

February 2, 2022



**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

Environmental Protection Agency Acts to Restore Power Plant Regulations

The Environmental Protection Agency (EPA) this week moved to restore a federal determination that allowed it to regulate mercury, lead and other toxic metals from coal-fired and oil-fired power plants. The action could be the first of several steps to advance tougher regulations on power plants in the coming months as part of the administration's plan to cut greenhouse-gas (GHG) emissions. In addition to stricter air-quality standards for mercury and other toxic pollutants, the agency could propose new restrictions on wastewater and coal ash generated by power plants as well as regulatory tools to reduce carbon dioxide (CO₂) emissions.

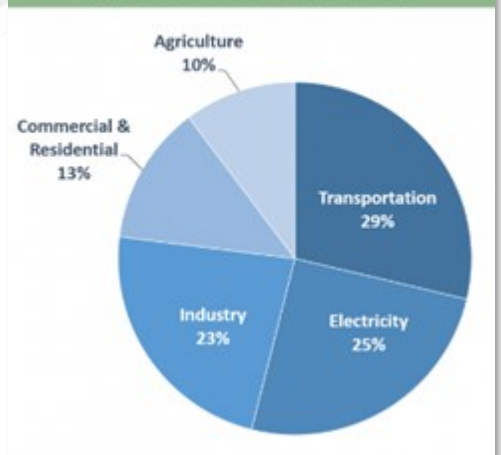
However, the U.S. Supreme Court could have a say in just how far EPA's regulatory reach can go under the Clean Air Act. The Supreme Court announced late last year that it will take up a case that could limit EPA's authority to craft a carbon rule for utilities that seeks emissions reductions beyond the fence line at a power plant — as the former Clean Power Plan did. The case, *West Virginia v. Environmental Protection Agency*, is scheduled for oral argument at the end of February.

The case represents a coalition of 18 states, including **Mississippi**, that are challenging a federal appeals court ruling that threw out the Trump administration's Affordable Clean Energy Rule and gave the EPA broad authority to decide what constitutes the "best systems for emission reduction" at power plants. The court's decision is expected in summer 2022.

The power sector represents 25% of U.S. total GHG emissions. In the absence of comprehensive federal climate and emission policies, numerous U.S. electric utilities have announced voluntary GHG reduction pledges — including Entergy Corporation, Southern Company and Tennessee Valley Authority.

The **Mississippi Public Service Commission** continues to monitor the potential impact of federal regulations on the energy resource mix, energy costs, resource adequacy and energy reliability. In fact, the Commission continues to host an open docket at 2014-AD-165 to investigate, consider and respond to the regulation by the EPA of CO₂ emissions from electric generation units. Although no action has occurred in this docket in the last few years, the Commission could seek to engage stakeholders, agencies and other entities as may be needed to determine the impact of new federal regulations should the administration move forward with a proposal to reduce GHG emissions.

**Total U.S. Greenhouse Gas Emissions
by Economic Sector in 2019**





Other News

Nuclear Energy Institute Report on State Nuclear Energy Policies

As the energy generation mix continues to evolve across all 50 states, policymakers are evaluating, and in some cases incentivizing, the role and value of carbon-free, baseload nuclear energy. Governors, legislators and regulators play a critical role in shaping policies that can advance the development, demonstration and commercial deployment of a wide array energy technologies, including nuclear. As state officials consider measures that address the changing energy mix, the Nuclear Energy Institute has produced a [compendium](#) providing a state-by-state overview of legislation, executive orders, and regulations that have supported nuclear energy since the early 2000s. These policy trends include valuing carbon-free electricity, tax incentives, state energy plans and “all the above” energy resource goals.



Regional News

Georgia Power Co.'s Proposed Integrated Resource Plan Changes Energy Landscape

This week, the Georgia Power Company filed its triennial Integrated Resource Plan (IRP) at the Georgia Public Service Commission (GPSC). Stakeholders, interveners and the public will have about 6 months to pour over the filings. In the IRP, Georgia Power proposes to:

- Retire all remaining Georgia Power coal generation by 2028 except for: 1) Plant Bowen units 3 and 4 which are planned to be retired no later than 2035, and 2) Georgia Power's 8.4% ownership of Plant Scherer units 1 and 2.
- Double the amount of solar serving Georgia Power customers by adding an additional 6,000 MWs of solar generation by 2035, with 2,300 MWs of the 6,000 MWs added over the next 6 to 7 years.
- Add 2,300 MWs of power purchase agreements for existing natural gas-fired generation owned by third parties, with contract term lengths generally on the order of 10 years.
- Add 1,000 MWs of energy storage by 2030 to efficiently integrate solar generation and provide needed capacity.
- Continue offering a robust portfolio of programs designed to provide significant value for all customers, including energy efficiency programs, a new Distributed Energy Resource Customer Program and an Income-Qualified Community Solar Pilot.



