#### September 8, 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.

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## **Embrace Energy Efficiency to Reduce Your Energy Costs**

We have recently seen it on our monthly electric utility bills: the costs of electricity have increased due to the rise in generation fuel (natural gas and coal) costs and through increased kilowatt-hour consumption in our air conditioners to battle the summer heat. The coming change in seasons will bring some relief, but we will likely be running our air conditioners for a couple more months.

Even though the summer season is soon coming to an end, you can still take steps at home to save money by making energy-efficient and weatherization upgrades – such as adding insulation, caulking windows, using LED lighting, installing a heat pump and so much more. Simply put, energy efficiency means using less energy to get the same job done – and in the process, cutting energy bills, reducing waste and improving comfort.

"The Legislature hereby declares to be the policy of the State of Mississippi: To provide just and reasonable rates and charges for public utility services...consistent with long-term management and conservation of energy resources by avoiding wasteful, uneconomic and inefficient uses of energy." (Miss. Code Ann. § 77-3-2)

Late in 2019, the prior term of the Commission <u>chose to replace</u> the former Conservation and Energy Efficiency Programs Rule with the current <u>Integrated Resource Planning and Reporting Rule</u>. The new rule creates a process for transparent, long-term utility energy resource planning as well as incorporates distributed energy resources and demand side management efforts (including energy efficiency). Most electric and natural gas utilities continue to offer customer-funded energy efficiency programs that provide a range of services, rebates, direct installs and technical assistance to residential, commercial and industrial customers.

Furthermore, the current term of the Commission in January 2020 adopted an <u>Order</u> requiring regulated natural gas and electric utilities to continue filing by May 1<sup>st</sup> an Annual Report addressing the performance of their respective energy efficiency programs. In some cases, this is reported through their respective Annual Energy Delivery Plans. I have reviewed each of the Annual Reports and are providing you a summary of programs' cumulative demand savings, energy savings, incentives paid and/or administration costs.

**Entergy Mississippi, LLC (2014-UA-6)** – Entergy Mississippi, LLC (EML) serves approximately <u>461,000 customers in 45 of Mississippi's 82 counties</u>. The energy and demand savings and costeffectiveness of offerings was greatly impacted by the COVID-19 pandemic in 2020. Multiple program offerings were closed for a period of 10 weeks. After reopening, there was a decline in participation due to customers' reluctance to have in-home or in-business services delivered.



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For 2021, three new programs were offered including Residential Thermostat Demand Response, Residential New Construction, and Agriculture Equipment.

Entergy MS Energy Efficiency Program Portfolio Summary			
Year	2019	2020	2021
Energy Savings (kWh)	44,541,000	26,677,000	35,926,000
Demand Savings (MW)	8.46	4.54	5.45
Program Participants	14,711	13,722	24,743
Program Year Budget	\$10,185,891	\$7,413,992	\$11,044,030

**2022 Program Notes:** EML is proposing a budget of \$15,470,000 for the 2022 program year. EML plans to add several new offerings that target difficult-to-reach and oftentimes underserved, market segments. This includes the My Energy Target program which sets savings targets for customers, and the Building Tune-up for businesses.

To learn more about programs that will help you lower your **Entergy Mississippi** bills: <u>Entergy Residential Solutions; Entergy Solutions Marketplace;</u> <u>Entergy Small Business Solutions; Entergy Solutions for Business; ENERGY STAR Small Business; ENERGY STAR Commercial</u>

**Mississippi Power Co. (2014-UN-10)** – Mississippi Power Company (MPCo) serves approximately <u>190,000 customers in 23 of Mississippi's 82 counties</u>. Many of MPCo's programs were affected by COVID-19 in 2020 and required implementation changes. Budgets were shifted to the Commercial Insulation Program, Commercial Lighting Program and Energy Efficiency Education At-Home Program. In 2021, MPCo rolled out a total of nine demand side management (DSM) programs designed to reach Residential and Non-Residential customer classes. MPCo achieved 0.24% of energy savings as compared to total energy sales.

Mississippi Power Co. Energy Efficiency Program Portfolio Summary			
Year	2019	2020	2021
Energy Savings (kWh)	21,536,165	10,977,799	21,943,770
Demand Savings (MW)	5.789	2.508	4.681
Program Participants	34,087	48,506	66,715
Program Year Budget	\$4,010,334	\$2,207,695	\$4,191,179

**2022 Program Notes:** MPCo is implementing a number of changes including: 1) expanding incentives to include qualifying Large Commercial and Industrial customers, 2) expanding the scope of the SELECT Residential Low-Income measures to include multi-family, 3) creating a New Home Program with incentives to builders for efficiency constructions measures, and 4) adding outdoor lighting retrofit incentives for commercial and industrial customers.

