

January 11, 2023



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

Zero Net Energy Home Shows the Way to Reduced Energy Bills

Households in Mississippi generally pay more for home energy costs than households in other parts of the U.S., especially in minority communities where households face higher energy burdens.

These energy burden disparities are driven by several different issues, including general climate, housing type and age, access to technical and financial assistance, consumer habits and more. To help address rising and burdensome energy costs, regulators, utilities and policy makers have opportunities to lessen the impact of high utility bills through the implementation of energy efficiency measures and practices.



Pictured with Ms. Shacora Brown, who will be moving into her new home soon!

This new home in Jackson, MS demonstrates the latest high-efficiency appliances, sustainable construction techniques and renewable energy systems. Together, these systems will provide the new family with an affordable, energy-efficient and comfortable home. By combining natural gas and renewable energy, the home will produce as much energy as it consumes on a BTU basis over a 12 month period.



Homes with drafty doors or windows, poor insulation, or inefficient appliances and equipment create situations where energy use and monthly bills spike. To lessen energy burdens, moderate energy use, and make bills more affordable, the Mississippi Public Service Commission requires rate-regulated electric and natural gas utilities to design and offer energy efficiency programs. Utility efficiency programs provide services and/or incentives and rebates for home energy assessments, caulking and sealing, insulation upgrades, HVAC replacement, new lighting and appliances, and more. But sometimes it is difficult to invest in these systems without first understanding or witnessing them in real-world situations.

This week, Atmos Energy and Habitat for Humanity dedicated the first accredited Zero Net Energy (ZNE) home in Mississippi. This



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This new home in Jackson, MS has a high-efficiency natural gas furnace, high-efficiency natural gas tankless water heater, high-efficiency SEER air conditioning system, sealed air ducts, R-38 attic insulation, R-23 wall insulation, .29 U-value windows, Energy Star appliances, 6.8 kW solar photovoltaic system and other money-saving features. The estimated average monthly combined utility bills for gas and electric will be \$60-\$75 per month.



The 6.8 kW solar PV system is shown here.

Central District News

Last week, I filed my Qualification Statement to seek re-election to the position of Public Service Commissioner for the Central District of Mississippi. It is truly an honor and privilege to represent and work for the people of the Central District. With your support and prayers, I hope to have the opportunity to continue to serve you in this capacity for another term. As represented by this newsletter and the information contained herein, I have strived to share as much information with you as feasible. Furthermore, I have done my best to listen, read, investigate, and evaluate all sides of an issue and make decisions that facilitate the delivery of the most reliable, affordable utility services possible. As always, please feel



free to reach out if our office can ever be of assistance. Thank you!

2023 Calendars are Here; Get Yours!

Our 2023 Central District calendars are here, and we are ready to get one in your hands. Not only do these calendars provide references to important events and holidays, moon phases and contact information for Central District personnel, the calendars also provide a photo history of our work and community engagement over the past year. To get your 2023 calendar, please send an email to gail.strength@psc.ms.gov and provide your mailing address and one will be on its way to you.



Highlights from the January 10th, 2023, Docket Meeting

The Mississippi Public Service Commission met on January 10th, 2023, at 10:00 am CT to consider the following [agenda](#) items:

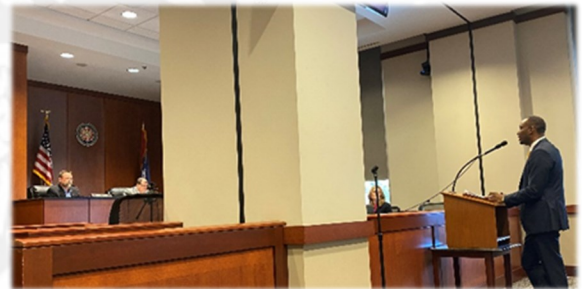
- ☑ **The Commission** did not approve **Entergy Mississippi LLC's** Notice of Intent to revise the Unit Power Cost Recovery Rider Schedule. The [Unit Power Cost Recovery Rider \(UPC-4\)](#) is used by **EML** to provide cost recovery related to the capacity cost of wholesale base load generation purchased from **Entergy Arkansas, LLC**, specifically a portion of **Entergy Arkansas, LLC's** capacity in Grand Gulf. The UPC-4 Factor is essentially made from two parts: 1) a forward-looking component, and 2) a look back and true-up component. This year, the projected cost is approximately \$38.3 million dollars.



