

August 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*

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## *Resource Adequacy in a Changing World*

**T**his week, I and other Mississippi Public Service Commission staff and consultants were in Madison, Wisconsin at the Organization of MISO States (OMS) Resource Adequacy Summit. Hosted by the University of Wisconsin's Public Utility Institute and with approximately 125 people in attendance from across the regulatory, utility, generation, transmission, technology and advocacy sectors, the event was designed to take a deep dive into: 1) the challenges that regional transmission organizations face to ensure sufficient energy resources are available in their footprint; 2) how various utilities conduct electricity resource planning and interact with regulatory commissions to meet customers' needs, and 3) look at what changes and tools may be needed to maintain resource adequacy in the near future as the nation's generation portfolio mix undergoes changes.

What is "resource adequacy" and why is it important? Resource adequacy is the ability of a utility's electric supply side resources to meet the aggregate electrical demand of the end-use customers at all hours even while taking into account scheduled and reasonably expected unscheduled outages of generation assets. Operation of the overall grid requires coordination, collaboration, and oversight between customers, generation owners, and grid managers to maintain a system with a high level of reliability. Many factors (extreme weather events, cyberattacks, physical attacks, fuel disruption, etc.) can impact resource adequacy and system reliability. However, much of what this meeting focused on was the shift in electricity generation.

As energy economics, evolving technologies, customer preferences, and state/federal public policy drives the transition of the generation fleet from traditional fossil fuel and nuclear baseload generation to more variable, intermittent (renewable and distributed) generation, regulators and utilities must ensure that adequate resources are available to serve the electricity needs of homes, businesses and industries. In some cases, the electricity generation transition is moving faster than some states' resource planning processes.

When the accredited capacity of new generators coming online is not equal to the resources that have retired or been taken offline, resource adequacy risks and challenges emerge - especially if demand for electricity is increasing. For example, in 2021 the Midcontinent Independent System Operator (MISO) saw 2,200 MW of coal and legacy gas generation retirements. The retirements were replaced with 2,000 MW of wind, 900 MW solar, and 1,000 MW of natural gas combined cycle resources. However, because the 2,000 MW of installed wind capacity and 1,000 MW of installed solar capacity translates to only a few hundred MWs of accredited capacity, this constitutes a net reduction of usable capacity.

18,300 MW of installed coal capacity has retired in the MISO region since 2015. Another 27,300 MW of coal capacity has announced retirement during the 2022-2030 timeframe. Certain environmental regulations could drive the number higher. MISO has more than 800 active projects being evaluated in the interconnection queue, totaling over 130,000 MW.



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More than two-thirds of these are solar projects or hybrid solar projects and another 10 percent are wind projects.

Over the years, the Federal Energy Regulatory Commission (FERC) has reaffirmed the role and responsibilities of the states to conduct resource planning, provide mechanisms to build and maintain new generation resources, and ensure reliability and resource adequacy. It is incumbent that regulators work with utilities and grid operators to ensure adequate energy resources now and 20 years into the future. We must use all the tools in the toolbox to create an efficient, transparent energy market, evaluate all the risks to generation reliability, embrace new technologies, and fairly assess if transmission can cost-effectively complement generation.

As a member of the OMS Board of Directors and a regulator of MISO members, I will continue to take into account various drivers of the generation transition and policy objectives of my colleagues. However, I will also continue to review and evaluate those utility investment proposals that have long-term impacts on overall reliability and resource adequacy that promotes and advances the economic position of Mississippi.

## Scenes from the University of Wisconsin:



*Bucky the Badger had a presence all around town!*



*Wisconsin State Capitol*



*Historic Campus Armory. Also used as the university's gymnasium in the early 1900's.*

*Summit attendees listen to Clair Moeller of MISO discuss the challenges the RTO faces to support alignment of the generation fleet capability with system needs.*





*Michigan  
Commissioner  
Dan Scripps,  
Commissioner  
Bailey, Wisconsin  
Commissioner  
Tyler Heubner,  
OMS Exec. Dir.  
Marcus Hawkins*



*Commissioner Bailey, North Dakota  
Commissioner Julie Fedorchak,  
Arkansas Commissioner Kim O'Guinn*

*Montana  
Commissioner  
Tony O'Donnell  
and  
Commissioner  
Bailey*



*Historic  
Science Hall  
at the Univ. of  
Wisconsin*



## Energy News

### **NRC Authorizes Vogtle Unit 3 Fuel Loading and Operation**

The Nuclear Regulatory Commission (NRC) has authorized Southern Nuclear Operating Company (SNC) to load nuclear fuel and begin operation at Vogtle Unit 3 in Georgia. SNC recently informed the NRC that the company completed the inspections, tests, analyses, and acceptance criteria needed to show Vogtle Unit 3 can begin safe operations. The NRC's decision moves Vogtle Unit 3, adjacent to the operating Units 1 and 2, near Waynesboro, Georgia, out of the construction reactor oversight program and into the operating reactor oversight process. Vogtle Unit 4 remains under construction.