To learn more about programs that will help you lower your **MS Power Co.** bills: <u>MS Power</u> <u>Residential Ways to Save</u>; <u>Mississippi Power Energy Services</u>; <u>MS Power Business Ways to Save</u>

**Cooperative Energy (2014-UA-18)** – Cooperative Energy (CE) provides electrical power for <u>11</u> <u>electric distribution cooperatives</u> who in turn serve approximately <u>437,000 customers in 55 of</u> <u>Mississippi's 82 counties</u>. Several distribution cooperatives do not meet the minimum customers (members) numbers required to implement energy efficiency programs under the previous Rule 29. For those cooperatives that do provide energy efficiency programs to their members, the net annual energy savings achieved as a ratio of program administration expenditures is a mixed bag. Some cooperatives with high program expenditures achieved relatively low annual energy savings.





Meanwhile, some cooperatives with low program expenditures achieved relatively high annual energy savings. The way annual savings are calculated could be the culprit. Or it could be the type of programs offered and utilized.

**Tennessee Valley Authority (TVA)** – TVA provides electrical power <u>to 14 municipal and 14</u> <u>cooperatively owned utilities</u> located primarily in <u>the northern half of Mississippi</u>. During 2018, TVA shifted attention away from energy efficiency programs and drastically reduced overall spending on its energy efficiency program offerings. This reduction in spending is reflected in the lower amount of Net Annual Energy Savings achieved and incentives dispersed in its Mississippi service area. These reductions are also reflected in the reduction of savings realized by customermembers of the electric cooperatives. For the 2021 program year, only two cooperatives reported their energy efficiency portfolio performance: East Mississippi EPA and 4-County EPA.

Atmos Energy (2014-UN-17) – Atmos' 2020 program costs represent 0.74% of annual revenues and energy savings represent 1.35% of annual energy sales. In 2021, Atmos' <u>program costs represent</u> 0.61% of annual revenues and energy represent 1.56% of annual energy sales.

Atmos Energy Quick Start EE Program Portfolio Summary			
Year	2019	2020	2021
Energy Savings (Therms)	752,420	803,759	1,162,721
Demand Savings (Therms)	12,854	14,642	17,390
Program Measures	17,657	16,789	22,865
Program Year Budget	\$1,560,008	\$1,720,850	\$1,776,689

<u>2022 Program Notes</u>: Atmos Energy continues to increase its budget, program measures and demand savings each program year. Atmos will offer no-cost energy assessments and cash incentives through its Residential Solutions Program. Atmos also increased the budget for Large Commercial and Industrial Solutions Program.

To learn more about programs that will help you lower your **Atmos Energy** bills: <u>Mississippi</u> <u>SmartChoice Appliance Rebates</u>.

**CenterPoint Energy (2014-UA-7)** – CenterPoint's 2020 program costs represent 0.8% of annual revenues and energy savings represent 0.2% of annual energy sales. In 2021, CenterPoint's program costs represent 0.79% of annual revenues and energy represent 0.21% of annual energy sales.

CenterPoint Conservation Improvement Program Portfolio Summary			
Year	2019	2020	2021
Energy Savings (Therms)	205,540	187,857	206,590
Demand Savings (Therms)	2,055	1,879	2,066
Program Participants	3,362	2,832	2,647
Program Year Budget	\$786,836	\$702,198	\$795,909

**2022 Program Notes:** One new program and one new measure were added in 2022. The new Home Energy Report program was added to drive a wider scope of residential customer engagement and to deliver measurable behavioral energy savings. A new commercial and industrial (C&I) customer rebate was added to the existing C&I Solutions program to encourage more C&I customers to install high efficiency natural gas equipment.





To learn more about programs that will help you lower your **CenterPoint Energy** bills: <u>Efficiency Programs & Rebates for Residential</u>; <u>Efficiency Programs & Rebates for Business</u>

**Spire Mississippi (2021-UA-51)** – Because Spire served less than 25,000, it was initially exempt from implementing and filing reports on energy efficiency programs. However, the revised Rule 29 now requires all regulated electric and natural gas utilities to file. The Commission approved Spire's Energy Efficiency Portfolio Plan (EEPP) in September 2021. Spire's EEPP programs became effective as of March 31, 2022. Due to the short duration of program activity, participation levels are low. For the 2023 EEPP program year, Spire has a total budget of \$261,860 with projected total savings of 103,893 therms. See Spire's <u>2022 Annual Energy Delivery Plan</u>.

