent fiscal year which ended October 31, 2017, to determine whether any violations of the Local Government Fair Competition Act or the Commission's Cost Allocation and Affiliate Transaction Rules have occurred. Meanwhile, as a precautionary measure, the Communications division will credit to the affiliate divisions the funds received for such service pending the completion and outcome of the audit determination.

The annual attest audit required by the Commission rules will begin in May, and the results are typically filed with the Commission by August. As indicated above, LUS welcomes the proposed audit by the Commission so that it can likewise review the affiliate transactions that are being reported by LUS for review by the attest auditor.

Sincerely,

Terry Huval
Director of Utilities

Joel Robideaux
Mayor-President

cc: Brandon Frey, Executive Secretary

Appendix F

Documents Related to LUS Marketing

Contact:
Kayla Miles, Public Information Specialist
(337) 291-8930
kmiles@lus.org

LUS Fiber Offers Free, High-Speed Wi-Fi Hotspot to Festival International

LAFAYETTE, LA (April 16, 2014) – Festival International held every year in downtown Lafayette, is known for celebrating music, culture, and artistic talent from around the world. It's a festival worth attending, and LUS Fiber just made it even better!

Sharing your experiences with others in real-time – through photos, tweets, or status updates – has become an enjoyed part of one's social life. Unfortunately, for the hordes of festival goers that join us every spring with their multiple smartphones, laptops, and tablets in tow, wireless Internet service was never an option. This put a strain on some cellular services, making it difficult to share your pictures and videos.

Recognizing the need for Internet access, LUS Fiber decided to team with Festival International to turn downtown's Parc Putnam into an LUS Fiber Wi-Fi Hotspot Area this year.

Festival attendees will now have access to free Wi-Fi service throughout the festivities at Parc Putnam, located in front of the Federal Courthouse, courtesy of LUS Fiber.

"We couldn't think of a better way to improve the overall festival experience for Lafayette residents than by offering free, high-speed Wi-Fi access," said Terry Huval, Director of LUS Fiber. "It was a perfect fit for Lafayette's only community-owned, fiber-optic network to partner with one of Lafayette's signature festivals to provide a service that will enhance the attendees' experience."

LUS Fiber is making it easy to share Festival International with the world. Remember to use **#FiberWiFi** when posting from the LUS Fiber Hotspot Area.

APPENDIX F-2

daily advertiser

Staff report

Published 4:13 p.m. CT Apr. 22, 2015

Capturing and sharing experiences at Festival International de Louisiane in real-time through photos, videos, tweets and other social media is part of the fun.

But with hundreds of visitors flocking to downtown Lafayette for the festival and almost all of them using smart phones, tablets and other wireless devices, cell service can be strained, limiting your access.

Lafayette Utilities System Fiber has teamed up with Festival International again this year to create free, high-speed WiFi hotspots downtown.

Festival attendees will be able to connect to WiFi free during the festivities at three places:

* Parc Putnam on Lafayette Street, across from the federal courthouse, the building with the half-head sculptures out front.

* Parc International on Garfield Street, behind Marley's bar and near Dwyer's cafe'.

* Parc Sans Souci, the park with the water fountain that kids like to play in, located on Vermilion Street, across from the parking garage.

Appendix G

Documents Related to LUS AMI Gatekeepers

Lafayette
CONSOLIDATED GOVERNMENT

Internal Memorandum

LUS Fiber
Director's Office

TO: Lorrie Toups **DATE:** March 30, 2020

THRU: Cydra Wingerter
Lowell Duhon

FROM: Kayla Miles

SUBJECT: Account 118417 – LUS AMI Gatekeeper

Recently the above mentioned account was audited by the Communications division, LUS Fiber. As an outcome to the audit, LUS Fiber identified 3 sites that were never installed by LUS Fiber and were billed since November 1, 2011. We are unable to locate any documentation as to what transpired.

LUS Fiber wishes to transfer the cash paid back to the Utilities division. The total amount of the transfer, including interest, is $203,424.38.

Should you need any additional information, please do not hesitate to contact me.

