#### December 16, 2020



### FROM THE DESK OF Commissioner Brent Bailey Central District Office



The Central District is pleased to bring you the latest information concerning utility rates, project developments, Public Service Commission actions and other news you can use. I hope you will find this information to be a useful resource to learn about the Public Service Commission, consumer issues and the continuous work we are doing for the citizens in the Central District and across the state of Mississippi. Thank you again for allowing me to serve you in this capacity.

# Hydrogen and Our Energy Future

Some energy analysts and policy pundits say we are on the cusp of a major energy transformation in the U.S. They point to many factors, including but not limited to, a shift in customer demands, increasing cost competitiveness of renewables, a desire for decentralized energy and greater energy security that drive local economic development, corporate sustainability pledges, and the movement to decarbonize the grid. In fact, <u>Entergy Corp.</u> (parent of Entergy Mississippi LLC) and <u>Southern</u> <u>Company</u> (parent of Mississippi Power Co.) have each announced aggressive commitments to achieve net-zero emissions by 2050.

While some may see such a transition as a threat to the energy sector status quo, others see a spark for energy innovation and opportunities to secure a just, clean energy future. Hydrogen could very well be at the center of such an energy transition.

So, what is hydrogen? Hydrogen is the first element in the periodic table. It is the lightest and most abundant element in the universe. In fact, hydrogen fuels the stars through nuclear fusion which creates tremendous amounts of energy. On earth, hydrogen is generally part of more complex molecules, such as water ( $H_2O$ ), methane ( $CH_4$ ) and fructose ( $C_6H_{12}O_6$ ).



Hydrogen (liquefied) was used to **propel man to the moon** because of its flammability and lightness. Once in space, hydrogen powered a fuel-cell system to produce electricity and water. The U.S. has remained a leader in fuel cell and hydrogen technology, as well as technologies that produce, deliver, store and utilize hydrogen. Hydrogen can: be a vehicle fuel; store energy from nuclear sources; provide heat and power for small-scale needs or entire communities. But to be used in its pure form, it has to be extracted.

The method for how hydrogen is produced greatly impacts its status as a low-carbon fuel source. "Brown" hydrogen is made using fossil fuels like oil and coal, which emit CO<sub>2</sub> into the air as they combust. "Grey" hydrogen is created by reforming natural gas, which also releases CO<sub>2</sub>. "Blue" hydrogen uses carbon capture and storage for the greenhouse gases produced in the creation of grey hydrogen. "Green" hydrogen uses renewable energy to create hydrogen fuel, such as through water electrolysis using low-carbon or renewable electricity. Regardless of the production method, producing hydrogen cost-effectively at large-scale volumes has been the biggest challenge to date.

Countries all around the world have developed strategies for deploying hydrogen-based energy solutions. In the U.S., a coalition of major oil & gas, power, automotive, fuel cell, and hydrogen companies have come together to develop a *Road Map to a US Hydrogen Economy*. The Road Map details how the U.S. can expand its global energy leadership by scaling up the hydrogen economy and embracing the versatility of hydrogen. So, how would a vibrant hydrogen industry impact Mississippi? One thing is for certain, we will never know if we don't try.

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**Notice of Special Meeting:** The Mississippi Public Service Commission is holding a special meeting scheduled for Thursday, Dec. 17 at 10 a.m., and will be conducted telephonically. You can find instructions for joining <u>here</u>, and the agenda can be found <u>here</u>.



### Rural Digital Opportunity Fund Auction Directs \$495 Million to MS for Broadband

On December 7, the Federal Communications Commission announced that the Rural Digital Opportunity Fund (RDOF) Phase I Auction allocated **\$495,725,799.60** to support expansion of broadband to **218,990** unserved homes and businesses over the next 10 years in **Mississippi**. Every county in the Central District had at least one winning bidder:

- Bolivar County: NexTier Consortium, REC\* Consortium and SpaceX\*\* \$7,770,663
- Claiborne County: REC Consortium and SpaceX— \$2,424,792
- Copiah County: Bay Springs Telephone Co. Inc., REC Consortium, SpaceX and Windstream Services LLC \$9,767,781
- Hinds County: Connect Everyone LLC, SpaceX and Windstream Services LLC \$4,743,153
- Holmes County: Connect Everyone LLC, REC Consortium and SpaceX \$10,683,369
- Humphreys County: NexTier Consortium \$6,497,851
- Issaquena County: NexTier Consortium \$2,449,680
- Jefferson County: REC Consortium \$6,846,594
- Kemper County: REC Consortium \$15,606,558
- Lauderdale County: REC Consortium and SpaceX \$6,532,912
- Leake County: Commnet Wireless, LLC and SpaceX \$4,818,124
- Madison County: Connect Everyone LLC and SpaceX \$3,374,397
- Neshoba County: Commnet Wireless, LLC and SpaceX \$6,364,975
- Newton County: Bay Springs Telephone Company, Inc. and SpaceX \$8,151,944
- Noxubee County: Prospero Broadband Consortium \$12,058,596
- Rankin County: Bay Springs Telephone Co. Inc., Connect Everyone LLC, SpaceX and Windstream Services LLC \$4,341,962
- Scott County: Bay Springs Telephone Company, Inc. and SpaceX \$7,824,578
- Sharkey County: NexTier Consortium \$2,632,338
- Sunflower County: NexTier Consortium and REC Consortium \$7,436,276
- Warren County's Connect Everyone LLC, REC Consortium and SpaceX \$2,216,104
- Washington County: NexTier Consortium, REC Consortium, SpaceX \$6,309,007
- Yazoo County: Connect Everyone LLC, NexTier Consortium, REC Consortium, SpaceX \$8,957,157
- \*REC = Rural Electric Cooperative

\*\*SpaceX = Space Exploration Technologies Corp.

Beginning in early January, the companies winning RDOF funds must submit an application with the MSPC to be certified as an Eligible Telecommunications Carrier (ETC) in Mississippi. Approval of ETC broadband deployment plans makes companies eligible to receive the RDOF funds. For too long residents in rural Mississippi have been patiently waiting for faster broadband speeds. While this auction will not bring service to all parts of Mississippi, future auctions can help to fill those gaps. For more information, see the <u>FCC</u> <u>National Press Release</u> and the <u>FCC Mississippi Results Press Release</u>.

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### Mississippi Slips in Latest ACEEE Scorecard Rankings

Today, the American Council for an Energy-Efficient Economy released its 2020 State Energy Efficiency Scorecard. The scorecard, now in its 14th edition, is based on data collected from states, utilities, and numerous publicly available sources and is the benchmark resource for evaluating energy efficiency policy performance and customer savings. After a nice jump in rankings a few years ago, Mississippi continues to slide down the rankings and this year settles at #48 on the list, the lowest ranking in the Southern U.S. Mississippi has slipped in some areas and have simply not kept up or adapted to the times in other areas. Last year, the MPSC removed the framework guiding energy efficiency programs

THE 2020 STATE ENERGY EFFICIENCY SCORECARD 29 29 21 22 11 23 24 MOST IMPROVED STATE 29 RANKS 1-10 **RANKS 11-20 RANKS 21-30 RANKS 31-40 BANKS 41-51** ACEEE !!

and never enacted energy savings targets. Statewide building codes for residential and commercial construction are non-existent. A punitive tax on electric vehicles discourages ownership. A bright spot is the leadership shown by the Institutes of Higher Learning in reducing energy use across campuses.

### Southeast Utilities Plan to File SEEM Proposal with FERC

Several southeastern vertically-integrated utilities <u>announced plans</u> to file a proposal with the Federal Energy Regulatory Commission (FERC) to form a regional energy exchange market expected to serve about 50 million customers if approved. The new market, called the Southeast Energy Exchange Market (SEEM), a centralized, automated, 15-minute energy exchange that will use technology and advanced market systems to automatically match participants with low-cost energy to serve customers across the Southeast. Founding SEEM participants include **Southern Company**, Duke Energy, **TVA** and several others. Consultants estimate the SEEM could save customers anywhere from \$40 million to \$50 million per year in the near term, with the potential to save up to \$150 million with higher penetrations of cheap solar resources expected over the next several years. Additional information may be available in the <u>press release</u>.

