March 24, 2021

FROM THE DESK OF
COMMISSIONER BRENT BAILEY
CENTRAL DISTRICT OFFICE

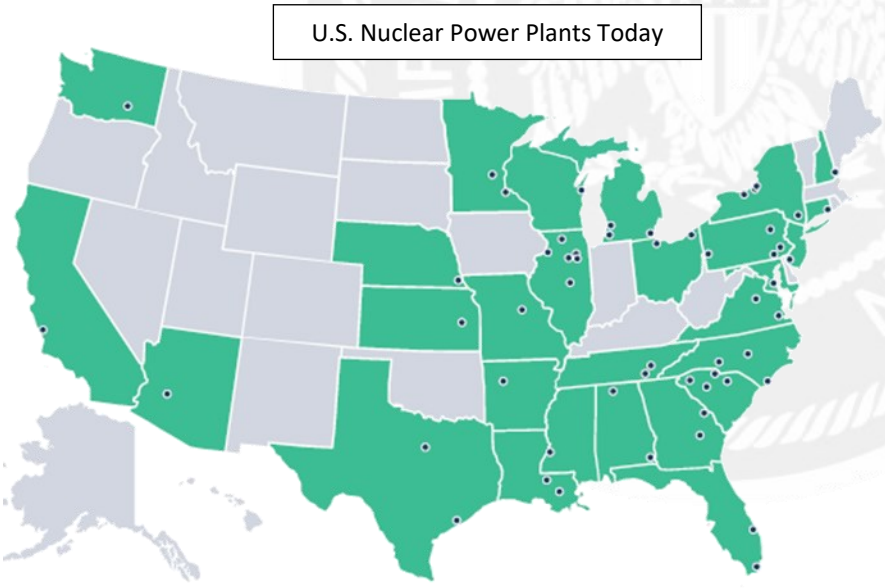
The Central District is pleased to bring you the latest information concerning utility rates, project developments, Public Service Commission actions and other news you can use. I hope you will find this information to be a useful resource to learn about the Public Service Commission, consumer issues 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.

Brent Bailey

Nuclear Innovation Week Seeks New Advances for Nuclear Power

Nuclear Innovation Week is a chance to assemble the best in nuclear energy innovation, review policies, and lift up trends in nuclear research, development, demonstration and deployment of new nuclear technologies. The U.S. can amplify its leadership on the global stage, ensuring that nuclear development happens safely and fosters energy independence.

Across the United States, 94 nuclear reactors at 55 power plant sites across 28 states power tens of millions of homes and anchor local communities. (France is second in the world with 56 operating reactors) Domestic nuclear plants comprise of 96,456 megawatts of electric generation capacity and produced 809.4 billion kilowatt-hours of electricity in 2019, the highest production ever. In 2020, nuclear was second only to natural gas for total electricity generation.



Nuclear energy comes from splitting atoms in a reactor to heat water into steam, turn a turbine and generate electricity. Nuclear generates nearly 20 percent of the nation's electricity and provides nearly 55 percent of carbon free energy. These plants are generally always on – except when refueling – and the nation's nuclear fleet has operated at a 92.5 percent capacity factor over the last 5 years.

Since 2018, five nuclear power plants in the U.S. have retired (ceased operation) representing 3,707 megawatts in generation capacity. Another five nuclear power plants representing 8,147 megawatts in generation capacity has been slated for retirement over the next four years.

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While 53 reactors are under construction around the world, only 2 are being built in the U.S. That is the Plant Vogtle units 3 & 4 near Waynesboro, Georgia, and will provide 2,234 megawatts of new capacity. These are the first new reactors to begin construction in the U.S. in more than 30 years.

Expansion of the nuclear energy program in the U.S. faces several obstacles. First, the general public sometimes views nuclear power as an unstable or dangerous process. This perception is often misplaced. Second, many people remain wary of the used or spent nuclear fuel and how it is currently stored. The U.S. currently does not have a long-term disposal solution. Third, power plants require high capital costs, long lead times, and often experience construction delays. The previously mentioned Vogtle units were originally expected to cost $14 billion but the price tag has nearly doubled. Furthermore, it appears the in-service deadline will be missed. Finally, nuclear systems have generally high operating costs due to strict federal regulations, staffing levels, training, maintenance and more.