Thanks,

DocuSigned by:
Kayla Miles
Kayla Miles
Interim Director of LUS Fiber

cc: Teles Fremin
Ryan Meche
Derik Godeaux
Brittany Mahfouz

t: 337.291.5942 / kmiles@lus.org

APPENDIX G-1

Full Service Address	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY2020
0 E BROUSSARD RD	$ 7,142.88	$ 7,142.88	$ 8,160.00	$ 8,160.00	$ 8,160.00	$ 8,160.00	$ 8,160.00	$ 8,160.00	$ 4,080.00
166 S BEADLE RD	$ 7,142.88	$ 7,142.88	$ 8,160.00	$ 8,160.00	$ 8,160.00	$ 8,160.00	$ 8,160.00	$ 8,160.00	$ 4,080.00
0000 BEADLE UNDERGROUND	$ 7,142.88	$ 7,142.88	$ 8,160.00	$ 8,160.00	$ 8,160.00	$ 8,160.00	$ 8,160.00	$ 8,160.00	$ 4,080.00
Total Owed	$ 21,428.64	$ 21,428.64	$ 24,480.00	$ 24,480.00	$ 24,480.00	$ 24,480.00	$ 24,480.00	$ 24,480.00	$ 12,240.00
Total Interest	$ 40.71	$ 25.71	$ 36.72	$ 70.99	$ 129.74	$ 198.29	$ 376.99	$ 567.94	$ -
Total Reimbursement	$ 21,469.35	$ 21,454.35	$ 24,516.72	$ 24,550.99	$ 24,609.74	$ 24,678.29	$ 24,856.99	$ 25,047.94	$ 12,240.00

Total Reimbursement $ 203,424.38

Appendix H

Documents Related to the Inconsistent Pricing and Potential Overcharging of Services

From: Teles Fremin
To: David Demoruelle
Subject: RE: Lift Station Circuits
Date: Thursday, June 21, 2018 12:38:06 PM

Sorry it has taken me so long to get back to you. Below are a few of the options. Let me know what you think. If you want to start off at a lower speed and upgrade later we can accommodate that

	M2M Pricing	1 Year Pricing	2 Year Pricing	3 Year Pricing	5 Year Pricing
10x10 Mbps	$210.00	$190.00	$170.00	$150.00	$125.00
20x20 Mbps	$340.00	$310.00	$275.00	$240.00	$200.00
30x30 Mbps	$420.00	$380.00	$335.00	$300.00	$250.00
50x50 Mbps	$510.00	$450.00	$405.00	$350.00	$305.00
100x100 Mbps	$680.00	$615.00	$545.00	$475.00	$405.00

From: David Demoruelle
Sent: Friday, June 15, 2018 11:06 AM
To: Teles Fremin
Subject: FW: Lift Station Circuits

The list of completed lift stations is below. They will each need 30Mbps VPLS service to accommodate cameras and telemetry.

What are the options and pricing regarding terms?

Thanks,

DavidD

From: Skyler R. Williams
Sent: Friday, June 15, 2018 10:49 AM
To: David Demoruelle <davidd@lus.org>
Subject: RE: Lift Station Circuits

David,

Current list of substations completed: 29

201 S BUD ST #A LIFTSTATION 88 SAUL	10.1.161.8	ACCC8E14362	59241			Wall	X
48 E PONT DES MOUTON RD LIFTSTATION 216	10.1.161.9	ACCC8E1431E	59242			Pole	X
621 W PONT DES MOUTON RD #A LIFTSTATION 39	10.1.161.10	ACCC8EA1438D	59243			wall	X
2115 N UNIVERSITY AVE #A LIFTSTATION 145	10.1.161.11	ACCC8EA143C7	59244			Pole	X
1304 E UNIVERSITY AVE #A LIFTSTATION 5 SPRING	10.1.161.12	ACCC8EA1434A	59245			Wall	X
418 GUIDRY RD #A LIFTSTATION 7	10.1.161.13	ACCC8EA12460	59246			Wall	X
501 MANILA AVE #A LIFTSTATION 61	10.1.161.14	ACCC8EA1244E	59247			Wall	X
400 E BUTCHER SWITCH RD #A LIFTSTATION 101	10.1.161.15	ACCC8EA12452	59248			pole	X
201 CROCUS LN #A LIFTSTATION 58	10.1.161.16	ACCC8E12461	59249			wall	X
1020 MADELINE AVE #A LIFTSTATION 150	10.1.161.17	ACCC8EA1245C	59250			pole	X
100 COUSSAN RD #A LIFTSTATION 146	10.1.161.18	ACCC8EA1431D	59251			pole	X
225 DURHAM DR 144	10.1.161.19	ACCC8EA12DC9	59252			pole	X
3519 W PINHOOK RD #A 155	10.1.161.20	ACCC8EA14359	59253			pole	X
302 WILCOX ST #A 130	10.1.161.21	ACCC8EA1437C	59254				X
337 BEAU PRE RD #A LIFTSTATION 152	10.1.161.22	ACCC8EA143F1	59255				X
506 RAYMOND ST #A 165	10.1.161.26	ACCC8EA12DED	59259			Pole	X
1131 E ALEXANDER ST #A LIFTSTATION 34	10.1.161.28	ACCC8EA14327	59261				X
1127 W SIMCOE ST #A LIFTSTATION 14	10.1.161.29	ACCC8EA14371	59262				X
209 JIMMIE ST #A LIFTSTATION 16	10.1.161.30	ACCC8EA14363	59263				X
101 ARMOR AVE #A LIFTSTATION 50	10.1.161.31	ACCC8EA1437A	59264				X
15 FLOSSMORE DR #A LIFTSTATION 70	10.1.161.32	ACCC8EA1433C	59265				X
120 N MANNERING AVE #A LIFTSTATION 40	10.1.161.33	ACCC8EA1432C	59266				X
313 CAMBERLY CIR #A LIFTSTATION 96	10.1.161.34	ACCC8EA1434B	59267				X
403 OAKLEAF DR #A LIFTSTATION 105	10.1.161.35	ACCC8EA143E1	59268			Pole	X
156 HEARTWOOD CIR #A LIFTSTATION 111 BUTCHER	10.1.161.36	ACCC8EA143E2	59269			Pole	X