### **TVA Issues Carbon-Free Energy RFP**

The Tennessee Valley Authority (TVA) recently issued a [request for proposals](#) for up to 5,000 MW of carbon-free power using nuclear, wind, solar, hydroelectric, geothermal and battery energy storage systems that must be operational before 2029. TVA aims to reduce carbon emissions from 2005 levels by 70% by 2030, 80% by 2035, and it hopes to reach net-zero carbon levels by 2050. TVA is also exploring ways to bring an additional 10,000 MW of solar energy capacity online by 2035. TVA has shut down more than half of the 59 coal-fired generating units it once operated and plans to phase out the remainder of its coal units by 2035.

Proposals must be submitted by October 19. TVA will announce selected projects in spring 2023. Project developers can review TVA's request for proposals and submit bids at [tva.com/Information/Doing-Business-with-TVA](http://tva.com/Information/Doing-Business-with-TVA).



## 15,000 MW of New Utility-Scale Electric Generating Capacity Added in 1H 2022

According to the Energy Information Agency's (EIA) [Monthly Electric Generator Inventory](#), 15,000 MW of new utility-scale electric generating capacity was added to the U.S. power grid in the first half of 2022. Wind generation accounted for the largest share, 34%, of the 15,000 MW of new capacity, followed by natural gas, solar, and battery storage. Project developers plan to add another 29,400 MW of new capacity in the second half of 2022. Nearly half of that planned capacity is from solar (13,600 MW). U.S. operators plan to retire 15,100 MW of electric generation capacity during 2022. Coal-fired power plants will account for 76% of the retirements this year, followed by natural gas (12%) and nuclear (9%).

## Broadband News

### FCC Rejects Starlink's Bid for RDOF Support

The Federal Communications Commission (FCC) has announced it is rejecting SpaceX's Starlink application to receive \$886 million in Rural Digital Opportunity Fund (RDOF) subsidies to support deployment of broadband to unserved areas of the U.S. In rejecting Starlink's application, the FCC found that Starlink was not delivering the promised speeds and is not likely to meet program requirements. The FCC also had an issue with the \$600 up-front cost of the terminal kit and \$110 per month subscription fee. The FCC also found that Starlink's speeds had declined quarter-over-quarter and upload speeds had fallen below 20 mbps. Starlink was preliminarily awarded over \$44 million to provide broadband services in Mississippi. The MPSC opted to await a ruling from the FCC before taking action on Starlink's ETC Designation application to receive RDOF support in Mississippi.

To date, Starlink has launched 2,800 satellites to support its internet service. The FCC also rejected LTD Broadband's application for \$1.32 billion of RDOF grants.

## Last Week at the MPSC

- ✉ **MCImetro Access Transmission Serv., LLC d/b/a Verizon Access Transmission Services** filed its [Tariff No. 1](#) and [Tariff No. 2](#). Only the name has been changed throughout these tariffs. All terms, rates and conditions remain the same.
- ✉ **Great River Utility Operating Co., LLC** made both its Post-Order [Water](#) and [Sewer](#) Compliance Filings to report on the status of its asset management program, customer service program and more.
- ✉ **The Commission** issued an [Order](#) approving **FiberLight, LLC's** Petition for Discontinuance of Competitive Local Exchange Carrier. **FiberLight** intends to discontinue offering all voice and data services including, but not limited to, facilities-based and resold local exchange and interexchange services throughout Mississippi.
- ✉ **City of Port Gibson** filed its [Certificate of Notice](#) to Interested Persons in regard to the Joint Application of **The City Of Port Gibson**, and **Mississippi River Gas, LLC** for a Partial Transfer and Cancellation of **Mississippi River Gas, LLC's** Certificate of Public Convenience and Necessity to **Port Gibson**.
- ✉ **Georgetown Telephone Company** filed its [Revised Tariff Pages](#) in order to clarify language in existing services and remove obsolete and unregulated services from the tariff, as well as, bring definitions in line with the current industry definitions.

