

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.

am grateful, honored and privileged to have served the people of the Central District as your Public Service Commissioner for the past three years. Before we

# MPSC Central District YEAR IN REVIEW

embark on a new year, I wanted to take a moment to look back on 2022 and recognize some achievements, milestones and other notable activities.

**Public Utility Infrastructure Review** — In February 2022, the Mississippi Public Service Commission (MPSC) presented its *Public Utility Infrastructure Review Report* to the public after nearly a year of working with consultants, utilities and other partners to evaluate the processes and protocols utilities employ to prepare for and respond to extreme weather events as well as the day-to-day management practices that ensure reliability and increase resiliency. The report was compiled in response to February 2021 Winter Storm Uri and was presented to the public in an event at the State Capitol.

**Historic Settlement with Entergy** — In June 2022, the MPSC moved to settle litigation and resolve other legal disputes with SERI, Entergy Corporation, Entergy Services and Entergy Mississippi, LLC filed across thirteen (13) dockets at the Federal Energy Regulatory Commission. The <u>settlement</u> resulted in \$300 million being returned to customers in the form of bill credits, mitigation of rate increases, and other means.

Advancing Energy Diversity — Mississippi has become an attractive state for investments in clean energy generation and associated technologies. The Central District has participated in various project commencements and announcements. In April, we attended the Pearl River Solar Park open house event to learn more about the benefits of the under-construction 175 MW solar farm in Scott County. Additionally, we started the summer celebrating the completion of Entergy's 100 MW Sunflower Solar Project in Ruleville in May. In mid-summer, I had the opportunity to attend the ribbon cutting ceremony at Tesla's first dealership/service center in Brandon. Later in the year, the Central District conducted a hearing to consider the petition of Harvest Gold Solar Power LLC to construct and operate a 99MW solar electric generating facility in Indianola. In October, the Commission in a bipartisan vote approved amendments to the former Net Metering and Interconnection Rules, now referred to as the "Mississippi Distributed Generation Rules". The amended Rules will provide Mississippi customers of investor-owned utilities with the option to self-supply electricity and interconnect with the grid, increasing sustainable energy adoption. The new rule also creates a Solar for Schools Program and Residential Resiliency Program utilizing battery energy storage technology.



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Managing Fuel Costs — During the October 4<sup>th</sup> Docket Meeting, the Commission mitigated fuel costs by issuing an Order approving Entergy Mississippi, LLC's interim adjustments to its fuel cost recovery schedule. The Commission determined that Interim Adjustments were needed to address the impact high natural gas prices have had on electricity generation costs. The Interim Adjustment establishes a natural gas fuel rate that is better aligned with current prices and recovers the deferred fuel balance over a period of 20 months. The typical residential customer using 1,000 kWh per month will see an increase of \$2.01 per month incrementally over six months until the total of \$12.02 is reached in April 2023. Without the above mitigation measures and application of the Entergy settlement funds, the impact to customers would have been an immediate increase \$30 per month.

**Lineman Appreciation** — The Central District was proud to take to the road to recognize the men and women who work tirelessly to ensure homes and businesses have the power they need to stay safe, healthy, and operational every day. When Mother Nature strikes, linemen always answer the call and act to restore power as quickly and safely as possible. We visited with Delta Electric Power Association, Yazoo Valley Electric Power Association, Southern Pine Electric and Canton Municipal Utilities.

MS 811 and Underground Utility Damage Prevention — The Central District attended various damage prevention and pipeline safety trainings and summits in association with Mississippi 811. We started the year by attending the CORE pipeline safety training for first responders and operators. I also attended the Mississippi Damage Prevention Committee meetings in June and October, and the Natural Gas Operator Conference and Training in September. We finished up the year at the Mississippi Damage Prevention Summit on the Gulf Coast where I had the honor of helping to kick off the program events.