100 ROSEMARY PL #A LIFTSTATION 181	10.1.161.37	ACCC8EA14361	59270			Pole	X
111 REPRESENTATIVE ROW #A LIFTSTATION 62	10.1.161.23	ACCC8EA14344	59256			Wall	X
830 MOSS ST #A LIFTSTATION 10	10.1.161.39	ACCC8EA1433D	59272			Pole	X
706 OMEGA DR #A LIFTSTATION 25	10.1.161.38	ACCC8EA1435D	59271			Pole	X

Thanks,
Skyler R. Williams
Network Engineer II | 7086-Network Engineering & Operations
Lafayette Utilities System
1314 Walker Rd | Lafayette, LA |www.lus.org
swilliams@lus.org | P 337.291.5481

From: David Demoruelle
Sent: Thursday, June 14, 2018 5:18 PM
To: Skyler R. Williams <SRWILLIAMS@lus.org>
Subject: FW: Lift Station Circuits

Please send me a list of completed lift station sites. I will request the Fiber circuits.

From: Teles Fremin
Sent: Thursday, June 14, 2018 5:17 PM
To: David Demoruelle <davidd@lus.org>
Subject: Re: Lift Station Circuits

Send me the addresses, the service requested, and term

Sent from my iPhone

On Jun 14, 2018, at 5:07 PM, David Demoruelle <davidd@lus.org> wrote:

> We are ready to turn up 30 lift station sites. Let me know what you need from me.
>
> **David Demoruelle, P.E.** | *Network Engineering Supervisor*
> Lafayette Utilities System
> 121 Bowers Rd | Scott, LA 70583
> p: 337.291.5860 | f: 337.291.5995 | davidd@lus.org

Appendix I

Documents Related to Dark Fiber

LUS Fiber Lease Calculation

Lease of Dark Fiber		Based on the same cost principles that are used to develop wholesale rates
# fibers	10	
Distance (miles)	65	Mulitiple loops (3) around the city along the backbone
Cost of installation of fiber along this route	$ 1,414,803	Current cost of installing 12 fiber cable (the closest size cable to 10 fibers) at $36277/mileX.6 (FTTH project - Aerial Cost approx. $16,400,000 for 452 miles of fiber - mostly 96 - assume 60% of this cost (40% of the cost would be the incremental cost to go from 12 fiber to 96 fiber))
Capital Cost Recovery	$15,707.21	Recover fiber cost over 10 years at 6% as we do with our wholesalers
LUS share (mthly)	$15,707.21	We would recover the cost of cable from the customer. LUS would then make the decision if we want to invest the additional cost to upgrade to a larger cable as we do with our wholesalers
O&M on fiber (mthly)	$8,253.02	7% of capital cost divided by 12 is standard O&M used for wholesale services
Total Costs	$23,960.23	
Markup	$4,792.05	20% is standard used for wholesale services
Total Monthly Lease Charge	$28,752.28	

LUS Fiber Lease Calculation

Lease of Dark Fiber			Based on the same cost principles that are used to develop wholesale rates
# fibers		10	
Distance (miles)		65	Mulitiple loops (3) around the city along the backbone
Cost of installation of fiber along this route	$	1,414,803	Current cost of installing 12 fiber cable (the closest size cable to 10 fibers) at $36277/mileX.6 (FTTH project - Aerial Cost approx. $16,400,000 for 452 miles of fiber - mostly 96 - assume 60% of this cost (40% of the cost would be the incremental cost to go from 12 fiber to 96 fiber))
Capital Cost Recovery		$15,707.21	Recover fiber cost over 10 years at 6% as we do with our wholesalers
LUS share (mthly)		$15,707.21	We would recover the cost of cable from the customer. LUS would then make the decision if we want to invest the additional cost to upgrade to a larger cable as we do with our wholesalers
O&M on fiber (mthly)		$8,253.02	7% of capital cost divided by 12 is standard O&M used for wholesale services
Total Costs		$23,960.23	
Markup		$4,792.05	20% is standard used for wholesale services
Total Monthly Lease Charge		$28,752.28	
ULL Lease			Use the existing ULL dark fiber lease to get a market value in Oct 01
# fibers		6	
Distance (Miles)		10	
Total Monthly Lease Charge	$	1,335.00	
Charge per strand-mile per month	$	22.25	Divide the lease charge by the number of strands and the number of miles
LUS Lease			
# fibers		10	
Distance (Miles)		65	
Total Monthly Lease Charge	$	28,752.00	
Charge per strand-mile per month	$	44.23	Divide the lease charge by the number of strands and the number of miles

NOTE: Although the cost per strand-mile per month for LUS is double the charge for ULL, the ULL contract is a 20 year contract and the LUS contract is a 5 year contracct. Costs have increased for construction of fiber for the LUS lease as compared to when the analysis was done for ULL. Also, the ULL analysis was done prior to development of the wholesale business and standard rate development.