When combined with the planned retirements already announced by **Mississippi Power** and Alabama Power, by the end of 2028 Southern Company subsidiaries will have reduced the number of retail coal units by 85% and the retail coal capacity by 75%. In terms of actual generating units and capacity, of the 2010 retail coal fleet which comprised 66 units and 20,000+ MWs, only eight coal units representing 4,500 MWs of capacity will remain in 2028, and Georgia Power announced plans to retire almost half of this remaining capacity no later than 2035.



Entergy Arkansas Brings 100 MW Solar, 30 MW Battery Project Online

Entergy Arkansas' 100 MW Searcy Solar Energy Center went online last week, becoming the company's first battery storage capable solar farm, with 30 MW of storage capability and no added fuel costs for customers. With the addition of the Searcy Solar project, Entergy Arkansas now has 281 MW of solar at its disposal which Entergy Arkansas predicts will save its customers more than \$190 million over the life of the projects. Searcy Solar will also provide \$900,000 in local tax revenues.

Entergy Arkansas has another 280 MW under development and recently issued a request for proposals for up to 500 MW of solar and wind capacity to add to its electricity generating portfolio by 2026. Entergy Corporation plans to achieve 11,000 MW of renewable energy generation capacity overall by 2030.

Louisiana Task Force Approves First Climate Action Plan

Louisiana Governor John Bel Edwards' [Climate Initiatives Task Force](#) unanimously approved the state's first Climate Action Plan after an extensive 15-month, 49 meetings stakeholder process. The [Climate Action Plan](#) contains recommendations that aim to position the state to maintain its economic competitiveness in a low-carbon future while achieving the Governor's goals of reaching net zero greenhouse gas (GHG) emissions by 2050.

The Louisiana Climate Action Plan contains [28 strategies](#) and 84 specific actions to reduce GHG emissions across the entire state economy. According to the 2021 GHG Inventory, Louisiana's GHG emissions comprise approximately 4% of the total U.S. emissions. The industrial sector accounts for 66% of Louisiana's GHG emissions. 13% results from electric power generation.

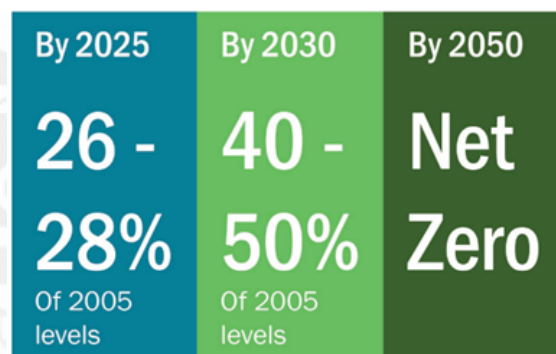


FIGURE 1. LOUISIANA'S GHG EMISSIONS REDUCTION GOALS.



Legislation Tracker

Tuesday, February 1, 2022, was the deadline for committees to approve general bills or constitutional amendments. After Tuesday, the House and Senate will begin long days to consider and vote on the bills that come out of committee. The Commission will continue watching numerous bills that could impact customers, certain utilities or the MPSC.

- [HB 939](#): Municipalities, certain; extend repealer on authority to create program addressing delinquent customer water bills. **Bill passed Municipalities Committee**
- [HB 970](#): Municipally owned electric utility, certain; possesses same powers as rural EPA and may enter certain interlocal agreements. **Died in Committee**
- [HB 1028](#): Public Service Commission; remove from the provisions of the Mississippi Budget Transparency and Simplification Act. **Bill passed Public Utilities and Appropriations Committees**
- [HB 1029](#): Mississippi Broadband Accessibility Act; create. **Substitute Bill passed Public Utilities and Appropriations Committees**
- [HB 1030](#): Mississippi Broadband Expansion Act; create. **Died in Committee**
- [HB 1031](#): Capital City Water/Sewer Projects Fund; create and require DFA to develop plan for improvements projects. **Bill passed Ways and Means Committee**
- [HB 1337](#): Public Service Commission; required to mandate annual filings by rural water associations. **Died in Committee**



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- [SB 2038](#): Municipally owned waterworks; prohibit from charging higher rates to certain customers in another municipality. ***Died in Committee***
- [SB 2474](#): Municipally owned electric utilities; shall have same powers as electric power cooperatives. ***Bill passed Energy and Municipalities Committees***
- [SB 2534](#): Municipally owned utilities; authorize to accept electronic payments and to absorb transaction fees in its rate base. ***Died in Committee***
- [SB 2535](#): Helping Mississippians Afford Broadband Act; create. ***Died in Committee***
- [SB 2604](#): Mississippi Broadband Expansion Act; enact. ***Substitute Bill passed Energy Committee***
- [SB 2789](#): Public Service Commission; remove from the provisions of the Mississippi Budget Transparency and Simplification Act. ***Died in Committee***
- [SB 2814](#): Mississippi Water Quality Commission; create for the purpose of providing oversight of certain water and sewer systems. ***Substitute Bill passed AET Committee***
- [SB 2822](#): "Mississippi Water and Wastewater Transformation Infrastructure Grant Program Act of 2022"; establish. ***Substitute Bill passed Appropriations Committee***
- [SB 2898](#): Certain municipalities allowed to establish overdue water/sewer payment programs; extend repealer on authority for. ***Substitute Bill passed Municipalities and AET Committee***