National and Regional Engagement — Throughout the year, the Central District represented the Commission at national and regional regulatory conferences, committee meetings and workshops held by the National Association of Regulatory Utility Commissioners, the Southeast Association of Regulatory Utility Commissioners, and the Organization of MISO States. I also had the opportunity to attend and present at the Gulf Coast Power Association 2022 MISO South/SPP Conference in New Orleans. Other national forums and policy meetings at which I made presentations include the America Gas Association Forum in Miami, FL, the Southeast Climate and Energy Network Convening and Southeast Renewable Energy Summit in Charlotte, NC and the EV Exchange Forum in Detroit, MI.

Charitable Contributions — The MPSC accompanied investor-owned utilities in the disbursement of approximately \$323,600 in contributions to various fire departments, educational entities, and other charitable organizations in the Central District over 2022. These contributions went towards gas leak detection equipment, energy efficient appliances, and even to assist utility customers with their bills.

**Industry Tours in the Central District** — Throughout 2022, the Central District had the opportunity to tour a few of our industry's largest facilities in the Central District. We participated in tours at Raytheon Technologies in Forest, Taylor Power Systems in Clinton, and the U.S. Army Engineer Research and Development Center in Vicksburg.

Community Engagement — The Central District participated in numerous events where we were able to present or hand out information from our office to city and county officials, Rotary Club members, and other various audiences. Some of these events include the Inaugural Rural Infrastructure Summit in Cleveland, the Business, Education & Healthcare Expo at East Central Community College in Decatur, a Utility-Scale Solar Workshop for Public Officials and Community Leaders in Indianola, and Entergy Mississippi's Rankin County Power Lunch program in Brandon.



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I was also honored to speak and give presentations to other groups, including the International Right of Way Association's Mississippi Chapter, the Mississippi Petroleum Marketers & Convenience Stores Association Board, and the Board of the Yazoo-Mississippi Delta Joint Water Management District.

**Transparency** — Finally, the Central District distributed *52 weekly newsletters* to our readers. That's right, we did not miss a single week!! Three years ago, I committed to being as transparent as possible and provide constituents with information and insights into the regulatory process. *Since coming into this office, we have <u>published 150 weekly newsletters</u>. What other elected official has done that?* 

#### MPSC Mourns the Passing of Attorney David Carr

On Wednesday, December 28, 2022, the Mississippi Public Service Commission was stunned and shocked by the news of the death of MPSC staff member <u>David Carr</u> due to a cardiac event. David was 36 years old.

David began working for the Mississippi Public Service Commission in September 2012. David's role at the Commission was Special Counsel to the Commission for Federal Energy Affairs. He was very highly regarded by his peers all over the country, as well as by me. David was the MPSC's primary staff person on matters related to the Midcontinent Independent System Operator (MISO), the Organization of MISO States

(OMS), the Entergy Regional State Committee (ERSC), the Federal Energy Regulatory Commission (FERC) and so much more. As the Mississippi representative on the OMS Board of Directors, I relied heavily on David for his expertise, guidance and thoughtfulness on intricate topics such as regional transmission planning, cost allocation, generator

interconnection, resource adequacy and many more. His deep knowledge and professionalism was a true asset for the MPSC. He worked hard to represent the interests of the rate payers of Mississippi, and I enjoyed engaging and sometimes challenging him on technical matters and policy issues to analyze the perspectives of various stakeholders. David taught me a lot and helped me grow in my role as a Commissioner. For that, I am

deeply grateful and will forever miss his counsel.

Aside from his professional life at the Commission, David was also a genuinely nice gentleman with quick wit who enjoyed his family and friends, enjoyed cooking, and enjoyed college football. David will be missed by so many people inside and outside of the utility regulatory space. My deepest sympathies for his family. I hope you will also extend your prayers to his wonderful family.

#### FERC/NERC News

The Federal Energy Regulatory Commission, North American Electric Reliability Corporation (NERC) and NERC's regional entities announced that they will open a joint inquiry into the operations of the bulk-power system during Winter Storm Elliott. The severe cold weather leading up to and over the Christmas weekend contributed to power outages affecting millions of electricity customers across the country.