LUS Fiber Lease Calculation

Lease of Dark Fiber			Based on the same cost principles that are used to develop wholesale rates
# fibers		10	
Distance (miles)		65	Mulitiple loops (3) around the city along the backbone
Cost of installation of fiber along this route	$	2,169,365	Current cost of installing 12 fiber cable (the closest size cable to 10 fibers) at $36277/mileX.92 (FTTH project - Aerial Cost approx. $16,400,000 for 452 miles of fiber - mostly 96 - assume 92% of this cost (8% of the cost would be the incremental cost to go from 96 fiber to 12 fiber)) Only the cost of 12 fiber versus 96 fiber changes the rate. All other costs remain the same per the FTTH bid.
Capital Cost Recovery		$24,084.39	Recover fiber cost over 10 years at 6% as we do with our wholesalers
LUS share (mthly)		$24,084.39	We would recover the cost of cable from the customer. LUS would then make the decision if we want to invest the additional cost to upgrade to a larger cable as we do with our wholesalers
O&M on fiber (mthly)		$12,654.63	7% of capital cost divided by 12 is standard O&M used for wholesale services
Total Costs		$36,739.02	
Markup		$7,347.80	20% is standard used for wholesale services
Total Monthly Lease Charge		**$44,086.83**	
LUS Lease			
# fibers		10	
Distance (Miles)		65	
Total Monthly Lease Charge		$44,086.83	
Charge per strand-mile per month	$	67.83	Divide the lease charge by the number of strands and the number of miles

From: Terry Huval
To: Frank Ledoux
Subject: Fw: UL Lafayette Contract
Date: Sunday, October 31, 2010 9:32:01 AM

Issue: Dark fiber to UL.

I know we talked about this before, but I still think that LUS should have to pay the Communications Division for this capacity.

My logic: The dark fiber is owned by the Communications Division with the Communications Division paying for it on a 100% actual installed cost basis (not a market basis, of which a market basis could have taken into account the UL deal). Yet on an annual basis, LUS is clearing about $1.26 million on the overall electric deal - including the dark fiber. There is no doubt the provision of the dark fiber was valuable to the terms of this contract. Without it, LUS would have had to reduce its electric rate to UL further.

I think that value is at least $260K per year, but we will need to come up with a methodology for this - assuming we can reach agreement in principle.

Your further thoughts?

Terry

From: Ron Gary
To: Terry Huval
Cc: Marshall Miller
Sent: Tue Sep 21 08:30:31 2010
Subject: UL Lafayette Contract

Terry,

The subject contract was executed on November 26, 2001 and took effect on December 1, 2001. Marshall has been tracking the billing info for this contract since its inception and put together a spread sheet showing kWh, total revenues, fuel and variable O&M. To date, we have collected slightly over $31,600,000 in total revenues from this contract which equates to an avg annual gross revenue of nearly $3,646,000. Backing out fuel and variable O&M from the gross revenues yields a total of just over $11,000,000 in net revenues to date or an avg of about $1,262,500.

If you would like to see Marshall's spreadsheet, he can send it to you as well. Let us know if you have any questions or need anything else from us.

Ron

From: Mona Simon
To: Doug Dawson
Subject: RE: Dark fiber given to UL
Date: Wednesday, September 22, 2010 3:36:30 PM

UL – University of Louisiana
ULL – University of Louisiana at Lafayette

LSU – Louisiana State University

The university in Lafayette used to be called USL (University of Southwestern Louisiana) when I attended the college here. In order to make the college appear larger and compete with LSU, we have been fighting since at least 1976 for the first name above. Of course Baton Rouge would not allow that to happen so all of the public colleges, except LSU, now have the title of University of Louisiana at _____. UL would have nothing to do with this so the rest of the world knows us as ULL except the locals still use UL.

On the topic below, I spoke a little with Terry yesterday and indicated that we had set the market with the lease to LUS. Part of the justification for paying higher for the LUS lease as compared to the UL lease was that LUS's was a shorter lease (5 years compared to 20 years with UL) and the UL lease was also tied to a power supply contract. I also indicated that we were not talking about a $1M like Terry was thinking.

