

May 25, 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

Grid Reliability Could Be At Risk This Summer

Since joining the Board of the Organization of MISO States (OMS) just over a year ago, I have been trying to make sense of the alphabet soup of acronyms that the Midcontinent Independent System Operator (MISO), our regional grid operator, utilizes to describe the characteristics of the region and the services and studies it provides. It can be daunting. In short, MISO is tasked with coordinating the delivery of safe, reliable, and cost-effective power to 42 million customers across 15 states and the Canadian province of Manitoba. However, the brisk transition of the generation fleet across the MISO region is causing concern for utility regulators.

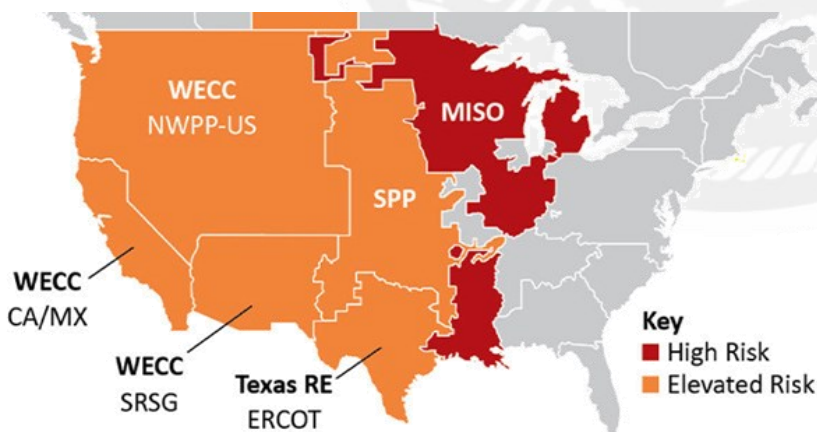
An increase in renewable energy generation, the retirement of conventional generation (such as coal), an increase in power demand, expanding drought conditions, and transmission outages could combine to elevate the risk of power supply shortfalls in certain parts of the U.S., including in the MISO region.

While not the sole risk factor, the shift away from conventional electrical power generators toward a new mix of resources can present challenges for grid reliability. Certain states, utilities and companies are pursuing actions that



MISO Footprint & Neighboring Systems

that facilitates the shift from traditional fossil fuel generation (natural gas and coal) towards renewables due to a mix of economic factors (decreasing installation costs; tax incentives), policy drivers (legislative, utility and corporate decarbonization directives) and societal concerns. Traditional fossil fuel generators are generally flexible and dispatchable at any given time. However, a resource mix that increasingly includes renewables is more dependent on weather conditions and the availability of its capacity to serve load can be uncertain.



Seasonal Risk Assessment Summary	
High	Potential for insufficient operating reserves in normal peak conditions
Elevated	Potential for insufficient operating reserves in above-normal conditions
Low	Sufficient operating reserves expected



Continued...

According to the North American Electric Reliability Corporation's ([NERC Summer Reliability Assessment](#)), tighter than normal operating conditions are anticipated, particularly in the MISO North/Central region, during peak summer conditions. At its 2022 [Summer Readiness Workshop](#), MISO projected firm resources may be insufficient to cover peak load this summer, and that emergency resources and imports from other regions may be needed to maintain system reliability.

Like many regions of the country, installed generation capacity has increased in the last five years in the MISO region. However, "accredited" capacity has decreased due to thermal generation retirements and renewable energy expansion. Solar and wind do not receive the same capacity accreditation as fossil fuel and nuclear generation because renewable energy resources are generally non-dispatchable and susceptible to weather changes. MISO's wind generation receives about a 15.5% capacity credit, while solar receives an approximately 50% capacity credit during summer peak times.

This week, MPSC staff and I was in Little Rock, AR at the MISO Regional Operations Center for the OMS Summer Seminar discussing transmission cost allocation metrics and MISO's resource adequacy efforts with colleagues from across the MISO footprint. MISO currently conducts a comprehensive analysis and surveys market participants to assess resource adequacy for the upcoming year. However, as the energy landscape continues to change, MISO and state utility regulators must take steps to prepare for and manage energy resource uncertainty. These steps could include better transparency in resource assessments and surveys, improved methods of accreditation of renewable resources, possibly delaying traditional generation retirements, and engaging in broader policy discussions that impact energy resource diversity.