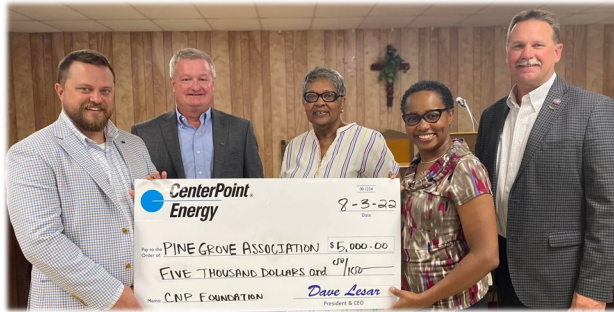


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- ☞ **Entergy Mississippi, LLC** filed its Rule 7.103 [Construction Notice](#) for the Rankin Substation Expansion whereby it intends to install facilities at the **Entergy Mississippi, LLC** Rankin 115 kilovolt ("kV") Substation ("Rankin Substation") that are necessary to accommodate the addition of **Cooperative Energy's** planned transmission lines connecting **Entergy Mississippi, LLC's** Rankin Substation to **Southern Pine Electric Cooperative's** ("**Southern Pine**") planned East Brandon 115 kV Substation ("East Brandon Substation"), referred herein as the "Rankin Substation Expansion Project", located in **Rankin County**. The total estimated cost of the facilities is approximately \$5.22 million.
- ☞ **Atmos Energy Corporation** filed its [Notice of Intent](#) to Request Routine Change in Rate Schedules, Gas Service Policy, and Policy for Extension of Gas Facilities. All revisions are revenue-neutral and for clarification and simplification purposes only. As a result of these revisions the following rate schedules will be removed and discontinued: Rate Schedule 307 Intermediate Volume Service; Rate Schedule 308 Large Volume Service; Rate Schedule 309 Interruptible Gas Service Special; Rate Schedule 310 Municipal Power Generating Service; Rider Schedule 311 For Large Industrial and Municipal Electric Boiler Gas Service; Rider Schedule 319 Flexible Sales Pricing Rider; Rider Schedule 323 Spot Gas Sale and/or Transportation Pricing Rider; Rider Schedule 324 Supplemental Service Rider; Rate Schedule 325 Gas Service for Municipal Distributors; Rate Schedule 331 Heating Season Only --- Residential Gas Service; Rate Schedule 335 Heating Season Only -- General Gas Service. While many rate schedules will be discontinued, many will remain unchanged. Furthermore, additional rate schedules will be created or changed as a result of the filing. The following rate schedules will be created or changed: Rate Schedule 312 End Use Sales; Rate Schedule 313 Transportation; Purchase Gas Adjustment Rider; System Integrity Rider; Gas Service Policy; and Policy for Extension of Gas Facilities
- ☞ **Entergy Mississippi, LLC** filed its [Notice of Intent](#) for a routine change in the standard rates that apply to qualifying cogeneration and small power production facilities. The proposed avoided cost rates for **Entergy Mississippi, LLC's** cogeneration rate filing are broken down in the following two options: Option A which is 3.333 cents per kilowatt hours delivered for all hours, or Option B which is 3.486 cents per kilowatt hours delivered for peak hours and 3.130 cents per kilowatt hours delivered for off-peak hours (Peak hours are 7 am to 11 pm CST Monday - Saturday and Off-Peak Hours are all hours not classified as peak hours).
- ☞ **Great River Utility Operating Co., LLC** filed its Verification of [Notice to Customers](#) for its proposed rate. The current average bill for wastewater disposal service in certain Central District systems are the following: King Farms Subdivision (**Lauderdale County**) is \$20.00; The Grove Subdivision (**Warren County**) is \$18.00; Ring Road Subdivision (**Warren County**) is \$15.00; The Trace Subdivision (**Warren County**) is \$27.00; Lealand Pointe Subdivision (**Warren County**) is \$27.00; Pecan Village Subdivision (**Warren County**) is \$27.00; and Camden Place Subdivision (**Warren County**) is \$27.00. The proposed average bill for wastewater disposal service for these systems is \$37.63. Some Central District systems have a different proposed rate and currently have the following average bill for wastewater disposal service: Brookwood Place Subdivision (**Warren County**) is \$18.00; Pine Woods MHP (**Warren County**) is \$27.00; and The Trace - 4th Addition (**Warren County**) is \$15.00. The proposed average bill for wastewater disposal service for these systems is \$53.75.
- ☞ **Entergy Mississippi, LLC** filed its [Application](#) for Approval of Agreement for Service between **Entergy Mississippi** and **Makerstar Capital, Inc.** for the provision of electric service to **Makerstar's** facilities located at Vicksburg, within **Entergy Mississippi's** certificated service area in **Warren County**.



# CENTRAL DISTRICT SNAPS



Last week, we joined CenterPoint Energy in Canton, MS, for the presentation of a \$5,000 check from the CenterPoint Foundation to support Pine Grove Association, Inc.



It was an honor to speak at the Mississippi Farm Bureau Women's Leadership Program Scholarship Recipient Luncheon last week. Congratulations to these students and the MFBF Teacher of the Year!



Central District's Rachael and Tina made a trip to Washington County this week to participate in their triad event.

Our Pipeline Safety Division completed **5** construction inspections in the Central District during the month of July.

The total amount of construction notices that were received by the Commission in the Central District during the month of July is approximately **\$4,852,000**.

**"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.*

**SAVE THE DATE:**  
 MPSC Work Session  
 on Utility Fuel Costs  
 Thursday, August 18  
 10:00 a.m.  
<https://www.psc.ms.gov/sites/default/files/2022-08/NOTICE-PUBLIC-MEETING-8-18-22.pdf>



Last week, our Consumer Complaint Specialists handled a total of **35** complaints in the Central District.

Electric Companies	27
Telecommunications	5
Water/Sewer	3

Last week, the Central District received a total of **143** 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.*