#### By the numbers: Summary of Total Program Costs and Annual Energy and Demand Savings

Program Year 2021 Energy Efficiency Portfolio Statistics

Utility	Docket Number	Rule 29 Annual Report	Total Program Costs	Net Annual Energy Savings (kWh)	Demand Savings (MW)
Electric Utilities				<b>U</b> ( )	, , ,
Entergy Mississippi	2014-UA-6	Report	\$11,044,030	35,962,000	5.45
Mississippi Power Company	2014-UN-10	Report	\$4,191,179	21,943,770	4.681
<b>Cooperative Energy Association Membe</b>	rs				
Coahoma Electric Power Association		<u>Report</u>	\$18,000	Not quantified	Not quantified
Coast Electric Power Association	Control 1	Report	\$408,263	5,935,000	1.013
Delta Electric Power Association	which is a	Report	\$3,255	547,000	0.117
Dixie Electric Power Association		Report	\$343,053	2,798,000	0.591
Magnolia Electric Power Association	1753341	Report	\$58,920	850,000	0.195
Pearl River Valley Electric Power Association	1111	Report	\$263,705	1,060,000	0.347
Singing River Electric Power Association	$10^{\circ}$ $10^{\circ}$	Report	\$364,367	982,000	0.152
Southern Pine Electric Power Association	7	Report	\$238,367	1,045,000	0.273
Southwest Mississippi Electric Power Association	2014-UA-18	<u>Report</u>	\$21,315	66,500	0.0126
Twin County Electric Power Association		<u>Report</u>	\$11,425	Not quantified	Not quantified
Yazoo Valley Electric Power Association	V	Report	\$3,500	Not quantified	Not quantified
Local Power Companies in Tennessee V	alley Authority	Distributio	n Area	•	
Central Electric Power Association	2014-UA-16		filed with MPS		
East Mississippi Electric Power Association	2014-UA-5	<u>Report</u>	\$151,741	2,600**	0.0003
4-County Electric Power Association	2014-UA-15	Report	\$0*	235,066**	0.138
Northcentral Mississippi Electric Power Association	2014-UA-13	No report filed with MPSC for PY 2021			
Tallahatchie Valley Electric Power Association	2014-UA-12	No report filed with MPSC for PY 2021			
Tombigbee Electric Power Association	2014-UA-14	No report filed with MPSC for PY 2021			
Natural Gas Utilities					
Utility			Total Program Costs	Energy Savings (Therms)	Demand Savings (Therms)
Atmos Energy	2014-UN-17	Report	\$1,776,689	1,162,721	17,390
CenterPoint Energy	2014-UA-7	Report	\$795,909	206,590	2,066

\*Represent incentive costs only

\*\*Represent estimated annual savings value

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#### Continued...



**Summary:** The COVID-19 pandemic impacted the ability of the investor-owned utilities to deliver energy efficiency programs to certain customer classes in 2020. However, the investor-owned utilities bounced back in 2021 to deliver energy efficiency program that helped customers reduce energy use and increase bill savings. Program portfolio budgets generally increased above 2019 levels and evaluated savings rose proportionally.

While these recent budget increases and savings attainments may seem impressive, we could be doing so much more to reduce energy demand and increase savings all across the state of Mississippi as municipal utilities are not accounted for in the reporting. Furthermore, several rural electric cooperatives have scaled back or discontinued energy efficiency program offerings. This is especially noticeable in the TVA service area.

As long as Mississippi does not have a defined pathway for the implementation of comprehensive energy efficiency programs or annual energy savings targets, Mississippians could be missing out on tremendous opportunities to reduce their monthly bills due to the lack of uniform educational, technical, infrastructural and financial assistance programs. Meanwhile, much of our aging housing stock will miss out on energy efficiency and weatherization programs.

As Commissioners, we should continue to ensure that a proper mix of cost-effective programs and incentives are made available that help reduce energy use for participating customers and provide net benefits for all customers. The Commission should not allow the important gains made in energy efficiency over the past seven years to be lost as the benefits of energy efficiency are numerous.

