

February 23, 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*

.....

## *MPSC Releases Public Utility Infrastructure Review Report*



Last week, the Mississippi Public Service Commission presented its **Public Utility Infrastructure Review Report** to the public after nearly a year of working with consultants, utilities and other partners to evaluate the processes and protocols utilities employ to prepare for and respond to extreme weather events as well as the day-to-day management practices that ensure reliability and increase resiliency. Thank you to the special guests who joined me at the Capitol to introduce the report and review its findings and recommendations.

One year ago, Mississippi was in the frigid grip of historic winter storms. The combination of freezing rain, snow and days of below freezing temperatures brought road travel to a halt across much of the state, caused nearly 200,000 customers to lose power, more than 80 water systems experienced low or no water pressure, and some telecommunications were disrupted. For a few days, it was almost as if the state was paralyzed. Furthermore, during this time, the regional transmission operator ordered 700 MW of load shed to help stabilize the regional grid. While utility professionals worked as quickly and safely as possible to restore services, the impacts of the February 2021 winter storms lingered for several weeks in some areas. The magnitude of this event and the number of customers impacted caused the Commission to launch a review of the state's public utility infrastructure.

While the February 2021 winter storm was the motivation behind the development of this report, we all know that Mississippi is no stranger to other extreme weather events. Over the past twelve months, Mississippi experienced an ice storm, hurricane, tornadoes and strong thunderstorms. Utilities then utilize lessons learned to be better prepared for the next major event. Other less discussed threats to utility operations include cyber attacks, physical attacks and even earthquakes. Our report explores these threats.



*Continued...*

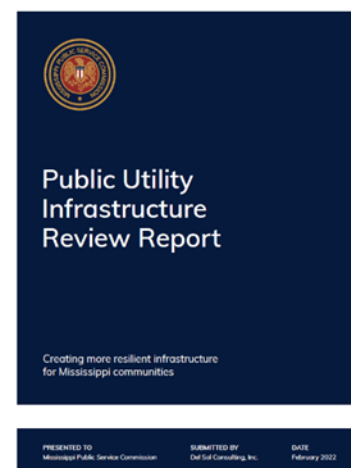
A study like this could not be conducted without the cooperation of the utilities. The Commission sent surveys or data requests to 87 electric, natural gas and telecommunication utilities and achieved a 90% response rate. The Mississippi State Department of Health and the Mississippi Rural Water Association assisted in the collection and reporting of data from water and sewer utilities. The consultants performed follow-up meetings and interviews with utilities to further evaluate practices and protocols.

For the most part, the report found that utilities around the state have adequately responded to recent extreme weather events. However, there were notable, extended drinking water outages that indicate challenges to reliable, resilient service remain. The work of maintaining utility service delivery networks, increasing resiliency and preparing for the next major event – whatever that may be – should never cease. I am confident that incorporating prudent, innovative measures will help protect Mississippi customers from the worst that mother nature can dish out.

I hope that the findings and recommendations in the report serve as a foundation for agencies, utilities, organizations, lawmakers, consumer advocates, and other stakeholders to work in collaboration to responsibly increase overall system resilience. We have highlighted several recommendations from the report:

- ♦ **Conduct yearly forum** with representatives from utilities, government agencies, state elected officials and community leaders for ongoing preparedness planning and information sharing.
- ♦ **Update vegetation management protocols** and **educate consumers** about proper tree planting in the vicinity of power lines.
- ♦ **Evaluate the creation of minimum standards** for water/sewer emergency preparedness.
- ♦ **Utilities should implement weatherization measures** to protect critical components.
- ♦ **Implement hardening measures**, such as replacing wooden transmission utility poles with steel or concrete.
- ♦ **Communicate, Communicate, Communicate** – before, during, and after extreme weather events.

Utilities across the state serve anywhere from a few hundred thousand customers to just a few hundred customers, or less. However, each utility customer has a valid expectation of receiving reliable, adequate and affordable service. Utilities must have adequate revenues to ensure that systems are maintained, employees are properly trained, and action plans remain updated and executable. Furthermore, regulators must have tools at their disposal to properly identify, respond to and correct issues that can adversely impact reliability and resiliency. Please take time to read the findings and recommendations outlined in the [Public Utility Infrastructure Review Report](#).



## Regional News

### More Delays at Plant Vogtle Nuclear Station

Southern Co. has announced another delay for its two nuclear reactors under construction in Georgia due to inspection records that are missing or incomplete. The completion of the third and fourth reactors at Plant Vogtle is now projected to be delayed three-to-six months, with the third unit coming online in March 2023 and the fourth reactor ready by the end of 2023. In addition, Plant Vogtle's expansion construction costs are expected to rise to more than \$30 billion, up from an initial estimate of \$14 billion in 2012.





*Continued...*

Georgia Power owns 46% of the plant located outside of Augusta, GA. The other owners include Oglethorpe Power Corp., the Municipal Electric Authority of Georgia and Dalton Utilities. Plant Vogtle is the lone large-scale nuclear construction project in the U.S. and involves the first set of reactors to be built from scratch in decades.

## Other News

### **Electric Vehicles and Hybrids Surpass 10% of U.S. Light-duty Vehicle Sales**

Hybrid, plug-in hybrid, and electric vehicle sales in the United States have increased in recent months as sales of non-hybrid internal combustion engine vehicles fueled by gasoline or diesel decreased. In the fourth quarter of 2021, hybrid, plug-in hybrid, and electric vehicles collectively accounted for 11% of light-duty vehicle sales in the United States. Manufacturers increased the number of traditional-powered vehicle models by 49 in 2021, versus an increase of 126 for hybrid and electric vehicle models.