Mona Simon

From: BLACKBEAN2@aol.com [mailto:BLACKBEAN2@aol.com]
Sent: Wednesday, September 22, 2010 10:16 AM
To: Mona Simon
Subject: Re: Dark fiber given to UL

This is not going to be a big windfall that Terry envisions. He somehow thinks that if UL puts giant bandwidth on the fiber that this makes it worth a lot. However, this is only worth whatever dark fiber is worth. I think the highest price we can justify is to charge the $44.23 per month per mile per fiber, the same rate we are charging LUS. This is basically the market rate we have established (and honesly it is a little high compared to some other communities). This would equate to a monthly value of the UL dark fiber of $3,238 per month or $38.9k per year.

Terry must remember that the customer is responsible for buying and maintaining the electronics needed to light the fiber. All LUS is providing is the bare, unlit fiber.

Can you clear up one tiny issue for me? What is the difference between UL and ULL?

Doug

In a message dated 9/22/2010 10:55:18 A.M. SA Western Standard Time, MSIMON@lus.org writes:

> Mona Simon
>
> **From:** BLACKBEAN2@aol.com [mailto:BLACKBEAN2@aol.com]
> **Sent:** Wednesday, September 22, 2010 8:02 AM

To: Mona Simon
Subject: Fwd: Dark fiber given to UL

Forwarded

From: BLACKBEAN2@aol.com
To: msimon@lus.org
Sent: 9/20/2010 7:13:16 A.M. SA Western Standard Time
Subj: Dark fiber given to UL

Can you do several things on the dark fiber given to UL:

1. Just to verify, this is 6 pairs? This is 6 pairs in a loop configuration

2. Do the pairs all run to UL or do they go to different places? The pairs follow our normal backbone loop with only 2 drop off points (ULL campus and ULL Research center) There are restrictions for internal use only

3. Can you supply the mileage for where the dark fiber run so that we can take a stab at setting a value for the fiber? 12.2 miles
As a reference, we charge LUS $28,752/mth for 65 miles and 10 fibers or $44.23/fiber/mile/mth
We charge ULL $1,335/mth for 12.2 miles and 6 fibers or $18.24/fiber/mile/mth

4. Do we have any idea what the University uses this for? Is this just transport within the City? I do not know for sure what the University is using it for but it is configured to be used between the two points. Theoretically, they could transport from the campus to the Research center and then use someone else to take it out of the city.

Doug

From: Terry Huval
To: Doug Dawson; "Gordon.Polozola@keanmiller.com"
Cc: Mona Simon; Frank Ledoux
Subject: Claiming Net Revenues from Communications Services 11/16/2004 - 11/1/2007
Date: Monday, September 20, 2010 2:09:41 AM

Doug and Gordon,

I have spoken to both of you, separately, concerning the justification of this effort and I previously left Doug with the task to write up a proposal for claiming the revenues in the Communications Division. The purpose of this e-mail is to lay out my arguments for this, and to point out any areas that may need more attention. In the thought process I have gone through tonight, I have also uncovered another previously omitted source of revenues for the Communications Division.

Prior to the Act, which was signed into law on ?07/??/2004, there was no law that specifically addressed a local government providing telecom services. In 1998, LUS first began construction of its fiber ring for the initial purposes of providing essential communications connectivity to its critical electric transmission system. Prior to that time, LUS was utilizing a microwave communications system for that purpose, however, that system was becoming more difficult to keep in operation as the technology for it was no longer being supported by industry. LUS paid for this initial fiber network with net revenues it earned in the provision of electric, water and wastewater utility services.

In May 2002, LUS began providing wholesale broadband and Internet services to companies reselling those services by repackaging them into their core service offerings. In addition, LUS began selling services to other governmental entities, such as the LCG, Courthouse, Sheriff's Dept. and the City Marshall - all entities whose operational costs are covered, all if not in part, through City-Parish revenues. These revenues were billed through the utilities billing system, but used separate accounting codes to designate the revenues earned and the incremental costs incurred to provide these communications services. These additional revenues also generated new in-lieu-of-tax ultimately transferred to the City general fund. Additional costs for this new phase of communications services were paid for through the new revenues earned by these services, however, the initial costs prior in 2002 and 2003 were more than likely paid for through general utility revenues until the communications system generated sufficient revenues on its own (Mona, to verify).

Once the Act was passed in 2004, LUS continued the process to ultimately provide "covered services" as provided by the Act and received approval from its LPUA and Council to establish the Communications Division through ordinance ?O-xxx-2004? on 11/16/2004. The Act specifically excludes wholesale and internal governmental services. The LCG Finance Department continued to maintain separate accounting for communications revenues and communications costs, but did not place those within the newly established Communications Division.

In ?month? 2004??, LUS reached agreement with the Lafayette Parish School System (LPSS) to provide connectivity to the new J Wallace James School. That arrangement was expanded in ??May 2005?? when LUS was able to begin serving all the public schools in Lafayette Parish. The then-existing contract with the LPSS allowed for additional points of service and was the contract vehicle used to provide these additional services to the LPSS. It was determined by the Legal Department that since this contract predated the passage of the Act that it was not subject to the Act. (Mona, were the costs to extend these services included anywhere in the accounting against the revenue earnings LUS received for providing these services?)