## MISO/ FERC News

The Federal Energy Regulatory Commission (FERC) issued two orders related to the Midcontinent Independent System Operator's (MISO) resource capacity construct. The first, Docket No. ER22-495, accepts MISO's tariff revisions to establish a seasonal resource adequacy construct, subject to condition. Currently, MISO conducts one annual auction every year in March/April for the planning year that starts that June. Once this proposal is accepted, it would allow MISO to establish resource adequacy requirements for each season, and allow resources to bid for each of those seasons in one auction in which those four seasonal auctions will clear simultaneously. The MPSC opposed the MISO Seasonal Filing.

The second, Docket No. ER22-496, rejects MISO's proposed revisions to its Open Access Transmission, Energy, and Operating Reserve Markets Tariff to require market participants representing Load-Serving Entities to participate in MISO's Minimum Capacity Obligation (MCO). In its proposal, MISO states that entities would have been required to procure, either through ownership or bilateral contracts, 50% of their resource adequacy requirements prior to the auction. The FERC did not find that MISO demonstrated that its proposed MCO was just and reasonable. The MPSC did not take a position on the MISO Minimum Capacity Obligation proposal.

## Last Week at the MPSC

The Commission issued an Order Setting Rehearing for the Order Establishing Docket to Review the Efficacy and Fairness of the Net Metering and Interconnection Rules. It has been set for rehearing on Tuesday, September 27, 2022, at 10:00 a.m., in the Mississippi Public Service Commission Hearing Room, 1st Floor, Woolfolk State Office Building, 501 N. West Street, Jackson, Mississippi.

#### Continued...

- T-Mobile South LLC and Powertel/Memphis, Inc. filed its <u>Petition</u> for an Order confirming the relinquishment of its Lifeline-only Eligible Telecommunications Carrier ("ETC") designation in the State effective as of December 31, 2022.
- The "Lingo Entities," Lingo Telecom, LLC (formerly known as Matrix Telecom, LLC) and BullsEye Telecom, Inc. filed their Notice of Consummation. On April 7, 2022, the "Lingo Entities," Lingo Telecom, LLC (formerly known as Matrix Telecom, LLC), and BullsEye Telecom, Inc. filed a Joint Application with the Commission seeking approval for the transfer of control of BullsEye to the Lingo Entities. On July 12, 2022, the Commission approved the transaction, and the parties are notifying the Commission that the transaction was consummated on August 16, 2022.

# CENTRAL DISTRICT SNAPS





It was exciting to join Dr. Katherine Johnson this week for two segments on The KJ Show. We had the opportunity to discuss how energy efficiency, renewable energy, natural gas and nuclear energy policies can benefit Mississippi.

There was another full house at the Grip N Grin this week as attendees heard the latest on the happenings at the U.S. Capitol from Representative Trent Kelly. Rep. Kelly loves Mississippi and America and he is in the trenches for us in more ways than one.



### Save the Dates:

• The regular meeting of the MPSC to discuss and consider matters before the Commission will take place on Sept. 15 at 10:00 a.m. in the MPSC Hearing Room. See <u>MEETING NOTICE</u>.

• The Mississippi Development Authority's Energy and Natural Resources Division will hold a public hearing on Sept. 20 to take comments on the federal government's <u>Grid Resilience</u> Formula Grant Program. The hearing will take place at 2:00 p.m. in the MPSC Courtroom in the Woolfolk State Office Building. Interested parties also can access the hearing online or by phone by emailing

<u>energysmartms@mississippi.org</u> to request a link or phone access.

• The MPSC will conduct a Work Session on Regulatory Considerations in Light of Electric Vehicle Adoption on Sept. 26 at 9:00 a.m. in the MPSC Hearing Room. See <u>SPECIAL MEETING NOTICE</u>.

• The MPSC will conduct an open meeting to discuss and consider matters before the Commission and to conduct a rehearing on the Order Revising the Net Metering and Interconnection Rules on Sept. 27 at 10:00 a.m. in the MPSC Hearing Room. See <u>SPECIAL MEETING</u> <u>NOTICE</u> and <u>ORDER SETTING</u> <u>HEARING</u>.

Last week, our Consumer Complaint Specialists handled a total of 40 complaints in the Central District.

Electric Companies30Telecommunications8Natural Gas2

Last week, the Central District received a total of 165 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 <u>http://</u> <u>www.donotcall.gov/</u> in addition to filing complaints with the Mississippi Public Service Commission.

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