****Please note that identification of a bill in this newsletter does not indicate support or opposition to a measure. Each bill is simply identified as an example of legislation that has been assigned to Energy, Public Utilities or other committees with oversight of these matters. Bills being tracked could change from week to week.*

Last Week at the MPSC

- ✉ **Mississippi Power Company** filed Notices to Replace Plant Daniel 4A [Preheater Module](#) and the [Low Pressure Evaporator Module](#) in the Heat Recovery Steam Generator (HRSG) in **Jackson County**. The equipment is currently at the end of its useful life. The replacement of the two modules is estimated to be completed by April 9, 2022. The estimated total cost is \$6,690,752 which is created from approved material and labor bids.
- ✉ **Neo Network Development, Inc.** filed its [Petition](#) for Certificate of Public Convenience and Necessity to Provide Facilities-Based and Resold Local Exchange Service Throughout the State. **Neo Network** will utilize its own fiber optic cable to transport local exchange traffic originating on municipal networks or other carriers' networks. It will provide last-mile connectivity for existing fiber optic networks that do not have the necessary connections to reach a customer's location.
- ✉ **Airus, Inc.** filed an [Unopposed Motion](#) for Extension of Time in regards to **Airus, Inc. vs. BellSouth Telecommunications LLC d/b/a AT&T Mississippi**.
- ✉ **The Commission** issued a [Report and Recommendation on Order](#) of the Hearing Examiner in regards to the Notice of Intent of **Great River Utility Operating Company, LLC** to Establish initial and Temporary Rates for Wastewater Disposal Service for **Camden Place Subdivision** in **Warren County**. **The Commission** found that **Great River** shall be permitted to charge \$27.00 per month as a temporary emergency measure.
- ✉ **Mississippi Power Company** filed its [Compliance Filing](#) per **Commission** Order in regard to the Notice of Intent to Change Rates Pursuant to the Performance Evaluation Plan Rate Schedule PEP-6. **Mississippi Power Co.** is proposing to amend its fixed customer charge for residential customers. See the [redline version](#) of the PEP Schedule to view the proposed revisions.



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- ✎ The **Town of Flora** filed its Notices to Customers to Increase Rates for [Water Service](#) and [Sewer Service](#) in its Certificated Area in **Madison County**. The operating expenses of the **Flora** water and sewer systems have exceeded the operating income several times over the last few years. Therefore, the Mayor and Board of Aldermen have found it necessary to propose increasing the rates for all customers of the water and sewer systems, including those who are inside the corporate limits, those who are outside but within one mile of the corporate limits, and those who are more than one mile outside of the corporate limits. Following these notices, the **Commission** filed Suspension Orders for Town of Flora [Water](#) and [Sewer](#) in order to enter into an investigation concerning the referenced Notices of Intent.
- ✎ The **Commission** filed an [Order Amending](#) Comment Deadline and Hearing Date for the Order Establishing Docket to Review the Efficacy and Fairness of the Net Metering and Interconnection Rules. Any interested party who wishes to file final written comments on the proposed revisions to the **Mississippi Renewable Energy Net Metering Rule and the Mississippi Distributed Generator Interconnection Rule** (collectively "MRENMR") may now do so no later than Tuesday, February 15, 2022. The **Commission** also filed an [Order](#) setting a public hearing on the final proposed rule modifications for Tuesday, March 1, 2022, in the **Commission** Hearing Room, 1st Floor, Woolfolk State Office Building, Jackson, Mississippi immediately following the **Commission's** March 2022 Open Meeting.
- ✎ The Commission filed an [Order](#) to acknowledge [Entergy Mississippi LLC's](#) compliance with the **Commission's** order in this docket, dated January 18, 2022. On January 18, 2022, the **Commission** approved **Entergy Mississippi LLC's** Grid Modernization Cost Adjustment Factor under Schedule GMR-1 (Second Revised) to be in effect for bills rendered on and after February 1, 2022, contingent on **Entergy Mississippi LLC** filing in this docket a map of its transmission system sufficiently indicating the locations of remaining wood pole transmission structures no later than close of business Tuesday, January 25, 2022.
- ✎ **Spire Mississippi** filed its [Compliance Tariff](#) in regards to the Notice of **Spire Mississippi's** Routine Changes in its Annual Rate Stabilization Adjustment Rider RSA filing [in compliance with the Commission's January 18, 2022, Order](#).



The MPSC's February Regular Docket Meeting will be held at 10:00 am on Tuesday, February 8. Additional information and details regarding the setting of the meeting will be listed in the upcoming public notice, which will be posted to our website: www.psc.ms.gov. The meeting is open to the public and will be streamed online.



Last week, our Consumer Complaint Specialists handled a total of **25** complaints in the Central District.

Electric Companies	13
Telecommunications	7
Natural Gas	3
Water/Sewer	2

Last week, the Central District received a total of **277** complaints from consumers against potential telemarketers through our no call app, website and mail-ins.

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.