

May 11, 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*

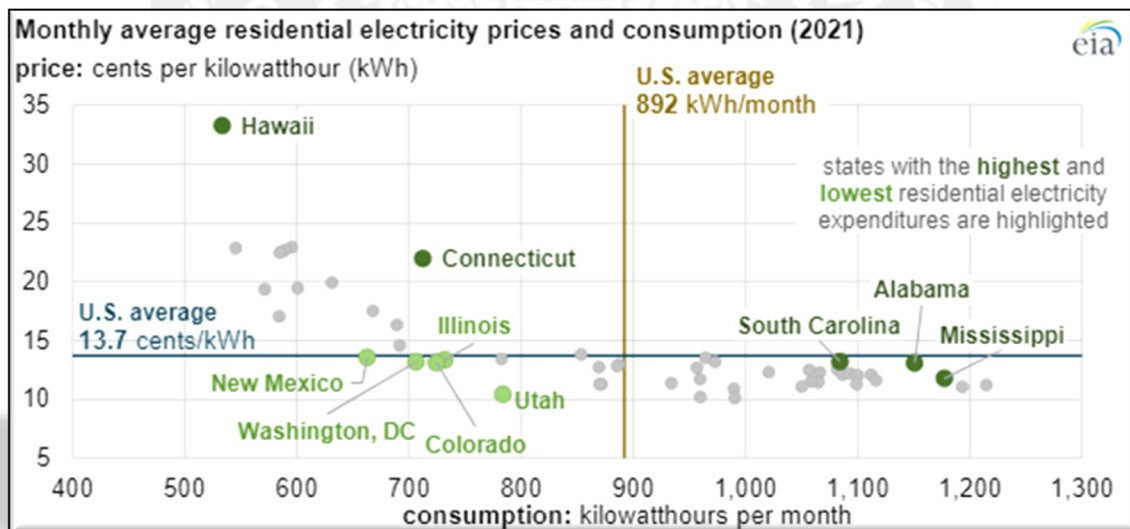


## Higher Temperatures Likely to Lead to Greater Energy Consumption

We are still more than a month away from the first day of summer. But, with temperatures climbing into the low 90's this week, it is a good time to evaluate steps you can take to manage your electric utility bill – especially at a time of increasing costs of the fuels used to generate power and increasing electricity consumption due to warmer weather.

Residential utility electric bills in the U.S. increased an average of 4.3% in 2021 to \$122 per month. It was the second-largest increase in nominal electricity expenditures over the past decade. Thankfully, residential electricity prices tend to increase less than overall inflation measures.

The average U.S. residential electricity price paid to utilities rose from 13.2 cents/kWh in 2020 to 13.7 cents/kWh in 2021. Utility electricity consumption per U.S. residential customer averaged 892 kWh per month in 2021. At this average price and average consumption, the homeowner would pay \$1,466 annually for electricity. The chart below shows where Mississippi ranks:

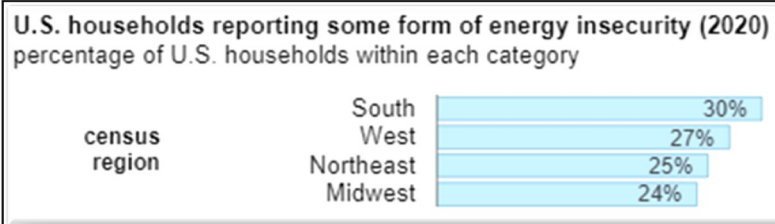


Residential consumers in Mississippi on average pay 2 cents/kWh less than the national average for a kWh of electricity at 11.75 cents/kWh. However, Mississippi households on average consume much more electricity (approximately 1,180 kWh/month) than the average U.S. household due to the use of more air conditioning, more likely to have electric space heating systems and older housing stock. ***The combination of relatively low electricity prices but relatively high electricity consumption leads to relatively high electricity bills with the average Mississippi household paying \$1,663 annually.***



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In 2020, 27% of all U.S. households reported difficulty paying energy bills or reported that they had kept their home at an unsafe temperature because of energy cost concerns. The percentage of households experiencing energy insecurity was most prominent in the South.



## Take Steps to Reduce Energy Consumption and Save Money

While building an energy efficient home is certainly a noble action, most Mississippians will need to focus on weatherizing and/or retrofitting an existing home to maximize energy efficiency and reduce overall energy consumption and costs, and reduce stress on the electrical grid.

One means to help reduce energy consumption and become more energy efficient is by utilizing the energy efficiency programs and rebates offered to customers of certain utilities. Earlier this year, my office requested regulated electric and natural gas utilities to provide a report summarizing the effectiveness of their energy efficiency programs. We are currently collecting those reports and will be reporting the results in a future newsletter.

