

May 5, 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

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Putting the Spotlight on Solar Power in Mississippi

About this time last year, this newsletter reported on the growth of the solar industry in the state. From residential rooftop solar to utility-scale solar farms, Mississippi has seen investment in the sector remain steady, yet interest continues to grow. Everyone from individual homeowners to small businesses (Ride South) to Fortune 500 companies (General Motors) to government bodies (Starkville Utilities) has committed to seek solutions that reduce energy costs, increase sustainability and avoid greenhouse gas emissions. As the technology becomes more cost-competitive than ever before, solar photovoltaic (PV) has become the go-to energy resource for incremental capacity additions and for low-maintenance, self-supply of energy needs.



The 52.5 MW SR Meridian III Solar Farm near Toomsba, MS in Lauderdale County.

Since April 2020 when the Mississippi Public Service Commission (MPSC) approved the 100 MW Sunflower County Solar Project, LLC, the MPSC has also approved the following utility-scale solar projects:

- Cane Creek Solar (Clarke County) – 78.5 MW
- Moon Shot Solar (Hancock County) – 78.5 MW
- Walnut Grove Solar (Leake County) – 1.285 MW & 5.14 MWh Battery Energy Storage (BES)
- MS Solar 5 (Lowndes County) – 200 MW & 50 MW BES

The combined investment value for the four projects listed above is \$367.8 million. According to the [Solar Energy Industries Association](#), Mississippi has installed just under 320 MW of solar (ranking 32nd in the nation) to date. All totaled, the four projects above will more than double the current installed solar capacity in the state.



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Furthermore, numerous other solar projects (that I am aware of) totaling 804 MW in capacity with an investment value of approximately \$765 million have either filed a Petition for Certificate to Construct with the MPSC or have publicly announced an intention to construct a solar facility:

- TVA and Origis Energy (Lowndes County) – 150 MW & 50 MW BES
- Ragsdale Solar (Madison County) – 80 MW
- Walls Solar (DeSoto County) – 100 MW
- Pearl River Solar Park (Scott County) – 175 MW
- Project Seahorse (Washington County) – 200 MW
- Galehead Development (Sunflower County) – 99 MW

These projects represent significant investments for many rural economies, creating hundreds of jobs during construction, bolstering budgets for local schools and diversifying the energy generation mix for the state. In addition to these large-scale projects, hundreds of Mississippians have installed rooftop solar systems with the purpose of reducing their overall energy costs, putting money back into their pockets and reducing their environmental impact.

Annual Net Metering Reports Illustrates Pace of Rooftop Solar Growth

Smaller-scale systems (also known as distributed generation) have the ability to not only increase reliability across the distribution network by generating electricity locally, but also help delay or avoid huge capital costs associated with transmission and generation additions. [The Mississippi Renewable Energy Net Metering and Interconnection Rule](#) was adopted by the MPSC on December 3, 2015, and established the regulatory framework that facilitates a consumer's right to self-supply electricity and right to connect to the grid. The Net Metering Rule also establishes how any excess generation of electricity is valued and compensated when sent to the grid by the distributed generation owner.

By April 1 of each year, electric utilities subject to the rule shall submit an Annual Net Metering and Interconnection Report. The report includes information such as the number of net metering customers, the type of technology installed and the amount of interconnected generation capacity. The required information is outlined in the Mississippi Renewable Energy Net Metering and Interconnection Rule.



Entergy Mississippi, LLC (2016-UN-32)

Entergy Mississippi, LLC (EML) serves approximately [456,000 customers in 45 of Mississippi's 82 counties](#). EML's [Net Metering and Interconnection Report for Calendar Year 2020](#) indicates twelve (12) customers with a total nameplate capacity of 131.23 kW executed solar Net Metering Agreements during 2020. Previously, twenty-three (23) customers with a total nameplate capacity of 390.81 kW executed solar Net Metering Agreements during 2019. Nineteen (19) customers with a total generating capacity of 184.69 kW executed Agreements in 2018 while twenty-two (22) customers executed Agreements in 2017.



