

Mississippi Public Service Commission

NEWS RELEASE

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Public Service Commission votes to remove Katrina restoration charge from Mississippi Power customer bills

JACKSON, MISS- In a work session this Tuesday, Mississippi Public Service Commissioners voted to remove the Hurricane Katrina Systems Restoration Charge from customers' bills. This will result in a \$3.45 decrease in customer's bills.

In 2005, Hurricane Katrina devastated much of the state with inconceivable damage including \$300 million of damage to electrical infrastructure. The portion of this cost that was not recovered by Federal Community Development Block Grants, (around \$121 million) was recovered by the issuance of low-interest bonds articulated in the "Hurricane Katrina Electric Utility Customer Relief and Electric Utility Restoration Act" in 2006 by the Mississippi Legislature.

Based on information by the State Treasurer, the System Restoration Bond Sinking Fund will be sufficient at the end of January 2017 to discharge the entirety of the debt. This charge will now be removed from customer bills.

"What could have been a sizeable electric bill hike for already devastated customers was made manageable by unparalleled cooperation between government agencies like the PSC and Mississippi Power," said PSC Chairman Brandon Presley. "The fruits of that effort are seen today as, just over a decade later, Mississippi Power has paid its Katrina debt in full and ratepayers can shed one more reminder of that terrible storm."



Lynn Fitch
STATE TREASURER



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“Mississippians have seen the effects of Katrina since its landfall in 2005,” Southern District Commissioner Sam Britton said. “I’m happy to see this charge removed and moving forward to continue to put the devastating impact of Katrina behind us.”

“It’s a good day for Mississippi ratepayers,” Central District Commissioner Cecil Brown said.

“It has been a real honor working with the members of the PSC and with Mississippi Power Company to reduce utility bills for ratepayers in Southeastern Mississippi,” said Treasurer Lynn Fitch, member of the State Bond Commission. “Because of this collaborative effort, not only will their bills be smaller, but the total debt resting on the shoulders of Mississippi taxpayers will be smaller, too.”

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