OMS Exec. Dir. Marcus Hawkins welcomes participants to the OMS Spring Seminar in Little Rock, AR.

State utility regulators still have exclusive jurisdiction over the addition of new generation resources. My office and the MPSC will continue to refine the use of Integrated Resource Planning to responsibly build a diverse generation fleet that maintains reliability and resiliency of the grid and delivers affordable supplies of sustainable energy.



L to R: Wisconsin Commissioner Tyler Huebner; Commissioner Bailey; Indiana Commissioner and OMS President Sarah Freeman; Montana Commissioner Tony O'Donnell.

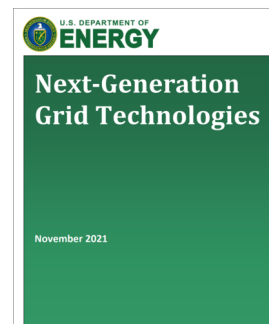


Commissioner Bailey; OMS Exec. Dir. Marcus Hawkins; Indiana Commissioner Sarah Freeman; Michigan Commissioner Dan Scripps; Arkansas Commissioner Ted Thomas; Minnesota Commissioner Joe Sullivan; Montana Commissioner Tony O'Donnell; Wisconsin Commissioner Tyler Huebner.



New Reports

The Dept. of Energy has released a report on [Next Generation Grid Technologies](#). The report shows how next-generation technologies can support an integrated platform that helps solve today's challenges and facilitates the transformation to a future grid capable of integrating more solar and wind generation, and millions of electric vehicles and distributed energy resources. The report includes a deep dive into the R&D opportunities of transformative transitions for a next-generation grid including system carrying capacity line ratings, system topology and optimization, and system equipment.



Last Week at the MPSC

- ✎ The Commission filed its [Order Setting Hearing](#) for Entergy Mississippi, LLC's Notice of Intent to Implement Revisions to the Formula Rate Plan.
- ✎ The Commission also filed an [Order](#), in regard to the Notice of Intent of Entergy Mississippi, LLC to Implement Revisions to the Formula Rate Plan, Noticing that a prehearing conference was conducted telephonically at 1 pm May 16, 2022 and identifying participants.
- ✎ Entergy Mississippi, LLC filed its [Application for Approval](#) of an Amendment to Agreement for Service between Entergy Mississippi and Nucor Steel-Jackson, Inc. for the provision of electric service to Nucor Steel's facilities located at Flowood, within Entergy Mississippi's certificated service area in Rankin County.
- ✎ Great River Utility Operating Company LLC filed its [Verification of Notice](#) to Customers regarding its Petition for Approval of the Sale and Transfer of Certain Assets, Facilities, Property, and Certificates of Public Convenience and Necessity for the Provision of Wastewater Disposal Service in Adams, Lamar, Oktibbeha, Rankin, and Warren Counties and [Verification of Notice](#) to Customers regarding its Petition of Great River Utility Operating Company, LLC for Approval of the Sale and Transfer of Certain Assets, Facilities, Property, and Certificates of Public Convenience and Necessity for the Provision of Water Service in Lamar and Noxubee Counties.
- ✎ Atmos Energy Corporation filed its Rule 7.103 [Construction Notice](#) for its Powers Avenue Project in the City of Jackson. This system integrity project intends to replace over 5,900 feet of main between Powers Avenue and Martin Luther King Jr Drive, and between Woodrow Wilson Avenue and Ann Banks Street in Jackson, due to inadequate coating and obsolete joining practices.



The MPSC's June Regular Docket Meeting will be held at 10:00 am on Tuesday, June 7. The meeting is open to the public and will be streamed online.



Last week, our Consumer Complaint Specialists handled a total of **30** complaints in the Central District.

Electric Companies	24
Telecommunications	5
Natural Gas	1

Last week, the Central District received a total of **365** 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.