

August 24, 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

Office of Broadband Expansion and Accessibility of Mississippi

Since the start of my time at the MPSC, customers have contacted the Central District in hopes of requesting and securing high-speed internet service at their home or business. Since much of the telecommunications industry was deregulated by the Mississippi Legislature in 2012 via [HB 825](#), customers have had few means to get information regarding the buildout plans of internet providers. Furthermore, the above-mentioned legislation affirmed that the MPSC is prohibited from regulating video services, voice over internet protocol, internet protocol and broadband (internet) services.

As Mississippians realized the critical need of access to high-speed Internet services - especially as the COVID-19 pandemic shuttered schools and businesses - the Mississippi Legislature made a commitment to improving the lives of unserved, underserved, and historically marginalized communities through the passage of several pieces of legislation. One measure was the creation of the **Office of Broadband Expansion and Accessibility of Mississippi (BEAM)** within the Department of Finance and Administration via [HB 1029](#). One function of the Office of BEAM is to pursue state and federal funding for the purpose of making awards for broadband infrastructure deployment projects.



Hundreds of millions of dollars are now flowing from federal programs such as RDOF, ARPA, BEAD, NTIA and IIJA, aiming to make high-speed internet accessible for all. Many regional service providers, electric cooperative utilities, and municipalities are building networks to facilitate internet access and bridge connectivity gaps. It is primarily the responsibility of BEAM to ensure unserved communities get priority for broadband deployment funding and the overbuilding of network systems is avoided. However, the Mississippi Public Service Commission does retain eligible telecommunication carrier (ETC) authority to designate eligibility of a service provider to receive federal universal service (high cost) funding.

It is the duty and responsibility of the Office of BEAM to “coordinate all broadband expansion and accessibility efforts on behalf of the state” and “coordinate all information provided by broadband service providers.”

Learn more about the Office of BEAM at <https://www.beam.ms.gov/>.

You are encouraged to contact BEAM at 601-359-5029 or info@beam.ms.gov and notify them of your lack of access to reliable, broadband internet service.



Mississippi Band of Choctaw Indians Receive Broadband Grant

The Mississippi Band of Choctaw Indians recently received an \$8.43 million Tribal Broadband Connectivity Program (TBCP) grant award from the National Telecommunications and Information Administration (NTIA) to fund expansion of broadband internet access to over 2,000 tribal homes in six of the eight tribal communities. The Tribe is partnering with MaxxSouth Broadband to bring speeds of up to 650MB/sec to homes across Choctaw Tribal lands.

Major Auto-Warranty Scam Call Ring Exposed

Last week, this newsletter introduced readers to the MPSC's new and improved No Call Program customer and solicitor portal. The new portal provides customers with an easier way to report and submit a complaint against an unwanted telemarketing call. Over the years, the auto-warranty scam call category has topped the list of complaints by customers. But through years of complex detective work, auto-warranty scams may be coming to a halt.

The Ohio Attorney General and the Federal Communications Commission (FCC) have filed suits against two California men who have allegedly sent billions of robocalls nationwide since 2018 offering vehicle service contracts misleadingly characterized as car warranties. The scheme inundated consumers with calls they never consented to and generated millions of dollars in ill-gotten gains.

The two individuals used a web of shell companies, aliases, and fly-by-night phone companies registered in other countries, such as Hungary and Panama. The operation also allegedly bought or rented millions of phone numbers that could be used to place unwanted calls. The duo even allegedly hired a developer to build a bot, powered by artificial intelligence, that could interpret would-be victims' responses and route them to "salespeople" who continue the scam's transaction. The operation was also adept at playing hide and seek with officials. When the investigation would uncover one of the voice providers the group was allegedly using to place its calls, the ringleaders simply spun up operations at a different business to generate the calls instead. The operation's nimbleness shows how challenging it can be to take down a robocaller for good.

The two individuals are no strangers to the FCC and have been sued before by the Federal Trade Commission for other telemarketing violations. However, orders for them to cease illegal activities apparently went unheeded. Read full article [HERE](#). Remember you can file a telemarketing complaint with the MPSC in [writing](#), using the [MPSC No Call App](#), or via the [Subscriber Complaint](#) portal.

Last Week at the MPSC

MPSC Submits Transmission Planning Comments to FERC

Last week, the **Mississippi Public Service Commission** (MPSC) joined over one hundred other interested parties, including commissions in other states, to comment on a Notice of Proposed Rulemaking (NOPR) issued by the Federal Energy Regulatory Commission (FERC) addressing proposed changes to regional transmission planning.