LUS continued to fill orders for additional wholesale services until, and after, it issued bonds for the Fiber-to-the-Home and Business system on June 30 2007. The Finance Department designated 11/1/2007 as the start date to transfer all communications assets and revenues to the Communications Division.

The net revenues included in the separate accounting entries from 11/16/2004 were all earned exclusively through the sale of telecommunications services (broadband and Internet). (Mona, did those revenues also include lease payments from tower space to wireless companies?).

I think that justifies the net revenue recognition between the establishment of the Communications Division on 11/16/2004 and the 11/01/2007 date Finance officially transferred new revenues and assets to this Division.

This next part is separate from the arguments and purposes above, as I see it - but is a very significant realization as we search out revenues which are due to the Communications Division:

This is an area that comes to mind where communications services were provided, but revenues were not received. It had to do with UL. In ?2002?, due to the threat of UL perhaps choosing to begin establishing its own electric power generation unit(s), LUS negotiated a 20 year electric agreement all-requirements electric agreement with the university. The terms of the agreement included a reduction in the rate for electric services to the university, but also included the provision of 6 dark fiber strands to connect the main campus of the university with its research park. There was no monetary value placed on these dark strands, but it is clearly of significant value to the university. These 6 dark fiber strands were included in the value of the asset transfer of the overall fiber infrastructure from LUS to LUS Fiber. LUS clearly has benefited financially from this long-term electric agreement with its single largest customer, the university. The specific 6 dark fiber strands are dedicated exclusively to the university and are being used extensively by the university, not only for basic connectivity to the research park which includes the LITE Center, but also for university-wide connectivity to the LONI educational research and development system. The value of dark fiber increases as the university's needs for bandwidth increases. In essence, it is a limitless pipe whose additional capacity is immediately realized each time the university upgrades its electronics on each end of these 6 dark fiber strands.

With UL electric revenues to LUS at ?$10 million? annually, LUS will continue to reap significant revenues from the university, at the same time the university is achieving significant growth. What is the value of a bandwidth pipe with no cap? At what capacity has UL utilized this connection since 11/16/2004, when the Communications Division was established? If it was 1 Gbps, could that value be $1 million per year? (Doug and Mona, perhaps both of you may be in the best position to help us determine how to "value" those 6 dark fibers on an annual basis at least from 11/16/2004 until now.).

If it was $1 million a year, that could correlate to a justifiable $6 million transfer to LUS Fiber - a very significant amount for this new upstart business.

I look forward to your comments and suggestions.

Bonsoir,
Terry

From:	Antonio Conner
To:	Bryan Joubert (bryanj@kcsrcpas.com)
Cc:	Brittany A. Mahfouz
Subject:	Fiber Dark Lease rate change
Date:	Wednesday, August 5, 2015 4:26:15 PM
Attachments:	LUS Fiber Lease reprice 111813.xlsx

Bryan,

Please see the attached spreadsheet that calculates the new rate for the 10 dark fiber lease. The new rate began in FY 2014, is based on cost and is calculated in a way that is consistent with other wholesale rates.

Let me know if you need anything else.

Thanks,
Antonio

Antonio R. Conner, MBA | *Financial Operations Supervisor*
Lafayette Consolidated Government
705 West University Avenue / P.O. Box 4017-C / Lafayette, LA 70502
p: 337.291.8246 / f: 337.291.8060 / aconner@lafayettela.gov / www.lafayettela.gov

LUS Fiber Lease Calculation

Lease of Dark Fiber			Based on the same cost principles that are used to develop wholesale rates
# fibers		10	
Distance (miles)		65	Mulitiple loops (3) around the city along the backbone
Cost of installation of fiber along this route	$	1,414,803	Current cost of installing 12 fiber cable (the closest size cable to 10 fibers) at $36277/mileX.6 (FTTH project - Aerial Cost approx. $16,400,000 for 452 miles of fiber - mostly 96 - assume 60% of this cost (40% of the cost would be the incremental cost to go from 12 fiber to 96 fiber))
Capital Cost Recovery		$15,707.21	Recover fiber cost over 10 years at 6% as we do with our wholesalers
LUS share (mthly)		$15,707.21	We would recover the cost of cable from the customer. LUS would then make the decision if we want to invest the additional cost to upgrade to a larger cable as we do with our wholesalers
O&M on fiber (mthly)		$8,253.02	7% of capital cost divided by 12 is standard O&M used for wholesale services
Total Costs		$23,960.23	
Markup		$4,792.05	20% is standard used for wholesale services
Total Monthly Lease Charge		$28,752.28	
ULL Lease			Use the existing ULL dark fiber lease to get a market value in Oct 01
# fibers		6	
Distance (Miles)		12.2	
Total Monthly Lease Charge	$	1,335.00	
Charge per strand-mile per month	$	18.24	Divide the lease charge by the number of strands and the number of miles
LUS Lease			
# fibers		10	
Distance (Miles)		65	
Total Monthly Lease Charge	$	28,752.00	

Charge per strand-mile per month	$	44.23	Divide the lease charge by the number of strands and the number of miles

NOTE: Although the cost per strand-mile per month for LUS is double the charge for ULL, the ULL contract is a 20 year contract tied to electric usage and the LUS contract is a 5 year contracct. Costs have increased for construction of fiber for the LUS lease as compared to when the analysis was done for ULL. Also, the ULL analysis was done prior to development of the wholesale business and standard rate development.