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At the end of 2020, eighty-five (85) EML customers (84 solar and 1 wind) have executed Net Metering Interconnection Agreements since EML implemented its Net Metering Program in September 2016. The 85 Net Metering Interconnected customers (0.018% of EML's customer base) have achieved the following: Represent 1,023.35 kW in distributed generation capacity; Delivered 435,363 kWh to the grid; Collected \$27,865 from EML for the energy exported to the grid. The 1,023.35 kW capacity represents 0.0357% of EML's 2020 Total System Peak Demand of 2,860 MW. EML may refuse Net Metering Applications if total Net Metering Interconnection capacity exceeds 3.0% of Total System Peak Demand. EML's Total System Peak Demand decreased from 2,994 MW in 2019 to 2,860 MW in 2020.

At the end of 2020, EML had 111 total distributed generation facility customers. These include distributed generation customers that existed prior to the start of EML's Net Metering Program and the 85 customers that have executed Net Metering Interconnection Agreements since. The 111 total distributed generation customers at the end of 2020 (0.0243% of EML's customer base) represent 1,100.65 kW of distributed generation capacity and 0.0384% of EML's Total System Peak Demand. To participate in Entergy Mississippi's net metering program, visit https://www.entergy-mississippi.com/net_metering/.



Mississippi Power Co. (2016-UN-33)

Mississippi Power Company (MPCo) serves approximately 190,000 customers in 23 of Mississippi's 82 counties. MPCo's Net Metering Report and Interconnection Report for Year Ending 2020 indicates that thirty-four (34) customers with a total nameplate capacity of 2,658.42 kW were approved for interconnection in 2020. Out of those 34, twenty-six (26) were Renewable Energy Net Metering (RENM) Program customers. Forty-five (45) customers with a total nameplate capacity of 496.77 kW executed solar Net Metering Interconnection Agreements during 2019 with thirty-seven (37) customers with a total generating capacity of 451.49 kW executed Agreements in 2018 and thirty-eight (38) customers executed Agreements in 2017.

One hundred eighty-nine (189) customers have executed Net Metering Interconnection Agreements since the implementation of MPCo's RENM Program in September 2016. The 189 RENM interconnected customers (0.0994% of MPCo's customer base) have done the following in 2020: Represent 2,267.81 kW in distributed generation capacity; Delivered 816,085 kWh to the grid; Collected \$44,884.13 from MPCo for the energy exported to the grid. The 2,267 kW capacity represents 0.1494% of MPCo's Total System Peak Demand of 1,517.65 MW. MPCo may refuse Net Metering Applications if total Net Metering Interconnection capacity exceeds 3.0% of Total System Peak Demand.

At the end of 2020, MPCo had 228 total distributed generation customers with a capacity of 2,662.44, including distributed renewable generation customers that existed prior to the start of MPCo's Renewable Energy Net Metering Program in September 2016. The 228 total behind-the-meter distributed renewable generation customers at the end of 2020 is 0.12% of MPCo's customer base. To participate in Mississippi Power Co.'s net metering program, visit <https://www.mississippipower.com/residential/ways-to-save/renewable-energy/solar-energy/net-metering--your-bill.html>.



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Cooperative Energy (2011-AD-2)



Cooperative Energy (CE) provides electrical power for [11 electric distribution cooperatives](#) who in turn serve approximately [432,000 customers in 55 of Mississippi's 82 counties](#). CE's [Net Metering Report and Interconnection Rule Report for Year 2020](#) indicate that seventy-nine (79) customers with a combined solar nameplate capacity of 877.18 kW executed solar Distributed Generation Interconnection Agreements. Eighty-six (86) customers with a nameplate capacity of 658.97 kW executed solar Agreements during 2019. In addition, 122 customers with a total generating capacity of 1,032.45 kW executed Agreements in 2018 and seventy-nine (79) customers executed solar Agreements in 2017.