Nuclear Innovation Week is the platform for highlighting the next generation of advanced nuclear reactors, including small modular reactors (SMRs), micro-reactors and other advanced designs, that will make nuclear more efficient, more affordable and more versatile. Today, NuScale has received Nuclear Regulatory Commission staff approval to build a SMR in Idaho. Others such as Holtec and Ontario Power Generation are pursuing SMRs. Oklo, TerraPower and X-Energy are finalizing advanced reactor designs under the DoE's Advanced Reactor Demonstration Program. And the Defense Department is moving forward with its own nuclear demonstration program.

Furthermore, despite the known challenges to growing the nation's nuclear energy fleet, many utilities continue to show interest in utilizing nuclear to meet carbon reduction goals. State and federal utility regulators will have their work cut out for them as they weigh the costs vs benefits of including nuclear in a changing energy future.

What is True Impact of Daylight Saving Time?

Over the March 13-14 weekend, most Americans turned our clock forward one hour to begin Daylight Saving Time (DST). The states of Arizona and Hawaii do not adhere to DST. And most U.S. territories (think Guam, Puerto Rico, U.S. Virgin Islands) do not observe DST.

Daylight Saving Time began in 1918 and was utilized mainly during World War I and World War II to conserve energy. From 1945 to 1966, observance of DST was quite inconsistent across U.S. states. There were no uniform rules. This caused massive confusion within the transportation industry and the broadcasting industry, which pushed for standardization.

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President Lyndon B. Johnson signed the Uniform Time Act into law on April 12, 1966. This established a system of uniform Daylight Saving Time rules throughout the U.S. and its territories. States were allowed to opt out, and some did.

The whole purpose of DST was to conserve energy. So, is that really the case? According to the Department of Energy, when the Bush administration extended Daylight Saving Time by 3 weeks in the spring and 1 week in the Fall in 2005, the extension was estimated to save about 0.5% of electricity consumption for each day that Daylight Saving was extended, nationally. If the reduction in consumption from DST for the typical 1000kWh customer were 0.5%, then the bill savings would be around 5 kWh or about $0.42 per month.

The study also found that "some southern portions of the United States exhibited slightly smaller impacts of Extended Daylight Saving Time on energy savings compared to the northern regions, a result possibly due to a small, offsetting increase in household air conditioning usage." Based on this, it is expected that Mississippians could experience a savings of less than the 0.5% seen nationally.

While many of us thoroughly enjoy the extra hour of daylight available to us after a typical 8-to-5 work day, the energy savings aspect may not be all that it is cracked up to be. Of course, that is dependent on individual and household habits. And the impact on health and safety due to the disruption of our body's sleep-wake cycle is a whole other matter.

Other News

Solar Saves Arkansas School District Enough to Give Teachers Raises Up to $15,000!

If you have followed the rise of the utilization in solar across the U.S., then you would have likely heard about the success story that is the Batesville, Arkansas school district. I have written about the District and Superintendent Mike Hester several times and have shared the story of how and why his school district made the decision to invest in solar – and, in turn, invest in the future of the school system through the realized savings. CBS' This Morning News recently did a video feature story on Batesville School District. I invite you to take a moment, watch, and learn how this model can be easily replicated in schools around Mississippi – if we would just get past our biases, focus on the future, and embrace how clean energy technologies can improve lives in so many ways.

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Four Storm Names Retired from Hurricane List

After a record-setting 2020 Atlantic hurricane season, two changes will go into effect this year: The retirement of four storm names and the discontinuation of Greek alphabet storm names. The World Meteorological Organization (WMO) decides whether or not to retire storm names based on the impact to human life and property. The WMO announced it has retired the names of Dorian (2019) along with Laura, Eta and Iota (2020). Additionally, future Atlantic hurricane seasons won't have Greek alphabet storm names. A supplemental A-Z storm list now goes in the Greek alphabet's place for future seasons that require extra names.