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The true-up (over-recovery) is approximately \$7 million and is applied to the projected costs for 2023 thus reducing the overall total for the year. However, overall projected costs increased from 2022 to 2023 and revenues tied to Grand Gulf's capacity valuation per the Planning Reserve Auction were down in 2022. The monetary amount associated with the adjustments in over-recovery, costs and revenues is an increase of \$1.1 million, which would have resulted in a \$0.10 increase on an average residential customer's bill using 1,000 kWh per month.

- ☑ **The Commission** issued an [Order](#) approving **Entergy Mississippi LLC's** Notice of Intent to revise the Midcontinent Independent System Operator (MISO) Cost and Revenue Schedule MISO-2. The MISO-2 factor serves as a credit to customer's bills reflecting **EML's** membership in MISO. **EML** proposed to reduce the credit beginning in February 2023 due to a lower over-recovery balance driven by higher MISO credits and higher based revenues in 2022. The monetary amount associated with the reduction of credit value is \$7 million dollars. This results in a \$0.63 reduction to the existing MISO-2 credit to customers. Customers will still receive a \$4.09 credit related to **EML's** participation in MISO, down from \$4.72. The impact on a residential bill based on a 1000 kWh usage will be seen as a \$0.63 an increase from the prior year's bill. **(Editor's Note: Only in utility accounting does an over-recovery, higher credits and higher revenues result in a rate increase to customers! It is nearly impossible for the average person to decipher utilities' filings. No wonder customers are suspicious of the innerworkings of utilities!!)**
- ☑ **The Commission** issued an [Order](#) approving **Entergy Mississippi LLC's** Notice of Intent for Recovery of Electric Grid Modernization and Rural Fiber Costs (GMR-1). The GMR-1 Rider required an increase to recover the costs associated with more wood pole replacements projects than were forecast for 2022 and the anticipated number of projects for 2023. **EML** has five (5) crews removing wooden transmission structures and replacing them with more robust steel or concrete transmission structures. For 2022, **EML** replaced a total of 645 structures which is approximately 148 more structures than replaced in 2021. The addition of the new structures into rate-base triggered the \$0.23 increase for an average residential customer using 1000 kWh per month. For 2023, **EML** plans to replace approximately 850-900 structures. This program should result in the removal and replacement of all wooden transmission structures within 11 years.
- ☑ **The Commission** issued an [Order](#) approving **Entergy Mississippi LLC's** revisions to the Restructuring Credit Rider Schedule RC-1. The annual submittal of Rider RC-1 redetermines the Restructuring Credit Adjustment Factor each year to be applied to bills rendered during the first billing cycle of February of the following year. The annual redetermination is subject to true-up for any over or under recovery for the previous period. **EML** proposed the Restructuring Credit Adjustment Factor result in a monthly increase of \$0.05 for an average residential customer using 1,000 kWhs. It is important to note that RC-1 is a credit to customer bills. While this adjustment results in a decrease to the credit the customers are receiving, there is still a credit flowing back to customers under this rate schedule in the amount of \$0.37. Please note that this credit will expire in 2024.
- ☑ **The Commission** voted to defer to a future date the consideration of **Mississippi Power Company's** Filing of the Fuel Cost Recovery and Energy Cost Management Factors for February 2023 through January 2024 ("FCR-2" and "ECM-2A"). The FCR-2 Rider is **MPC's** fuel adjustment clause through which **MPC** is allowed to recover the actual cost of fuel burned and purchased energy.





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The ECM-2A Rider is designed to recover MPC's natural gas hedging costs, carrying costs that are excluded from recovery in the FCR-2, and certain **Commission** approved consulting costs. The proposed Fuel Cost Recovery and Energy Cost Management Factors would have resulted in an increase of \$6.00 to an average 1,000 kWh residential customer's bill implemented in two phases over 5 months.