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First and foremost, the MPSC commented that a global rule changing how its regulated utilities plan for a future electric generation and transmission was unnecessary. The MPSC noted that its participation in the Midcontinent Independent System Operator, Inc. (MISO) already addresses many of the issues that FERC seeks to remedy. Likewise, Mississippi utilities operating outside of MISO but participating in the Southeastern Regional Transmission Planning (SERTP) process are also addressing these issues. Recognizing that both types of utilities are subject to MPSC jurisdiction and participate in state Integrated Resource Planning (IRP) proceedings provide the best assurance that Mississippians will continue to receive reliable and economic service. Rather than imposing a universal change, the MPSC recommends that FERC conduct individual investigations of transmission providers' procedures, identify shortcomings, and propose specific improvements.

If FERC were to proceed with a final rule, the MPSC asked first that FERC respect current planning approaches in different regions, including MISO, and not create a prescriptive framework of transmission planning requirements. Rather, FERC should remain flexible and permit regions to address concerns in a manner best suited to the region and supported by stakeholders and state commissions. Second, the MPSC identified a host of improvements FERC should make to its proposal. The most important of these changes was to ensure that FERC recognizes the MPSC's and other states' authority in transmission and generation siting and construction and in determining when Mississippians would not benefit from construction of a major transmission project. The MPSC's [comments](https://elibrary.ferc.gov/eLibrary/search) can be found in Docket No. RM21-17-000 on FERC's website <https://elibrary.ferc.gov/eLibrary/search>.

MPSC Work Session on Fuel

On August 18, 2022, the MPSC held a Work Session examining the economic situation of the primary fuels used by investor-owned utilities to generate electricity or to heat our homes in Mississippi. The entities that participated were **United Professional Company, Entergy Mississippi LLC, Mississippi Power Company, Atmos Energy Corporation, and CenterPoint Energy**. Each of these entities contributed an assessment of historic prices and volatility, the current state of the markets, and an outlook for the future. These entities noted natural gas prices increased significantly across all three major gas regions in 2021 (U.S., Europe, and Asia). Here in the U.S., the average US Henry Hub Gas Spot Price nearly quadrupled from 2020 to 2022. In fact, the July 2020 Henry Hub natural gas price averaged \$1.77 per MMBtu. This July, the natural gas price averaged \$7.28 per MMBtu. Mississippi generates nearly 80% of its electricity from natural gas. The remainder is provided by a combination of nuclear, coal and renewables.

While coal fuels just over one-fifth of electricity generation in the US at 22%, utilization of coal by Mississippi's regulated electric utilities is generally much less – usually 10% or less. While many customers and government agencies have advocated for a transition from coal over the last decade due to low natural gas prices and increasing environmental standards, the recent surge in natural gas prices has turned some electric generators back to coal. However, limited available coal inventories, an increase in demand in international and domestic markets, a constrained transportation sector, and the inability of coal producers to ramp up production has resulted in material spot market price spikes for coal resources as well.

Each of the investor-owned utilities operates a natural gas hedging program for the purposes of mitigating exposure to fuel and energy price volatility and each utility detailed their hedging process. The process is meant to shield customers from severe monthly changes in fuel costs that could otherwise be experienced if all natural gas were purchased on the spot market and subject to uncontrollable market influences.



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For the future, there were several noted factors that could have potential impacts on prospective fuel market prices. For instance, natural gas prices have risen in recent weeks in response to ongoing hot weather and to the sooner-than-expected re-opening of the Freeport Liquefied Natural Gas (LNG) export terminal. Currently, 10% of domestic natural gas production is exported as LNG. While current LNG export capacity is roughly maxed-out, LNG export capacity is expected to increase between 2023 and 2027. Global natural gas demand is here to stay for the foreseeable future and international demand for non-Powder River Basin coal is expected to increase. We should expect a new floor for coal prices. With more coal plant retirements on the horizon nationally, coal mines will not likely increase production for a potential short-term opportunity due to the increase in natural gas prices. The MPSC will continue to evaluate and identify measures to mitigate the rising costs of fuels and ease the impact on consumers.