At the end of 2020, CE and its 11 member cooperatives had a total of 484 solar distributed generation interconnection customers (0.112% of CE's member cooperative's customer base) with a total interconnected capacity of 4,858.8 kW. In 2020, those 484 interconnected solar distributed generation customers: Delivered 2,001,020 kWh to the grid; Collected \$90,052.98 from CE for the energy exported to the grid (the DG renewable rate for 2019 was \$0.045/kwh); Represent 0.238% of CE's Total System Peak Demand. To participate in the distributed generation program, check with your local cooperative, such as Southern Pine Electric's [Solar FAQ Page](#).



Solar Demonstration at the Delta Electric Power Association's Greenwood District Office.



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Tennessee Valley Authority (TVA)

TVA provides electrical power to [432,000 residential, commercial and industrial customers](#) through [14 municipals and 14 cooperatively-owned utilities](#) located primarily in the [northern half of Mississippi](#). TVA and its electric distribution partners are not required to submit an annual Net Metering Report to the MPSC. However, per my request, TVA staff voluntarily provides information on the number and capacity of solar distributed generation installations located in the TVA service area. TVA reported that twenty-two (22) new solar installations were interconnected in 2020, bringing the total number of solar distributed generation interconnected customers to 116 with a total generation capacity of 19,893 kW.



This poultry farm in Scott County recently add 40kW of ground mounted solar.

At the end of 2019, TVA had 94 solar customers with a total generation capacity of 9,404 kW. At the end of 2018, TVA reported 114 solar customers. The reduction in current numbers from 2018 to 2019 is due to expiring contracts previously executed under TVA solar incentive programs such as the Solar Solutions Initiative and Green Power Providers and due to the way that TVA accounts for systems in their database.

TVA's Green Power Providers program stopped accepting new applications effective December 31, 2019. TVA has been steering potential renewable power system owners to its [Dispersed Power Production](#) program. To participate in the program, call (423) 751-8640 or send an email to TVA at dpp@tva.gov and request a standard contract. Also, TVA recently rolled out its [Green Connect](#) program that is designed to connect homeowners with solar installers. However, no Mississippi cooperatives or municipalities that distribute TVA power are [participating in the program](#).

[NOTE: Neither Cooperative Energy nor TVA provide net metering as described in the Net Metering Rule. While Cooperative Energy does file an Annual Net Metering and Interconnection Rule Report as required by the Net Metering Rule, Cooperative Energy does not incorporate the 2.5 cents/kWh benefits added into the rate currently credited to customers (4.5 cents/kWh) for net excess energy delivered to the grid. Due to this difference in excess generation compensation, my office does not consider solar-owning customers of CE as Net Metering Customers but rather as Distributed Generation Customers. TVA compensates solar distributed generation customers for their excess generation at the [avoided cost rate published each month](#), which was 2.226 cents/kWh in April 2021.]

By the numbers:

Utility	Solar DG Customers* at end of 2017	Solar DG Customers* at end of 2018	Solar DG Customers* at end of 2019	Solar DG Customers* at end of 2020	Total Installed Solar Capacity (kW AC)	% of Peak System Demand
Entergy MS	34	53	75	110	1,089.51 kW	.0384%
MS Power Co.	67	105	163	227	2,347.24 kW	.1547%
Cooperative Energy	197	319	405	484	4,858.8 kW	.238%
TVA	99	114	94	116	19,893 kW	n/a
Total	397	591	737	937	28,197.55 kW	

(info as of Dec. 31, 2020)

*DG Customers = Distributed Generation Customer (includes Renewable Energy Net Metering Interconnected Customers & other non-net metering distributed generation customers that existed prior to the implementation of the Net Metering programs)



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Summary of Net Metering in Mississippi

A review of the rate regulated electric utilities' (Entergy MS and MS Power Co.) annual filings found that a total of 273 solar Renewable Energy Net Metering Interconnected systems were interconnected to the grid as of December 31, 2020, an increase of 35 solar installations over the prior year. Including the non-net metering solar customers of the rate regulated and the non-rate regulated electric utilities (Cooperative Electric and TVA), we find that a total of 937 solar installations were interconnected to the grid as of December 31, 2020.

