

July 13, 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



**Highlights from the July 12, 2022,
Docket Meeting**

The Mississippi Public Service Commission met on July 12, 2022, at 10:00 am CT to consider a wide array of [agenda](#) items, from natural gas expansion programs to the acquisition of various water and wastewater systems to providing rate stabilization for electricity customers to announcing a process for recommending candidates for the position of Executive Director of the Mississippi Public Utilities Staff. However, a highlight of the session was the Mississippi Public Service Commission's vote to approve amendments and revisions to the former Net Metering and Interconnection Rules, now referred to as the ["Mississippi Distributed Generator Interconnection Rule \(MDGIR\)"](#) and the ["Mississippi Net Renewable Generation Rule \(MsNRG\)"](#). The newly adopted rules include policies that look to increase customer adoption of renewable resources, enhance grid reliability and economic development, in addition to improving access to solar for low- and middle-income residents.

The review of the former rules began in January 2021, pursuant to the reopener directive of the original December 2015 Order Adopting Net Metering. Throughout this process, dozens of stakeholders filed written comments and provided testimony at a public hearing. After careful review and consideration of all comments and testimony, the Commission Staff prepared a [Final Order](#) amending and adopting the MDGIR and MsNRG. The Commission found the amended rules to be an appropriate balance among the parties in this matter and provides fair regulation with the public interest. Moreover, the amended rules will increase access to solar generation and other means of self-generation while minimizing any shifting of fixed costs to non-participants. Please review the [Press Release](#) or see below in this newsletter for a point-by-point review of the major amendments to the MDGIR and MsNRG.

In addition to adopting the new MDGIR and MsNRG, the Commission also approved the ["Public K-12 Solar for Schools"](#) program guidance that provides public school districts options to expand energy savings, reinvest in academic programs, and make students aware of these clean energy technologies. Please note that the rules and incentives described in the above-mentioned Final Order currently only apply to residential customers and public schools served by Entergy Mississippi and Mississippi Power Company. However, I certainly encourage rural electric cooperatives and municipal electric utilities to consider adopting all or parts of the approved amended rules for the benefit of their customers.



"It is my honor to serve as Commissioner during the final adoption of the Net Renewable Generation Rules. These new rules will make Mississippi open to business to clean energy technology developers, manufacturers, and installers, and will help boost low-income opportunities allowing Mississippians to experience the cost-saving benefits of solar energy. It has been my pleasure to work with customers, utilities, renewable energy businesses, clean energy advocates, other stakeholders, and my colleagues to improve our MPSC distributed generation policy. This policy standardizes the opportunities for individuals and businesses to invest in distributed energy resources to offset all or a portion of their overall energy use with electricity generated from on-site resources."



Other items acted upon by the Commission

Include:

- ☑ **The Commission** considered and issued an [Order](#) Approving an Application of **Atmos Energy Corporation** for Approval and Authorization to renew for an additional five year term, from October 1, 2022 through September 30, 2027, a Natural Gas Infrastructure Expansion Initiative. The budget will increase from \$5 million to \$6 million for fiscal year 2023. Beginning in July of 2023, **Atmos** may choose to annually adjust the budget based on a percentage factor no greater than the rate of inflation for the previous year, not to exceed 10%. Since the start of this initiative, **Atmos** has completed 123 projects totaling \$20 million and extending natural gas service to 2800 potential customers.
- ☑ **The Commission** considered and issued an [Order](#) approving **Peerless Network Holdings, Inc.** and **OpenMarket Inc.**'s (now known as **Infobip**) Joint Application for Approval of Indirect Transfer of Control of **Peerless Network of Mississippi, LLC** and **Airus, Inc.** **Peerless Holdings** and **Infobip** entered into an Agreement and Plan of Merger pursuant to which **Infobip** will acquire **Peerless Holdings**.
- ☑ **The Commission** considered and issued an [Order](#) approving the Joint Petition of **Bullseye Telecom, Inc., Matrix Telecom, LLC, Lingo Management, LLC, Lingo Communications, LLC,** and **B. Riley Principal Investments, LLC** for Approval of Transfer of Control of **Bullseye** to the **Lingo Entities**.
- ☑ **The Commission** issued an [Order](#) approving Petition of **Fusion Cloud Services, LLC** for approval of service discontinuance. **Fusion Cloud** provides intrastate services in the State and **Fusion Cloud** (formerly known as **Birch Communications, Inc.**) was authorized to provide competitive local exchange services and interexchange services in the State. **Fusion Cloud** will discontinue certain copper-based DS-1, DSL and voice and data services due to a substantial increase in support costs. The Company will continue to operate and serve customers in the State via other technologies.
- ☑ **The Commission** issued an [Order](#) approving the Application of **Mobilitie, LLC** for Authority for a Pro Forma Change of Control. This Application was for approval to undertake an internal restructuring of the BAI Communications Group ("Internal Restructuring"), of which **Mobilitie** is a part.
- ☑ **The Commission** considered and issued an [Order](#) for **Great River Utility Operating Company, LLC** Approving 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** filed by **Great River Utility Operating Company, LLC**. Great River has entered into asset purchase agreements with the owners of seventeen (17) wastewater systems currently providing service in the State in the aforementioned counties. Combined, the wastewater systems are estimated to serve 3,257 customer connections.
- ☑ **The Commission** also considered and issued another [Order](#) regarding **Great River Utility Operating Company, LLC** Approving 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**. This Order pertains to the asset purchase agreements with the owners of two (2) water systems currently providing service in the State. Combined the water systems are estimated to serve 1,457 customer connections.



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- ☑ The **Commission** considered and issued an [Order](#) in regard to the Notice of Intent of **Entergy Mississippi, Inc.** to Implement Revisions to the Formula Rate Plan Schedule FRP-7 approving the Joint Stipulation between **Entergy Mississippi, LLC** and the **Public Utilities Staff**. The **Public Utilities Staff** and **Entergy Mississippi, LLC** filed their Joint Stipulation regarding the Notice of Intent of **Entergy Mississippi, Inc.** to Implement Revisions to the Formula Rate Plan Schedule FRP-7. Per the Stipulation, this grants a total revenue adjustment of \$83 million (the supporting data are found in the 2022 Evaluation Report and 2021 Look Back). The adjustment includes \$13.1 million in COVID Bad Debt Deferral, storm recovery expenses that have exceeded \$70 million each of the last two years, an increase in demand-side management programs budget, and spending for grid modernization that will double from last year. The net effect of the increase in rates associated with the FRP-7 filing for customers will be effective on bills rendered on or after August 2022. However, the increase will be offset by the **Commission's** approval of an [Order](#) Directing Interim Rate Adjustment related to the Power Management Rider Over Recovery for **Entergy Mississippi, LLC**. (see below)
- ☑ **Entergy** is currently carrying a \$31,277,486 over-recovery in Power Management Rider Schedule PMR-13. To provide continued bill stability, the **Commission** directed **Entergy** to file a Compliance Filing within five (5) days of the issuance of this [Order](#) updating the Company's Power Management Cost Adjustment Factor at an amount sufficient to provide bill stability (mitigate any rate increase) through December 2022 for the average residential customer consuming 1,000 kWh a month, with the Company's April 2022 FRP-7 temporary rate adjustment as a reference point.
- ☑ The **Commission** considered and issued an [Order Directing Disbursement of SERI Settlement Proceeds](#) related to the recently executed [Partial Settlement Agreement](#) with **Entergy Mississippi, LLC**. The **Commission's** June 23, 2022, [Order](#) found that entering into the Settlement Agreement would resolve all outstanding issues among the Settling Parties and execution of the Settlement Agreement would deliver swift benefits to **Entergy's** retail customers through refunds and prospective rate reductions, decrease regulatory uncertainty, provide administrative efficiency, and further the **Commission's** goal of achieving a mutually acceptable resolution in numerous contested dockets. The Settlement Agreement, which is subject to **FERC** approval, provides that, "SERI shall provide a black-box refund to **Entergy** in the amount of \$235 million" that is primarily applied to the Company's deferred fuel balance. Further, the **Commission** has directed **Entergy** to:
 - make available to every retail customer account a one-time, \$80 bill credit, to be effective during the Company's September 2022 billing cycle; establish through MyEntergy.com, an online option for retail customers to opt-in to receiving a one-time \$80 check in lieu of a one-time bill credit;
 - provide the online option for retail customers to opt-in to receiving a one-time \$80 check shall commence by August 1, 2022, and close on August 17, 2022;
 - publish on its website, social media accounts, and through any other relevant communication mediums information related to the customer's option of receiving a one-time check or credit;
 - apply the remaining above-mentioned settlement proceeds to the Company's Energy Cost Recovery Rider Schedule ECR-4 (Revised) balance.