As sales of electric vehicles grow, Mississippi must be ready to meet the needs of this growing market segment with the infrastructure required to support the drivers of these vehicles. The MPSC must be ready to work with utilities, other agencies, consumers and the private sector to advance and promote adequate deployment of and access to a vibrant charging station marketplace. There must be a level playing field to effectively expand charging infrastructure beyond the densely populated urban centers.

### **EIA Predicts Natural Gas Production to Increase in 2022 and 2023**

The U.S. Energy Information Administration forecasts that U.S. natural gas marketed production will increase to an average of 104.4 billion cubic feet per day (Bcf/d) in 2022 and then further increase to a record-high 106.6 Bcf/d in 2023, according to its latest [Short-Term Energy Outlook](#). EIA estimates that the wholesale spot price of natural gas at the U.S. benchmark Henry Hub will average \$3.92 per million British thermal units (MMBtu) in 2022, an eight-year high, and will average \$3.60/MMBtu throughout 2023. These elevated prices are expected to drive continued increases in U.S. drilling activity and natural gas production. U.S. natural gas production growth will primarily come from the Appalachia region in the Northeast, the Permian region in western Texas and southeastern New Mexico, and the Haynesville region in Texas and Louisiana.



## Legislation Tracker

The Mississippi Legislature is halfway through the 2022 Legislative Session. The deadline for original floor action for appropriation and revenue bills is Wednesday, February 23. The House and Senate committees continue to consider general bills that originated in the opposite chamber. The deadline for committees to report general bills originating in the opposite chamber is Tuesday, March 1. The Commission continues 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. **Referred to Municipalities, AET Committee.**
- [HB 1028](#): Public Service Commission; remove from the provisions of the Mississippi Budget Transparency and Simplification Act. **Referred to Energy, AET Committee.**
- [HB 1029](#): Mississippi Broadband Accessibility Act; create. **Referred to Energy Committee.**
- [HB 1031](#): Capital City Water/Sewer Projects Fund; create and require DFA to develop plan for improvements projects. **Referred to Appropriations.**
- [HB 1376](#): MS Consumer Privacy Act; create to prohibit any agency, department or institution from releasing any personal information. **Referred to Judiciary, Division A Committee.**



Continued...

- [HB 1421](#): Establish ARPA Rural Water Associations Infrastructure Grant Programs under Department of Health. *Referred to Appropriations.*
- [HB 1425](#): Establish ARPA Wastewater and Drinking Water Infrastructure Grant Programs under DEQ and Department of Health. *Referred to Appropriations.*
- [HB 1609](#): Mississippi Public Service Commission Annual Appropriation. *Transmitted to Senate.*
- [SB 2474](#): Municipally owned electric utilities; shall have same powers as electric power cooperatives. *Referred to Energy, Municipalities Committee.*
- [SB 2604](#): Mississippi Broadband Expansion Act; enact. *Transmitted to House.*
- [SB 2814](#): Mississippi Water Quality Commission; create for the purpose of providing oversight of certain water and sewer systems. *Referred to Conservation and Water Resources Committee.*
- [SB 2822](#): "Mississippi Water and Wastewater Transformation Infrastructure Grant Program Act of 2022"; establish. *Transmitted to House.*
- [SB 2898](#): Certain municipalities allowed to establish overdue water/sewer payment programs; extend repealer on authority for. *Referred to Municipalities 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

- ☞ The following entities filed motions to intervene in the Docket to Review Community Solar Proposals: [Cooperative Energy](#)
- ☞ On January 18, 2022, the **Commission** considered and approved an [Order](#) Inviting Final Written Comment and Setting Hearing on the Proposed Rule Changes regarding proposed final modifications to the Mississippi Renewable Energy Net Metering Rule and the Mississippi Distributed Generator Interconnection Rule (collectively MRENMR). Now that the deadline for comments has passed, **the public hearing on the final proposed rule modifications shall take place on Tuesday, March 1, 2022**, following the regular open meeting of the **Commission**. The following entities filed Comments regarding the Order Establishing Docket to Review the Efficacy and Fairness of the Net Metering and Interconnection Rules: [Solar Energy Industries Association](#); [Posigen, Inc.](#); [Mississippi Solar Energy Society, Chapter of the American Solar Energy Society \(MSES/ASES\)](#); [GSREIA](#); [Scenic Hill Solar, LLC](#); [Audubon Delta](#); [Mississippi Public Utilities Staff](#); [Mississippi Power Company](#); [Entergy Mississippi, LLC](#); [Sierra Club](#), [Audubon Delta](#), and Other Parties
- ☞ The **Commission** filed a [Report and Recommendation on Order](#) of the Hearing Examiner approving the Notice of Intent of **Great River Utility Operating Company, LLC** to Establish Initial and Temporary Rates for Wastewater Disposal Service for [Lake Forest Subdivision](#) in **Warren County**. The proposed flat monthly rate for the **Lake Forest Subdivision** is twenty-seven dollars (\$27.00).



Last week, our Consumer Complaint Specialists handled a total of **31** complaints in the Central District.

Electric Companies	22
Water/Sewer	4
Telecommunications	4
Natural Gas	1

Last week, the Central District received a total of **234** 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.*

SAVE THE DATE:  
March 1  
Docket Meeting;  
Public Hearing on  
Net Metering  
Proposed Final Rule  
<https://www.psc.ms.gov/sites/default/files/2022-02/NOTICE-PUBLIC-MEETING-3-1-22.pdf>

MARCH

1