The U.S. Solar Industry Posted Record Growth in 2020

U.S. solar installations reached a record high in 2020 as favorable economics, technological improvements, supportive policies and strong demand in the second half of the year offset the impact of the coronavirus pandemic. Installations grew 43% year over year, reaching a record 19.2 gigawatts of new capacity, according to a report released from the Solar Energy Industries Association and Wood Mackenzie. There are now more than 97 gigawatts (GW) of solar capacity installed nationwide, enough to power nearly 18 million homes. By 2030, solar installations are expected to quadruple from current levels.

Legislation Tracker

- HB 100: Extends repeal date that requires all fees collected under the MS Telephone Solicitation Act be deposited into the General Fund.
  Approved by Governor 3/17
- HB 632: Establishes "All Fuels Act of 2021" and provides that no political subdivision may prohibit the expansion, connection, or reconnection of a service based upon the type of energy provided to a customer.
  Approved by Governor 3/17
- HB 1396: Act making an appropriation from general fund in the state treasury for the purpose of defraying the expenses of the MPSC for the 2022 fiscal year.
  House Conferees Named: Read, Bounds, Beckett
  Senate Conferees Named: Hopson, Turner-Ford, DeLano
- SB 2649: Extends Repeal Date on EE Equipment or Service Contracts.
  Senate Conferees Named: Carter, Parks, Harkins
  House Conferees Named: Powell, Hale, Bell (65th)
- SB 2798: Provides for the participation of investor-owned electric utilities in the expansion of broadband services
  Senate Conferees Named: Carter, Parks, Polk
  House Conferees Named: Bounds, Anderson (122nd), Gibbs (36th)

Please note that identification of a bill in this newsletter does not indicate support or opposition to a measure. We will continue to monitor progress of these and other legislation impacting the MPSC.

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Last week at the MPSC

- The Commission issued an Order setting a hearing for **Mississippi Power Co.** for a Certificate of Public Convenience and Necessity Authorizing the Construction, Acquisition and Operation of a Solar Generation and Battery Storage Demonstration Project and related facilities in Leake County.
- The following have filed confidential comments on **Mississippi Power Co.'s IRP:** SREA, AEMA
- **Mississippi Power Co.** filed its Notice of Intent to Withdraw and Discontinue Rates for Electric Service in Seasonal Service Rider "SR-13" and for Large Power High Load Factor "LPO-44." There are no customers currently taking service under either rate schedule; nor have any customers taken service under either rate schedule in at least 10 years.
- **Mississippi Power Co.** also filed its Notice for its 2021 Performance Evaluation Plan. This filing results in a temporary increase of $3.02 for a typical 1,000 kWh residential customer's bill beginning with the April billing cycle. Depending on final Commission action, the temporary rate could be approved or is subject to refund or credit to customer accounts.
- The Public Utilities Staff Approved Tariff Pages for **CenterPoint Energy. CenterPoint** also filed its Annual Report per its Gas Facility Extension Policy.
- **Atmos Energy** submitted its System Integrity Performance Metrics Filing. While company leak surveys have increased, calls of reported leaks have decreased. At the same time, leak repairs decreased due to COVID-19 and other factors.
- **Delta Fiber, LLC** responded to the questions presented by the Central and Northern District Commissioners in regards to its ETC application.
- **BCM One, Inc.** filed a Joint Application with **Whole Sale Carriers, Inc.** for a Change of Ownership and Control upon entering an agreement for **BCM One, Inc.** to purchase **Whole Sale Carries, Inc.**

Last week, our Consumer Complaint Specialists handled a total of 16 complaints in the Central District.

Electric Companies	11
Water/Sewer	3
Telecommunications	1
Natural Gas	1

Last week, the Central District received a total of 276 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, credit cards and health products/prescription drugs.

We encourage consumers to file telemarketing complaints with the Federal Trade Commission at http://www.donotcall.gov/ in addition to filing complaints with the Mississippi Public Service Commission.