LUS cost per mile for 96 fiber installed aerially along transmission line route (452 miles)	$	36,283.19
LUS cost per foot for 96 fiber installed aerially along transmission line route (2,386,560 feet)	$	6.87

57101412	CABLE, FIBER, 12 FIBERS, ADSS	OFS	AT-3BE27DT-012-CMGB	$0.33
57101424	CABLE, FIBER, 24 FIBERS, ADSS	OFS	AT-3BE27DT-024-CMGB	$0.39
57101448	CABLE, FIBER, 48 FIBERS, ADSS	OFS	AT-3BE27DT-048-CMHB	$0.51
57101496	CABLE, FIBER, 96 FIBERS, ADSS	OFS	AT-3BE27DT-096-CNFB	$0.87
57101544	CABLE, FIBER, 144 FIBERS, ADSS	OFS	AT-3BE27DT-144-CLGE	$1.27
57101588	CABLE, FIBER, 288 FIBERS, ADSS	OFS	AT-3BE27DT-288-CMHE	$2.26
57101696	CABLE, FIBER, 96 FIBERS, ADSS, LONG SPAN	OFS	AT-3BE27DT-096-CMHE	$1.05
57101744	CABLE, FIBER, 144 FIBERS, ADSS, LONG SPAN	OFS	AT-3BE27DT-144-CNDE	$1.46
57101788	CABLE, FIBER, 288 FIBERS, ADSS, LONG SPAN	OFS	AT-3BE27DT-288-CPDE	$2.54

Cost difference for 12 fiber and 96 fiber (see chart above)

Same cost for installation of aerial MCA (0-96 fiber)

Same cost for splicing of 0-96 fiber at closure

All other costs to install aerial fiber the same for 0-96 fibers

LUS cost per foot if 12 fiber installed aerially along transmission line route (2,386,560 feet)	$	6.33	92%
LUS cost per mile if 12 fiber installed aerially along transmission line route (452 miles)	$	33,442.55	92%

LUS Fiber Lease Calculation

Lease of Dark Fiber			Based on the same cost principles that are used to develop wholesale rates
# fibers		10	
Distance (miles)		65	Mulitiple loops (3) around the city along the backbone
Cost of installation of fiber along this route	$	2,169,365	Current cost of installing 12 fiber cable (the closest size cable to 10 fibers) at $36277/mileX.92 (FTTH project - Aerial Cost approx. $16,400,000 for 452 miles of fiber - mostly 96 - assume 92% of this cost (8% of the cost would be the incremental cost to go from 96 fiber to 12 fiber)) Only the cost of 12 fiber versus 96 fiber changes the rate. All other costs remain the same per the FTTH bid.
Capital Cost Recovery		$24,084.39	Recover fiber cost over 10 years at 6% as we do with our wholesalers
LUS share (mthly)		$24,084.39	We would recover the cost of cable from the customer. LUS would then make the decision if we want to invest the additional cost to upgrade to a larger cable as we do with our wholesalers
O&M on fiber (mthly)		$12,654.63	7% of capital cost divided by 12 is standard O&M used for wholesale services
Total Costs		$36,739.02	
Markup		$7,347.80	20% is standard used for wholesale services
Total Monthly Lease Charge		**$44,086.83**	

LUS Lease			
# fibers		10	
Distance (Miles)		65	
Total Monthly Lease Charge		$44,086.83	
Charge per strand-mile per month	$	67.83	Divide the lease charge by the number of strands and the number of miles

From: Teles Fremin
To: Mona Simon
Subject: RE: LUS Wholesale Service Changes
Date: Wednesday, June 17, 2015 1:12:50 AM
Attachments: LUS Services 010914.xlsx

I have the attached file that we used to go over all the increases. For the dark fiber lease, I have a note that you were to provide more information. I will pull the contracts and send that to them, that may be all they need.

From: Mona Simon
Sent: Tuesday, June 16, 2015 4:20 PM
To: Teles Fremin
Subject: FW: LUS Wholesale Service Changes

I found the attached that may help. One is the spreadsheet used to develop the cost for dark fiber. It was used for the Oct. 2013 charges. Then I found an e-mail from you for the added services for FY 2014.