June 23— The PSC hosted a press conference to announce the securing of the \$300M settlement with Entergy Mississippi! This settlement is one of the PSC's LARGEST SETTLEMENTS IN HISTORY!



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- ☑ **The Commission** issued Orders referring the following for hearing, report and recommendation of an appropriate Order, or any other action necessary:
 - ☑ Order Referring the Joint Petition of **Wren Water District, Inc.** and **Coontail Water Association, Inc.** for approval of merger and to transfer all of the Certificate of Public Convenience and Necessity in **Monroe County** to the Northern District Commissioner.
 - ☑ Order Referring the Joint Application of **Hiwanee Water Association, Inc.**, and **Whistler Water Association, Inc.**, to transfer a portion of the Certificate of Public Convenience And Necessity in a specified area in **Wayne County** to the Southern District Commissioner.
- ☑ **The Commission** held discussions and took action in the Selection of Auditors for Annual Statutory Fuel Audits. The Companies selected to perform the audits for **Mississippi Power Company** were Bates White for procurement and BKD for financial. The Companies selected for **Entergy Mississippi, LLC** were London Economics (LEI) for procurement and Horne for financial.
- ☑ **The Commission** considered and issued a Final Order Amending the Commission's former Net Metering and Interconnection Rules (Now referred to as the "Net Renewable Generation Rules"). The **Commission's** Final Order Amending the Rules does so as follows:
 1. The names of the Rule(s) and terminology throughout the rules were amended to reference "Net Renewable Generation" as opposed to "Net Metering." These changes were made to better reflect the type of Distributed Generation (DG) program made available under the Rules, which is not traditional net metering, but rather a more general compensation program for behind-the-meter distributed generation.
 2. The Order retains the 2.5 cents/kWh distributed generation adder, but grandfathers it in for a period of 25 years. The low-income benefits adders are similarly grandfathered in for 25 years.
 3. Eligibility for the low-income benefits adder has been expanded to include customers with annual household incomes of up to 250% of the federal poverty level.
 4. The Rule now includes meter aggregation provisions, which allow customers with multiple meters to use the energy generated by one DG system to offset their usage on all eligible meters. To be eligible for aggregation, all meters must be located on the same premises or within the same utility service area of the customers' DG system.
 5. DG customers are no longer required to transfer RECs to their utilities as a condition of receiving the 2.5 cents per kWh Distributed Generation Benefits Adder; however, if a customer elects to receive an up-front rebate, that customer may be required to transfer their RECs as a condition of receiving the rebate.
 6. The definition of Net Generation has been revised to note that special metering requirements are obviated with the use of advanced metering infrastructure / smart meters.
 7. The Rule now expressly states that battery storage systems shall not affect the total nameplate capacity of a customer's DG system.
 8. System capacity limits under the Rule will now be measured in terms of alternating current rather than direct current.



