

March 8, 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*

## Agriculture + Utilities + Culinary Students = Vibrant Restaurant Industry

What makes Mississippi special? Some will say it is our musical heritage. I mean we are the birthplace of the blues, country, rock and more. Some will say it is the quality of athletes that grace the hardwoods, diamonds and gridiron. After all, Mississippians dominated the rosters of the most recent Super Bowl teams. Some will say it is the natural features of Mississippi's landscape. From the Gulf Coast through the Pine Belt across the Delta to the Hills to the Capitol region, Mississippi is blessed with natural resources that offer something for everyone. Some will say it is Mississippi's people and the hospitality we present to visitors. Of course, you can't leave out our agricultural assets, colleges and universities, rivers and waterways, museums, federal installations and bases, and all the things that make Mississippi what it is today.

One of the most notable things that I hear from visitors to our state is their love of our foods and the great places across the state that serve iconic dishes. Where else can you go for so many of the things that have made Mississippi famous: seafood, soul food, BBQ, tamales, catfish, chicken, rice and so much more. Award winning chefs from across the state continue to pass down generational recipes or develop new recipes that dazzle the senses and tingle the tastebuds. Each of these experiences play a vital role in forming Mississippi's food culture and keep visitors wanting to come back for more.



*Pictured with Chef Derek Emerson,  
Owner of Walker's Drive In, Local 463  
and Caet Wine Bar.*



*Pictured with Chef Nick Wallace,  
Nick Wallace Culinary at Nissan Café  
(located inside the 2 Mississippi museums)*

Agriculture is Mississippi's largest economic sector, employing nearly 20% of the state's workforce and contributing \$9.72 billion in farm-gate value of livestock, row crops, specialty crops and forestry production. Processing and distribution of value-added agriculture and forestry products generate another \$16.05 billion for the state's economy. The top commodities produced in Mississippi are poultry/eggs, soybeans, timber, corn, cotton, beef and catfish. Other commodities are sweet potatoes, hogs, fruits/vegetables, rice, wheat, milk and peanuts. As far as national rankings, Mississippi is #1 in the production of catfish, #3 in sweet potatoes, #4 in cotton, #6 in both poultry and rice and #9 in peanuts. Other commodities also do quite well in the

national rankings. And you can't forget about the bounty that the Gulf of Mexico and Mississippi Sound provide in the array of fish, shrimp, crabs and oysters and the generations of fishermen that bring the catch to shore for so many of us to enjoy.

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Long before modern utilities were the norm, people had learned how to preserve, prepare and store food in ways that keep people safe and provided away-from-home dining options. But as the nation prospered, cross-country travel was made possible by the interstate system, and modern appliances and technologies allowed long-range transport of different food options. People could experience the tastes of faraway lands and cultures practically in their backyard. Reliable, affordable electric, natural gas, water and wastewater services helped to facilitate innovations in food selection, storage, preparation and safety. I think it is safe to say that energy security and food security go hand in hand.



*Pictured with Atmos Energy's Wendy Collins, Robert Lesley and Bobby Morgan*

This week, I was invited to the Mississippi ProStart Invitational 2023 (MPSI) sponsored by Atmos Energy (see pictures to right). ProStart is a 2-year, high school culinary and hospitality program that cultivates students' talents. ProStart students competed in the culinary arts and restaurant management competitions. Nearly 41 high schools currently participate in ProStart. I was very impressed with the culinary contestants' final entrée dishes. The first place teams will travel to Washington D.C. in May to compete at the National ProStart Invitational (NPSI)! I appreciate the



*Pictured with student team members from Clinton High School*

public/private partnership between Atmos Energy and the Mississippi Hospitality & Restaurant Association and other sponsors for making this event a success and in hopes that additional schools will participate in the future. Participants develop management skills, create amazing dishes, and interact with leaders of the state's restaurant and hospitality industry. Tomorrow's food sector innovators are being made today!

**Congratulations to all of the contestants. I also wish a special congratulations to the Clinton High School teams!**

## **The overall winners:**

### Management Competition

1st place — Wayne County Career & Technical Center

2nd place — Oak Grove High School

3rd place — Clinton High School

### Culinary Competition

1st place — Clinton High School B

2nd place — Clinton High School A

3rd place — Wayne County Career & Technical Center



*Pictured with students team members from the Wayne County Career & Technical Center*





## National Cybersecurity Strategy Released

The White House just released the long-awaited [National Cybersecurity Strategy](#). This document, prepared by the Office of the National Cyber Director, builds on existing federal doctrine and sets new priorities for action. The first of these priorities is “Defend Critical Infrastructure.” As a member of the NARUC Critical Infrastructure Committee, I am concerned that cyber-attacks targeting the energy sector could impact grid reliability and customer safety. While digital technological systems are now a part of life, we must evaluate cybersecurity threats and vulnerabilities and implement protections to reduce risks. The second priority of the Strategy aims to do just that: “Disrupt and Dismantle Threat Actors.” However, strong objectives are only as good as the thoroughness of implementation.