- ☑ **The Commission** issued an [Order](#) approving **Delta Fiber LLC's** Application for Expansion of its Designation as an Eligible Telecommunications Carrier for the Limited Purpose of Offering Lifeline Benefits to Eligible Subscribers in additional areas.
- ☑ **The Commission** issued an [Order](#) approving the Joint Application of **Intrado Corporation**, Transferor, and **Guardian US Holdco LLC**, Transferee, to Authorize to Transfer of Indirect Control of **Intrado Safety Communications, Inc.**, Licensee. Upon consummation of the Proposed Transaction, **Intrado Safety** will be the indirect, wholly owned subsidiary of Transferee, and Transferee will control **Intrado Safety**.
- ☑ **The Commission** issued an [Order](#) approving the Petition of **Spectrotel, Inc.** Transferor, and **Spectrotel Ultimate Holdings, LLC**, Transferee, for consent to transfer Control of **Spectrotel of the South, LLC**, Licensee. Transferee **Spectrotel Ultimate** will indirectly purchase all the outstanding equity interest in **Spectrotel**, thereby acquiring indirect ownership of **Spectrotel of the South**.
- ☑ **The Commission** issued Orders referring the following for hearing, report, and recommendation of an appropriate Order, or any other action necessary:
 - ☑ [Order referring](#) the Petition of **Great River Utility Operating Company, LLC** for Approval of the Sale and Transfer of Certain Assets, Facilities, Property, and Certificates of Public Convenience and Necessity for the Provision of Water Service in **Harrison County** to a hearing examiner.
 - ☑ [Order referring](#) the Petition of **Great River Utility Operating Company, LLC** for Approval of The Sale and Transfer of Certain Assets, Facilities, Property, and Certificates of Public Convenience and Necessity for the Provision of Wastewater Disposal Service in **Claiborne, Forrest, Harrison, Oktibbeha, and Rankin Counties** to a hearing examiner.
 - ☑ [Order referring](#) the Application of **City of Brandon** for a Supplemental Certificate of Public Convenience and Necessity Authorizing it to Operate and Maintain a Water System Within a Specified Area in **Rankin County** to the Central District Commissioner.
 - ☑ [Order referring](#) the Petition of **Great River Utility Operating Company, LLC** for a Certificate of Public Convenience and Necessity approving the Provision of Wastewater Disposal Service in a Specified Area in **Rankin County** to a hearing examiner.
 - ☑ [Order Referring](#) the Notice of Intent of **Great River Utility Operating Company, LLC** to Establish Initial and Temporary Rates for Wastewater Disposal Service for TMJ Subdivision in **Rankin County** to a hearing examiner.
- ☑ **The Commission** moved to table discussion and possible action pertaining to an Order referring **Pine Crest Sewer Company** to a hearing examiner.
- ☑ **The Commission** issued an [Order Adopting Recommended Order](#) of the hearing examiner in regard to the Formal Complaint of Chad V. Stevens against **Caledonia Water and Sewer Department**.





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- ☑ **The Commission** also considered and issued a [Show Cause Order](#) Referring **Rolling Hills Wastewater and Siwell Utility Co. Inc.** to a Hearing Examiner for the purpose of Investigating and Conducting Hearings Regarding Possible Statutory and **Commission** Rule Violations.
- ☑ The Commission issued a **Memorial Resolution Commemorating and Honoring David Nelson Carr**. David Carr was a Gulfport, Mississippi native, and began working for the Mississippi Public Service Commission in September 2012 as Special Counsel to the Commission for Federal Energy Affairs. He was the Commission's primary staff person on matters related to the Midcontinent Independent System Operator, the Organization of MISO States, the Entergy Regional State Committee, the Federal Energy Regulatory Commission, and he was very highly regarded by his peers all over the country. He was also relied heavily on for his expertise, guidance and thoughtfulness on intricate topics such as regional transmission planning, cost allocation, generator interconnection, resource adequacy. This Resolution aims to recognize David Carr's achievements and his contributions to the world of utilities and specifically to the Commission and its staff members; and express appreciation and gratitude for those contributions and extend our deepest sympathies and prayers to his loving family. The Organization of MISO States Board also adopted and presented a Resolution honoring David.