From: Brittany A. Mahfouz
Sent: Tuesday, June 16, 2015 3:39 PM
To: Teles Fremin
Cc: Mona Simon; Antonio Conner
Subject: FW: LUS Wholesale Service Changes

Teles,

The auditors are here for the compliance audit and have a few questions regarding the wholesale accounts. They are looking at the changes in the amount billed for October 2013 and October 2014 for the accounts listed below. Their main question is the increase from $28,752.00 to $44,087.00 for the 10 Dark Fiber Lease.

They want to know is there is some type of contract or documentation justifying this change. Would you be able to assist with this request?

Thanks,

Brittany A. Mahfouz

From: Marlin Touchet
Sent: Tuesday, June 16, 2015 2:57 PM
To: Brittany A. Mahfouz
Subject: FW: LUS Wholesale Service Changes

Marlin Touchet - LUS Fiber
337-210-4541

From: Teles Fremin
Sent: Tuesday, December 24, 2013 10:32 AM
To: Marlin Touchet
Cc: Amy Broussard; Mona Simon
Subject: LUS Wholesale Service Changes

Marlin,

Below is the list of services that need to be adjusted as discussed. Please review and make the appropriate changes. Please let me know once you begin billing for the new services. If you have any questions, please let me know.

Customer	Service Order	Current Service	Current MRC	Upgrade Service	New MRC
LUS - Electric	172 S. Beadle, Beadle Substation SPR, Electric SO 02, ID-	10M SPR	$360.00	100M SPR	$436.00
LUS - Electric	150 Hugh Wallis Rd, Elks Substation SPR, Electric SO 03, ID-	10M SPR	$360.00	100M SPR	$436.00
LUS - Electric	104 West Farrel, Flanders Substation SPR, Electric SO 04, ID-	10M SPR	$360.00	100M SPR	$436.00
LUS - Electric	100 West Gilman Rd, Gilman Substation SPR, Electric SO 05, ID-	10M SPR	$360.00	100M SPR	$436.00
LUS - Electric	310 S Guilbeau Rd, Guilbeau Substation SPR, Electric SO 06, ID-	10M SPR	$360.00	100M SPR	$436.00
LUS - Electric	101 Luke St, Luke Substation SPR, Electric SO 07, ID-	10M SPR	$360.00	100M SPR	$436.00
LUS - Electric	120 Tucker Dr, Mall Substation SPR, Electric SO 08, ID-	10M SPR	$360.00	100M SPR	$436.00
LUS - Electric	611 W Pont Des Mouton, Mouton Substation SPR, Electric SO 09, ID-	10M SPR	$360.00	100M SPR	$436.00
LUS - Electric	310 Edna St, Peck Substation SPR,Electric SO 10, ID-	10M SPR	$360.00	100M SPR	$436.00
LUS - Electric	110 Perard St, Perard Substation SPR, Electric SO 11, ID-	10M SPR	$360.00	100M SPR	$436.00
LUS - Electric	201 E. Pinhook, Pinhook Substation SPR, Electric SO 12, ID-	10M SPR	$360.00	100M SPR	$436.00
LUS - Electric	231 E Bayou Pkwy, Sewer Substation SPR, Electric SO 13, ID-	10M SPR	$360.00	100M SPR	$436.00
LUS - Electric	310 St George, St George Substation SPR, Electric SO 14, ID-	10M SPR	$360.00	100M SPR	$436.00
LUS - Electric	1210 Walker Rd, Warehouse Substation SPR, Electric SO 15, ID-	10M SPR	$360.00	100M SPR	$436.00
LUS - Electric	300 Beau Pre, Hargis-Hebert Power Plant SPR, Electric SO 16, ID-	10M SPR	$360.00	100M SPR	$436.00
LUS - Electric	208 Renaud, TJ Labbe Power Plant SPR, Electric SO 17, ID-	10M SPR	$360.00	100M SPR	$436.00
LUS - Electric	1120 Walker Rd, Bonin Switchyard SPR, Electric SO 18, ID-	10M SPR	$360.00	100M SPR	$436.00
LUS – Power Production	208 Renaud Rd - Labbe Maint Bldg SO 05 ID-8075537160	10M SPR	$275.00	100M SPR	$436.00
	1314 Walker Rd, LUS - 10 Fiber Lease along Backbone	10 Dark Fiber Lease	$28,752.00	10 Dark Fiber Lease	$44,087.00
LUS General (Dept 700)	1314 Walker Rd - Wireless Network (24 locs/10M ea) Dept 700	24 Wireless locations (10M SPR)	$8,087.00	35 Wireless locations (10M SPR)	$11027.11

Also, can you verify whether or not you are billing for 2620 Verot School Rd, Wastewater Ops SO 01?

Thanks,

Teles Fremin
Chief Communications Engineer
LUS Fiber
1314 Walker Rd
Lafayette, LA 70506
Tel: 337-291-8935
tfremin@lus.org