Update on Grand Gulf Nuclear Station (GGNS)

Entergy officials, including Entergy Nuclear's Chief Operating Officer and new GGNS Site Vice President, stopped by the office to provide an update on the recently completed refueling and scheduled maintenance at GGNS. During the springtime two-month outage, the reactor vessel received new nuclear fuel, the turbine control valve actuators were replaced, main steam relief valves were refurbished, and other maintenance, modifications and capital projects were completed on the plant that can only be accomplished with the plant shut down.

GGNS also experienced an outage in July when a broken turbine control valve stem was discovered. All four turbine control valve stems were inspected, refurbished and repaired if needed. The plant went back online in early August and has been steadily ramping up production. The facility was up to 88% production capacity at last check. You can view daily reactor status reports [HERE](#).

New Filings at the MPSC

✉ **Sierra Club** and **Audubon Delta** were joined by Other Parties to jointly filed their [Response](#) To **Entergy Mississippi, LLC** and **Mississippi Power Company's** Motions to Rescind or for Rehearing of the Commission's newly adopted *Distributed Generator Interconnection and Net Renewable Generation Rules*. These entities noted the following points in their response:

- 1) **The Commission** has clear authority for this rule making and interpretation of its authority, and the utilities confuse the issue by claiming that the **Commission** does not have any jurisdiction over self-supply because customers are not public utilities and the **Commission** is not regulating the customer through the distributed generation rules, it is regulating the utilities, and the utilities themselves admit that the **Commission** has authority over self-supply.
- 2) **The Commission's** factual determinations that the revised rules advance policy directives are based on substantial evidence including three rounds of comments intending the revised rules to foster economic development and other directives, reflecting a careful consideration and balance of policy objectives.
- 3) **The Commission's** factual determinations are entitled to substantial deference. These entities hold that the **Commission's** final order reflects careful consideration of all the evidence and reflects a balance of the comments from all parties in the proceeding and the majority of the utilities legal complaints are actually factual matters about which they simply disagree with the **Commission's** findings even though the **Commission** is the expert factfinder and receives deference for these findings.

The Responders further hold that many of utilities arguments are also raised improperly for the first time in these post proceeding motions, and these collective groups go on to state that all the changes made in the final rules were proper under Mississippi law.

FROM THE DESK OF COMMISSIONER BRENT BAILEY CENTRAL DISTRICT OFFICE



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- Rankin County filed its [Certificate of Compliance](#) with Rule 11(b)(1) of the Mississippi Rules of Appellate Procedure.
- Mississippi Power Company filed its [Petition](#) for Certificate of Public Convenience and Necessity Authorizing the Acquisition, Construction, and Operation of 46-12kV Substations and 46kV Line Facilities serving the new substations and related facilities and rights-of-ways in Perry and Lamar Counties. Subject to the Commission's approval of Mississippi Power Company's certificate of public convenience and necessity, Mississippi Power Company plans to begin design work and construction for the projects in 2022 with overall construction to be completed by June 31, 2023. The total estimated cost to construct the Richton Project is \$8,500,000. For the Purvis Industrial Project, the total estimated cost to construct is \$2,100,000.
- CenturyLink Communications, LLC filed its [Notice](#) of Approval per Commission Order. The Commission's Order directed CenturyLink Communications, LLC to notify the Commission upon FCC approval, and the Commission's order will be deemed issued on the day following approval by the FCC.
- The Commission issued a [Suspension Order](#) in regard to Atmos Energy Corporation's Notice of Intent to Request Routine Changes in Rate Schedules, Gas Service Policy, and Policy For Extension of Gas Facilities.

CENTRAL DISTRICT SNAPS



Charles Weissinger, Issaquena County Board Attorney, and Cooley May, Founder/CEO of C-MACC, came by the office to discuss a proposed hydrokinetic energy project and industrial scale ammonia production facility in Issaquena County. This combination of clean energy system and product manufacturing could

significantly benefit the South Delta and the overall state. I certainly look forward to learning more and seeing this project progress.



Our team had a Zoom call with members of the Advanced Energy Management Alliance (AEMA). Representatives of Enel N.A., C Power, Voltus, Energy Hub and AEMA shared their thoughts on the effects that aggregation of distributed energy resources and demand response customers can have on resource adequacy and reduced costs for MS ratepayers.



Last week, our Consumer Complaint Specialists handled a total of **17** complaints in the Central District.

Electric Companies	12
Telecommunications	1
Water/Sewer	3
Natural Gas	1

Last week, the Central District received a total of **313** 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.