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9. The previous hard 3% participation cap has been modified and increased. Now, utilities may seek commission approval to refuse additional DG customers if, and when, participation reaches 4% of the utility's total system peak demand.
10. Similarly, rather than including a mandatory reopener provision, the Rule now permits the **Commission** to exercise its discretion in deciding whether to reopen the rulemaking for additional changes at the earliest of either 5 years from the date of this Order, or the point at which total net distributed generation capacity reaches 4% of the utilities' system peak demand.
11. The utilities' annual net generation reports must now also include the total number of DG customers receiving the low-income benefits adder.
12. Finally, the working group provision of the rules has been retitled and revised to expand the purpose of the group beyond consumer protection. Now, a joint inter-agency working group shall meet biannually for the continued monitoring and consideration of the efficacy and fairness of the Rules, and shall present any recommended action items to the **Commission** by Jan. 30th each year.

In addition to these amendments to the Rules themselves, the Order sets forth provisions instructing the utilities to make separate filings for the approval of Solar-for-Schools programs and up-front rebates for distributed generation systems.

- ☑ **The Commission** also took action regarding the Commission's process, pursuant to Miss. Code Ann. 77-2-7, to address the vacancy of the Executive Director of the **Mississippi Public Utilities Staff**. The [notification highlighting qualifications and deadlines](#) will be posted on the **Public Service Commission** and the MS State Personnel Board websites and distributed through other platforms and trade publications. Interested candidates should submit a resume/CV, along with a cover letter, to Katherine Collier at katherine.collier@psc.ms.gov, Executive Director of the Commission, no later than 5:00pm, Central Time, August 12, 2022.
- ☑ **The Commission** also announced that it will be conducting Work Sessions over the next couple of months as it pertains to the following:
 - Global Fuel Markets and its Impact on Utility Rates
 - Regulatory Role and Utility Tariffs in Anticipation of NEVI Grant Program and EV Adoption in Mississippi

Last Week at the MPSC


- ☐ The **Commission** filed its [Recommended Order of Hearing Examiner](#) in regard to the Joint Petition of **Cooperative Energy** and **Southern Pine Electric Cooperative** for Certificate of Public Convenience and Necessity Authorizing them to Acquire the necessary rights-of-way and for **Cooperative Energy** to Construct, Own and Operate two (2) 115 kV electric transmission line facilities in **Rankin County**, and for **Southern Pine Electric** to construct, maintain and operate a 115:24:94 kV substation facility in **Rankin County** together with all necessary switches, buses and related equipment and facilities. **Cooperative Energy** and **Southern Pine Electric Cooperative** will each fund their respective portion of the project. The total cost of the project will be approximately \$10,780,000.
- ☐ **FiberLight, LLC** filed its [Petition](#) for Discontinuance of Competitive Local Exchange Carrier Services in the State. **FiberLight** also requests the relinquishment of **FiberLight's** Certificate of Public Convenience and Necessity in the State. **FiberLight** has no current, former, or prospective customers in State.



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- 📁 **Entergy Mississippi, LLC** filed [Supplemental Testimony](#) in regard to its Notice of Intent to Implement Revisions to the Formula Rate Plan. **Entergy Mississippi, LLC** submitted the Supplemental Testimony to reflect Schedule FRP-7 implementation of revised rate adjustments effective for bills rendered during and after August 2022.

CENTRAL DISTRICT SNAPS



Thanks to Bruce Bartley, of Madison, for allowing me time to share some updates from the Mississippi Public Service Commission at last week's Grip N Grin luncheon at Mama Hamil's Southern Cooking & BBQ, Inc. The MPSC's recently announced settlement with Entergy MS will create over \$10 million in savings for Entergy customers in Madison County alone.



Central District on the Road!

- **Taylor Power Systems, Clinton, MS**
Thursday, July 14
- **L&F Water Association Public Hearing**
Date/Time: Thursday, July 14 at 6:00 p.m.
Location: Ludlow Baptist Church Fellowship Hall
- **NARUC Summer Policy Summit in San Diego, CA**
July 17-19



Last week, our Consumer Complaint Specialists handled a total of **16** complaints in the Central District.

Electric Companies	13
Telecommunications	1
Natural Gas	2

Last week, the Central District received a total of **147** 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.