There are approximately [2.8 million solar installations in the U.S.](#) When averaged across the 50 states and Washington, DC, that is about 54,796 installations per jurisdiction. But Mississippi still has less than 1000. There are many reasons that contribute to the lack of investment in Mississippi, including renewable energy policy inconsistency.

Only 42.78% of Mississippi ratepayers are covered by the Commission's Mississippi Renewable Energy Net Metering Rule. The remaining 57.22% of Mississippi ratepayers are customers of rural electric cooperatives and municipalities that are not subject to the Rule or are only subject to parts of the Rule. Therefore, there is no policy consistency across the state to support a vibrant, stable solar market that provides equitable economic opportunities for all ratepayers. In my view, that is a significant impediment to establishing a vibrant clean energy industry sector accessible to ALL Mississippians.

Rate of Compensation for Net Excess Energy Delivered to the Grid:

Utility	Avoided Cost of Wholesale Power (¢/kWh)	RENM Customer Rate w/ NQBA (¢/kWh)	RENM Customer Rate w/ NQBA and LIBA (¢/kWh)
Entergy MS [#]	3.2	5.7	7.7
MS Power Co.*	2.48 to 2.77	4.98 to 5.27	6.98 to 7.27
Cooperative Energy	4.5	N/A	N/A
TVA	2.226	N/A	N/A

[#]Entergy MS Rate Schedule NEM-1 (Effective June 30, 2021)

^{*}MS Power Co. Option A Standard Rate per Rate Schedule RENM-1A (March 1, 2021)

NQBA = Non-Quantifiable Benefits Adder

LIBA = Low-Income Benefits Adder

Opportunity for Change

The MPSC [established a new docket on January 12, 2021](#), to Review the Efficacy and Fairness of the Net Metering and Interconnection Rules. The Order establishing the docket provided stakeholders 20 days to file a motion to intervene in the proceedings. On February 2, 2021, the Commission [invited written comments](#) to a series of issues and questions as well as experience with the Rule. Seventeen (17) parties filed written comments. The Commission has since [extended the comment period](#) to May 10 to allow for the submission of responsive comments only. All Orders and stakeholder comments can be viewed by [searching the case files](#) at 2021-AD-19. The Commission is currently reviewing the comments. The new docket provides an opportunity to potentially revise or modify the Rules in a way that stimulates the emergence of the state's advanced energy market, extends benefits for all ratepayers, and grows the clean energy economy. Please keep watch for future announcements regarding public hearing(s) or other possible public comment opportunities.



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Highlights from the MPSC May 4, 2021 Docket Meeting

The Mississippi Public Service Commission met on May 4, 2021, to consider the following [agenda](#) items:

- ☑ The Commission [issued](#) an order authorizing **Telepak Networks, Inc.** to partially discontinue certain resold residential local exchange telecommunications services formerly provided by **MegaGate Broadband, Inc.**
- ☑ The Commission [issued](#) an order confirming **T-Mobile South LLC's** Relinquishment of its telecommunication carrier designation.
- ☑ The Commission [approved](#) an order granting an initial Certificate for Public Convenience and Necessity for sewer services provided by **Acadian Revalide Utilities, LLC.**
- ☑ The Commission [issued](#) an order approving **Town of Myrtle's** notice of intent filing for an increase in water rates.
- ☑ The Commission approved the extension of service contracts for those companies providing annual fuel audits on behalf of the Commission in the review of **Entergy Mississippi LLC** and **Mississippi Power Co.**
- ☑ The Commission [issued](#) an order referring **Sunnyhill Water Association's** petition for certificate of public convenience and necessity for sewer services in Pike County.
- ☑ The Commission [issued](#) an order referring the petition of **Mississippi Power Company** for a certificate of public convenience and necessity for related facilities in Forrest, Marion, and Pearl Rivers Counties.
- ☑ The Commission held a [hearing](#) on the adoption of amendments to **Practice Rule 28**. The amendments are in response to the legislative changes to the **MS Telemarketing Solicitation Act** as well as administrative corrections. Upon considering the pre-filed testimony and comments by intervener, the Commission approved the proposed to amendments to **Practice Rule 28**.