The Weatherization Assistance Program helps states retrofit income-qualified homes to make them healthier and more efficient, while lowering utility costs. Home retrofitting within the program includes installing insulation, updating heating and cooling systems, upgrading electrical appliances, and making other common-sense changes to keep homes warmer in the winter and cooler in the summer with less energy usage. Mississippi was provided over \$28 million through the Infrastructure Investment and Jobs Act. The Department of Human Services administers the Weatherization Assistance Program in Mississippi.

Finally, [Energy Saver](#) is the U.S. Department of Energy's resource on saving energy at home. You can visit the website to get tips, instructions and other information on ways to save energy and money!



## New Reports of Interest

### EIA Summer Electricity Industry Outlook

The U.S. Energy Information Administration (EIA) published its annual [Summer Electricity Industry Outlook](#), which forecasts that continued U.S. economic growth will drive an increase in electricity use by 0.4%. EIA forecasts that retail sales of electricity to the industrial sector will grow by 2.8% and by 1.5% in the commercial sector. Meanwhile, electricity use is expected to fall by 2.9% in the residential sector largely because of weather forecasts for a cooler summer this year. However, higher electricity prices mean that the average U.S. household will pay about the same amount for electricity this summer as last summer. Other key takeaways include:

- Solar and wind power will provide 11.1% of U.S. electricity generation this summer, up from 9.6% in summer 2021.
- The cost of natural gas delivered to U.S. power generators is forecast to average \$8.81/MMBtu during summer 2022, up 124% from last summer.



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- Low coal supplies and limited capacity to increase domestic coal production means that natural gas will remain in high demand for electricity generation, contributing to the higher natural gas prices.

## **MISO** **MISO Seasonal Readiness Workshop – Summer 2022**

MISO gave a [presentation](#) on its readiness for summer operations. Long story short, under typical demand and generation outages, MISO projects insufficient firm resources available to cover peak summer conditions. Consequently, MISO projects emergency resources and non-firm energy imports will be needed to maintain system reliability in each summer month (June, July and August). MISO's projections for summer operations align with the recent Planning Reserve Auction results, which showed a capacity deficiency in the MISO North/Central subregions. Capacity deficiency is primarily driven by: (1) accelerated legacy generator retirements; (2) the addition of replacement capacity with significantly lower capacity factors; and (3) a higher load forecast.

## **MSU Teams Selected for Advanced Energy Technology Competitions**

Mississippi State University has earned a spot as [one of the 15 universities to participate](#) in the EcoCAR EV Challenge. The four-year competition will challenge students to engineer a next-generation battery electric vehicle (BEV) that deploys connected and autonomous vehicle (CAV) features to implement energy efficient and customer-pleasing features, while meeting the decarbonization needs of the automotive industry. The 2023 Cadillac LYRIQ will be the subject vehicle.

Mississippi State University also has a team competing in the Solar Decathlon Build Challenge, a two-year competition to design, build, and operate houses in each team's own region, with student work culminating in April 2023 with the Solar Decathlon Competition Event at the National Renewable Energy Laboratory in Golden, Colorado. [MSU is one of 21 Finalist Teams](#) in the 2023 Build Challenge. **Good luck and Go Dogs!**



## **Federal News**

The U.S. Department of Energy (DOE) adopted [two new rules](#) for light bulbs with the goal to conserve energy and help consumers save on their energy bills. The first rule establishes a revised definition of general service lamps while the second implements the minimum standard of 45 lumens per watt for light bulbs that meet the revised definition. DOE has concurrently announced an [enforcement policy](#) that allows for a managed transition helping entities all along the distribution chain, including manufacturers, importers, private labelers, distributors, and retailers adjust their production and inventory.

## **Last Week at the MPSC**

- 📁 The following entities have submitted their Workforce Diversity Annual Reports: [Spire Mississippi Inc.](#)
- 📁 **Atmos Energy Corporation 2022** filed its Rule 7.103 [Construction Notice](#) pertaining to their **Holmes Avenue** project in the City of **Jackson**.