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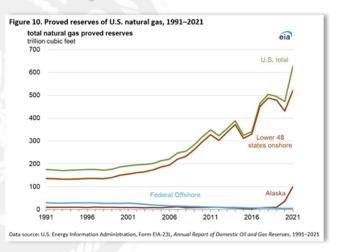
Although most of these outages were due to weather impacts on electric distribution facilities operated by local utilities, utilities in parts of the Southeast were forced to engage in rolling blackouts. The bulk-power system in other regions was significantly stressed as multiple energy emergencies were declared and new electricity demand records were set across the country. See the <u>news release</u> announcing the inquiry.

#### DOE Proposes Raising Efficiency Standard for Light Bulbs

Last month, the U.S. Department of Energy (DOE) proposed a new rule to strengthen the energy efficiency standards of lightbulbs to conserve energy and reduce energy bills. The rule proposes to raise the standard from 45 to over 120 lumens per watt for most common lightbulbs used in homes and businesses. The new rule is designed to accelerate the transition away from inefficient incandescent bulbs as well as compact fluorescent lightbulbs and toward more efficient and longerlasting light-emitting diode (LED) bulbs. DOE expects this rule to save consumers \$20 billion in energy expenditures over the next 30 years and conserve about 4 quadrillion BTUs of energy. Thankfully, the lighting industry has embraced LED lighting technology and continues to introduce new applications for homes and businesses. Visit the general service lamp rulemaking page to find out more information about this rulemaking.

#### Proved Reserves of Natural Gas Increased, Sets New Record

The U.S. Energy Information Administration (EIA), the Figure 10, Proved reserves of U.S. natural gas, 1991–2021 statistical and analytical agency within the U.S. Department of Energy (DOE), has released *Proved* Reserves of Crude Oil and Natural Gas in the United States, Year-End 2021. Proved reserves are estimated volumes of hydrocarbon resources that analysis of geologic and engineering data demonstrates with reasonable certainty are recoverable under existing economic and operating conditions. Based on EIA analysis of U.S. operators, proved reserves of U.S. natural gas increased by 152.1 trillion cubic feet (Tcf), from 473.3 Tcf at year-end 2020 to 625.4 Tcf at yearend 2021, establishing a new record for natural gas proved reserves in the United States. Operators in



Alaska reported the largest net increase in proved natural gas reserves in 2021. Operators in Texas had the second-largest net increase in 2021 of proved natural gas reserves.

In 2022, the 12-month, first-of-the-month average price of natural gas at the Henry Hub in Louisiana rose 90% (from \$3.67/MMBtu to \$6.69/MMBtu) over 2021 prices. As of November 2022, the number of rigs operating in the United States was 779. A large jump from the 374 rigs operating in January 2021. As a result, the EIA expects to report an increase in proved natural gas reserves the Year-End 2022 reserves report.

#### MS Legislature Gavels In to Start the 2023 Regular Session

On Tuesday, January 3, the Mississippi Legislature began the 2023 Regular Legislative session. It will be interesting to see how leadership at the Legislature navigates utilization of the tax revenue surplus and other issues such as medical care facilities and health insurance, critical infrastructure, early childhood development, citizens' ballot initiative, and so much more. I wish them good health and a clear vision for the state of Mississippi.



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The deadline for the introduction of general bills and constitutional amendments is January 16. The Commission will be watching for bills that impact customers, utilities, or the MPSC, and we will be reporting on those items in the 'Legislation Tracker' portion of our weekly newsletters. You can also follow the action at <a href="http://www.legislature.ms.gov/">http://www.legislature.ms.gov/</a>.



Mississippi House of Representatives



Mississippi Senate

## CENTRAL DISTRICT SNAPS

Congratulations to Carthage, Mississippi's new mayor, Laurie Henderson. Mayor Henderson was sworn in on Jan. 2.





The MPSC's January Regular Docket Meeting will be held at 10:00 am on Tuesday, January 10. The meeting is open to the public and will be streamed online.



Last week, our Consumer Complaint Specialists handled a total of 11 complaints in the Central District.

Electric Companies 7
Telecommunications 4

Last week, the Central District received a total of 77 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 <a href="http://www.donotcall.gov/">http://www.donotcall.gov/</a> in addition to filing complaints with the Mississippi Public Service Commission.