Last Week at the MPSC

- ☐ **Cooperative Energy** filed its [Annual Energy Efficiency Reports](#) for its 11 member cooperatives: [Coahoma EPA](#); [Delta EPA](#); [Dixie EPA](#); [Magnolia EPA](#); [Pearl River Valley EPA](#); [Southern Pine Electric](#); [Southwest MS Electric](#); [Twin County EPA](#); [Yazoo Valley EPA](#); [Singing River EPA](#) and [Coast EPA](#).
- ☐ **Cooperative Energy** [filed](#) its Motion to Intervene and Joinder in Mississippi Power Company's petition for certificate of public convenience and necessity in for new transmission facilities in Forrest, Hancock, Marion, and Pearl River Counties to support the Plant Morrow NGCC repower project.
- ☐ The following entities have filed a motion to intervene in the Mississippi Public Service Commission's Docket Number 2021-AD-52 Order Establishing Docket to Investigate the Membership of Entergy Mississippi, LLC in Midcontinent Independent System Operator: [Bigger Pie Forum](#); [Midcontinent Independent System Operator, Inc.](#)
- ☐ The Interveners' in Docket No. 2021-AD-19, **Order Establishing Docket to Review the Efficacy and Fairness of the Net Metering and Interconnection Rules**, [submitted](#) a Motion for Extension of Time. The Commission [issued](#) an Order Extending Deadline for Reply Comments to May 10, 2021.

FROM THE DESK OF COMMISSIONER BRENT BAILEY CENTRAL DISTRICT OFFICE



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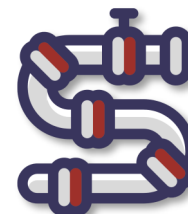
- ✎ **Spire Mississippi** [filed](#) Notice of Intent to make permanent its Weather Normalization Adjustment Rider. The Weather Normalization Adjustment Rider functions to mitigate the effects of abnormal weather on customer rates and company revenues.
- ✎ **Atmos Energy** [submitted](#) its Workforce Diversity Annual Report. **Atmos Energy** also [filed](#) its [2021 Annual Energy Delivery Plan](#). The plan includes Atmos' initiatives for new technologies, demand side management, and expansion of infrastructure.
- ✎ **Entergy Mississippi Inc.** [submitted](#) its Net Energy Metering Schedule NEM-1. This schedule establishes the rate at which distributed generation owners are compensated for excess generation sent to the grid.
- ✎ **Entergy Mississippi, LLC** [filed](#) its Workforce Diversity Annual Report. **Entergy Mississippi, LLC** [filed](#) IRP Technical Conference Materials. The materials include the presentation slides and responses to stakeholder questions regarding asset useful life or deactivation assumptions; solar capacity credit; the levelized cost of electricity; assumptions regarding renewable and storage costs; assumptions regarding PTC and ITC prior to extension; and the costs/performance of natural gas, solar, wind, and storage. Furthermore, the Commission moved to [cancel the hearing](#) on **Entergy Mississippi LLC's** petition to construct substation and transmission facilities in DeSoto County.

Our Pipeline Safety Division completed **5** construction inspections in the Central District during the month of April 2021.

The total costs for construction notices that were received by the Commission in the Central District during the month of April is approximately **\$8,304,000**.

"Reporting of Construction Work"- The rule is found in Chapter 57.1: All Construction work involving gas facilities in which the estimated cost of proposed facilities is in excess of eight thousand dollars are related facilities that would be governed by the Federal Minimum Safety Requirements, will be reported in writing, or via telephone to the MS Public Service Commission prior to starting date of such construction. (There are exceptions for emergencies.)

The Commission encourages all intra-state natural gas operators to comply with the rule



Last week, our Consumer Complaint Specialists handled a total of **21** complaints in the Central District.

Electric Companies	13
Telecommunications	2
Water/Sewer	4
Natural Gas	2

Last week, the Central District received a total of **251** complaints from consumers against potential telemarketers through our no call app, website and mail-ins. The top four general issues reported by consumers are related to auto warranties, credit cards, and insurance.

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.