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- ✎ **Entergy Mississippi, LLC** filed its [Notice](#) of Intent to Make Changes in Rates by Offering the Entergy Mississippi Flex Charge Program to Support Customers' Interest in [Transportation Electrification](#), which if approved, will be available to **Entergy Mississippi, LLC's** commercial, industrial and governmental customer classes to facilitate an accelerated build-out of the EV charger network necessary to spur broader adoption of electric vehicles and transportation in western Mississippi. **Entergy Mississippi, LLC** is proposing to offer non-residential customers the flexibility to choose the desired [transportation electrification](#) charging infrastructure, up to and including the option of a turnkey transportation electrification charging solutions, through **Entergy Mississippi, LLC's** Flex Charge offering. Additionally, **Entergy Mississippi, LLC** proposes, in accordance with Rule 7.101(2)(g) of the **Commission** and **Public Utility Staff's** Public Utilities Rules of Practice and Procedure, to grant an exception to operate that would allow specified customers to furnish electricity to the public for compensation for the sole purpose of transportation electrification charging and in a manner that complies with and fully preserves the **Commission's** jurisdiction. Transportation Electrification charging infrastructure consists of the make-ready infrastructure and the EV Supply Equipment or shore power connections necessary to provide electricity to charge the battery inside electric transportation equipment, or otherwise power a vehicle. Any customer in good standing with **Entergy Mississippi, LLC** taking service under a metered non-residential, non-lighting rate schedule would be eligible. Additionally, under the Flex Charge offering, the Flex Charge customer will be paying for any electricity usage by the vehicle charger under an existing eligible nonresidential rate schedule and does not offer a new rate schedule for electricity used at the charger.
- ✎ **CenturyLink Communications, LLC** filed [Revisions](#) to the **CenturyLink Communications, LLC** d/b/a **Lumen Technologies Group Mississippi** for MS Tariff No. 2 submitted with a proposed effective date of June 1, 2022. This filing adds language allowing the Company to provide customers with resold services at rates provided by the underlying facilities-based provider.
- ✎ **Rankin County** filed a [Motion](#) to Stay Proceedings in regard to **Entergy Mississippi, LLC's** Notice of Intent to Implement Revisions to the Formula Rate Plan.
- ✎ **Mississippi Power Company** filed a [Motion](#) to Supplement its Comments in the Docket to Review Community Solar Proposals Docket Number 2022-AD-07.
- ✎ **The Commission** filed an [Order Amending the Notice of a Hearing](#) for the Petition of **MS Solar 7, LLC** for a Certificate of Public Convenience and Necessity Authorizing the Construction and Operation of a Solar Electric Generating and Storage Facility in **Clay County**.
- ✎ **Great River Utility Operating Company, LLC** filed its [Petition](#) for Approval of 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**. The following Central District entities have submitted a Joinder in support **Great River Utility Operating Company's** [Petition](#) for Approval of Sale and Transfer: [Reservoir East Sewer Company, Inc.](#); [Benard Acres \(Utility Services\)](#); [Blakely Sewage District Subdivision \(Utility Services\)](#); [Dogwood Lake Estates \(Utility Services\)](#); [Greenbriar Subdivision \(Utility Services\)](#); [Mill Creek Subdivision \(Utility Services\)](#); [Oak Park Subdivision \(Utility Services\)](#); [Pleasant Valley Utility Subdivision \(Utility Services\)](#); [Timber Creek Apartments \(Utility Services\)](#); [Villanova Subdivision \(Utility Services\)](#); [Woodland Acres Subdivision \(Utility Services\)](#)
- ✎ **Great River Utility Operating Company, LLC** also filed its [Petition](#) for Approval of 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**. The following Central District entities have submitted a Joinder in support **Great River Utility Operating Company's** [Petition](#) for Approval of Sale and Transfer: [Parks Utilities, Inc.](#)



# CENTRAL DISTRICT SNAPS



I appreciate the Mississippi Economic Development Council (MEDC) for inviting me to their Economic Leaders Forum training last Thursday to present an overview of opportunities to utilize ARPA and IIJA funds to enhance critical infrastructure (water, wastewater, broadband), ongoing matters at the PSC, and other PSC programs that can help overcome the challenges hindering growth or improvements to economic development in Mississippi.



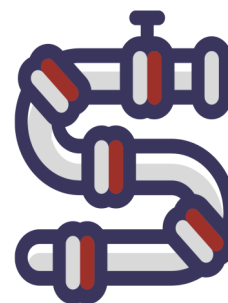
We were thrilled to have Davis Gates, our Legal and Policy Advisor, attend the Madison County Board of Supervisors' Grand Opening Ceremony of the Northeast Madison County Community Park (Sulphur Springs Park) last Thursday. This is an excellent new establishment for the residents in Madison County!

Our Pipeline Safety Division completed **1** construction inspection in the Central District during the month of April.

The total amount of construction notices that were received by the Commission in the Central District during the month of April is approximately **\$5,623,000**.

**"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	8
Telecommunications	8
Water/Sewer	4
Natural Gas	1

Last week, the Central District received a total of **122** 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.***