### New Data on Grid-Connected, Solar Systems

Lawrence Berkeley National Lab has release its *Distributed Solar 2020 Data Update* report that summarizes installed prices, systems sizing, module efficiency and other trends among grid-connected, distributed solar photovoltaic (PV) systems in the United States. The report found that installation prices are continuing on a downward trajectory with median installed resident prices at \$3.8/W and the average system size is 6.5 kW<sub>DC</sub>. Mean PV module efficiency is up to 19.4% and nearly 4.5% of all installations are paired with battery storage. The <u>data</u> is derived from information on more than 1.9 million systems (82% of all PV systems) installed nationally through 2019. [Note: Mississippi has approximately 800 distributed solar installations statewide.]

### **Interactive Map of U.S. Power Plants**

Do you want to know where and how most all the electricity consumed in the U.S. is generated? Synapse Energy Economics has developed a free-to-use interactive map of over 2,900 power plants across the country. Data from the USEIA and USEPA is compiled to display information via a user-friendly Google Earth map. Go to <u>Synapse Energy</u> to request access to the interactive map.

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## Last week at the MPSC

**Great River Utility Operating Company, LLC** file a revised Tariff for several wastewater systems to clarify certain service rules only. The systems include the following subdivisions in Warren County: <u>Leland Pointe</u>; <u>Pine Woods</u>; <u>Pecan Village</u>; <u>Canden Place</u>; <u>The Trace</u>.

Airus, Inc. filed a <u>complaint</u> against AT&T Mississippi, Inc. that AT&T has failed to pay for interconnection and local/intra toll traffic services provided by Airus, Inc.

**Mississippi Power Co.** filed a <u>Notice of Intent</u> to extend its Small Business Development Rider (SBR) for one year. The SBR provides a 15% discount on rates for 24 months for qualifying new small businesses.

- Mississippi Power Co. filed a <u>Notice of Intent</u> to extend its Large Business Development Rider (LBD) for two years. The LBD provides qualified large business customers with a monthly discount upon execution of an electric service contract. Mississippi Power Co. filed its updated cost factors used in the <u>Monthly Facilities Charge Formula</u> for new service contracts.
- Sage Telecom Communications, LLC d/b/a TruConnect filed <u>tariff revisions</u> to comply with changes to the FCC's minimum service standards for Lifeline Services.

Corigis USA, Inc. filed a <u>Petition for Certificate of Public Convenience and Necessity (CPCN)</u> for the construction and operation of the <u>MS Solar 5 solar generation facility</u>. The proposed MS Solar 5 will be a 200 MWac solar farm with a 50 MWac battery electric storage facility to be located on 3,900 acres in **Lowndes County**. The estimated investment is \$200,000,000. The entire electricity output generated by the facility will be sold to TVA under a 20-year power purchase agreement.

City of Clinton filed responses to Entergy MS LLC in a Dispute of Billing and Services: <u>Response to</u> <u>Motion to Dismiss; Response to Motion to Stay; Response to Protective Motion for Protective Order of</u> <u>Non-Disclosure</u>.

- Atmos Energy filed an <u>update</u> of its manual metering reading activities as impacted by COVID-19. Atmos reported that 2,900 customers received their third estimated bill due to meter reading challenges. Atmos Energy also filed an <u>Application for Approval of an Asset Management Agreement</u> with TLGP. Atmos selected TLGP through a <u>Gas Supply Request for Proposal</u>.
- Lingo Telecom of the South file a <u>Petition of Internal Reorganization</u> and a request to <u>transfer</u> <u>customers</u> to Matrix Telecom LLC and cancel Lingo Telecom's certificate to operate within Mississippi.

Last week, our Consumer Complaint Specialists handled a total of 10 complaints in the Central District. Water/Sewer 4 Telecommunications 3 Electric Companies 2

Natural Gas

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Last week, the Central District received a total of 221 complaints from consumers against potential telemarketers through our no call app, website and mail-ins. The top three general issues reported by consumers are related to auto warranties, health products/prescription drugs, and insurance. We encourage consumers to file telemarketing complaints with the Federal Trade Commission at <u>http://</u> <u>www.donotcall.gov/</u> in addition to filing complaints with the Mississippi Public Service Commission.