Legislation Tracker

On Tuesday, January 3, the [Mississippi State Legislature](#) began the 2023 Regular Legislative session. The deadline to make a request to draft a bill is today, January 11, 2023, and the deadline to introduce new bills is January 16, 2023. The House and Senate continue to drop bills for public review at a rapid pace. The Commission will be watching numerous bills that could impact customers, certain utilities or the MPSC. This week we bring attention to the following:

[HB 19](#): *Supreme Court districts; bring forward*

[HB 30](#): *Public Service Commission; require mandating annual filings by rural water associations*

[HB 38](#): *Administrative Procedures Act; amend to require proposed agency rules to be approved by the state auditor*

[HB 149](#): *Joint Legislative Study Committee on Electrification of Transportation; create*

[HB 178](#): *Electric Power Association Law; bring forward entirely and amend election provisions of*

[HB 288](#): *Public Utilities Staff; authorize certain personnel to be filled by consulting contract*

[HB 331](#): *Helping Mississippians Afford Broadband Act; create*

[HB 335](#): *Income tax; allow credit for investments in qualified clean-burning motor vehicle fuel property*

[SB 2043](#): *State agencies; notify Legislature of proposed rule adoption*

[SB 2143](#): *Municipally owned utilities; authorize to accept electronic payments and to absorb transaction fees in its rate base*

Please note that identification of a bill in this newsletter does not indicate support or opposition to a measure. Each bill is simply identified as an example of legislation that has been assigned to Energy, Public Utilities or other committees with oversight of these matters. Bills being tracked could change from week to week.



Last Week at the MPSC

- ✎ **Entergy Mississippi, LLC** filed its [Compliance Filing](#) in accordance with the **Commission's** Directives Regarding Disbursement of SERI Settlement Proceeds. Every EML retail customer received a one-time \$80 bill credit or a one-time \$80 check during EML's September 2022 billing cycle. In November 2022, EML applied the remaining settlement proceeds in the amount of \$198,332,480 to EML's deferred fuel costs balance. FERC has approved the settlement.
- ✎ **The Commission** received [Correspondence Notifying](#) it that **GTT Communications, Inc.** (GTT Parent) and its Debtor Affiliates including **GC Pivotal, LLC** and **GTT Americas, LLC** have completed their reorganization process pursuant to the United States Bankruptcy Code.
- ✎ **Fusion Connect, Inc., Fusion, LLC, Fusion Cloud Services, LLC, and North Haven Entities (the Applicants)** made their [Compliance Filing](#) notifying the **Commission** that the Federal Communications Commission ("FCC") has approved the change of ownership and control of the **Fusion Companies**.
- ✎ **CenterPoint Energy Resources Corp.** filed its [Compliance Tariffs](#).
- ✎ **Cooperative Energy and Delta Electric Power Association** filed their [Joint Petition](#) for a Certificate of Public Convenience and Necessity to authorize **Cooperative Energy** to construct, maintain and operate a 115 kV electric transmission line and switching station and for **Delta EPA** to construct, maintain and operate a 115:13.2 kV substation facility, all of which are located in **Bolivar County**. The purpose of this proposed switching station and transmission line is to provide bulk electric transmission service to **Delta EPA's** proposed East Winstonville Substation. The construction estimate for the proposed transmission line and switching station is approximately \$1,705,000 and the estimated cost of the substation is \$4,050,000.

CENTRAL DISTRICT SNAPS



Our Pipeline Safety Division completed **1** construction inspection in the Central District during the month of December.



The total amount of construction notices that were received by the Commission in the Central District during the month of December is approximately **\$690,000**.

"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.



Thank you to Pastor Stephen Evans of First Baptist Church in Carthage, Mississippi for providing the opening prayer for the January 10 Docket Meeting.



Last week, our Consumer Complaint Specialists handled a total of **26** complaints in the Central District.

Electric Companies	14
Telecommunications	9
Natural Gas	2
Water/Sewer	1

Last week, the Central District received a total of **138** 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.