## Highlights from the March 7, 2023, Docket Meeting

- ☑ **The Commission** considered and issued an **Order** approving **Entergy Mississippi, LLC** 's Vegetation Management Rider Schedule VM-1. The VM-1 schedule was established by **Commission** Order in December 2019 and allows **Entergy Mississippi, LLC** to recover vegetation management operations and maintenance costs on a dollar-for-dollar basis, subject to annual true-up. For 2023, **Entergy Mississippi, LLC** has budgeted \$17.7 million for Distribution vegetation and \$3.9 million for Transmission vegetation management. Approval of the proposed budget reduces an average 1,000 kWh residential customer's bill by approximately \$0.38 per month. The factor decrease is due to the over-recovery of costs compared to the prior period coupled with a decrease in projected costs during the upcoming twelve-month period.
- ☑ **The Commission** considered and approved an [Order](#) certifying the Auditor Findings of **Entergy Mississippi** Fuel Audit Reports to the Legislature in accordance with Miss. Code Ann. Section 77-3-42. The reports relate to the fuel adjustment clause of **Entergy Mississippi, LLC, (EML)** which is set out and contained within their rider Schedule Energy Cost Recovery ("ECR-4 (Revised)"). **The Commission** retained **London Economics International (LEI)** and **HORNE LLP** to carry out the Fuel Adjustment audits for the period October 1, 2021, through September 30, 2022. The two firms divided the contractual requirements with **LEI** being responsible for the assessment of [fuel procurement practices and procedures](#) and with **HORNE** being responsible for the [financial audit](#). According to Public Utilities Staff, **HORNE** performed a thorough audit of allowable fuel and purchased energy costs. **LEI** found **EML** fuel and energy procurement processes and procedures were thorough. However, **LEI** did offer 16 recommendations that could be of benefit to **EML** and its customers.
- ☑ **The Commission** considered and approved an [Order](#) certifying the Auditor Findings and Certification of **Mississippi Power Company** Fuel Audit Reports to the Legislature in Accordance with Miss. Code Ann. Section 77-3-42. The reports relate to the fuel adjustment clause of **Mississippi Power Company (MPCo)**, which is set out and contained within the Company Rider Schedules FCR-2 and ECM-2A. **The Commission** retained **Forvis, LLP** and **Bates White** to carry out the Fuel Adjustment audit for the period October 1, 2021, through September 30, 2022. The two firms divided the contractual requirements, with **Bates White** being responsible for the assessment of [fuel and electricity procurement practices and procedures](#) and with **Forvis, LLP** being responsible for the [financial audit](#). According to Public Utilities Staff, **Forvis, LLP** performed a thorough audit of allowable fuel and purchased energy costs. **Bates White** found **MPCo** fuel and energy procurement processes and procedures were thorough. However, **Bates White** did offer 5 recommendations that could be of benefit to **MPCo** and its customers.





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- ☑ **The Commission** issued an [Order](#) Referring the Petition of **SR Marshall, LLC**, for a Facilities Certificate to Construct and Operate a Solar Electric Generating Facility in **Marshall County** to a hearing examiner for hearing, report, and recommendation of an appropriate order or any other matter necessary.



If you were unable to attend the Open Docket Meeting and missed the live stream, a recording of the meeting can be found [here](#).

## Legislation Tracker

The mid-point of the 2023 Regular Legislative session has passed and today is the deadline for floor action on general bills and constitutional amendments [originating out of the other house](#). March 14 is the deadline for floor action on appropriation and revenue bills originating out of the other house. The final adoption of conference reports containing compromises of bills that passed the two chambers in differing forms for appropriation and revenue bills as well as general bills is March 27th.

### **House**

[HB 264](#): Energy Efficiency standards on buildings; extend repealer on statute requiring certain buildings to meet. *Passed Senate Energy Committee*

[HB 288](#): Public Utilities Staff; authorize certain personnel to be filled by consulting contract. *Passed Senate → Returned for Enrolling → Enrolled Bill Signed by House*

[HB 698](#): Municipal water, wastewater and sewer services; require equity-based billing based on use of. *Passed Senate Energy Committee*

[HB 809](#): Executive Director of Public Utilities Staff; remove Public Service Commission from the process of appointing. *Passed Senate*

[HB 1060](#): Electric vehicles; authorize charging by non-utilities. *Passed Senate → Returned for Enrolling → Enrolled Bill Signed by House*

[HB 1225](#): Telephone solicitation; bring forward provisions of law relating to. *Passed Senate → Returned for Concurrence*

### **Senate**

[SB 2102](#): Impending emergency excavation; define, establish advance notice requirements and require premarking for. *Passed House → Returned for Concurrence*

[SB 2339](#): Provision of law establishing energy efficiency standards for building construction; extend repealer on. *Passed House Energy Committee → Returned for Concurrence*

[SB 2341](#): Electric transmission infrastructure; maintain state jurisdiction over integrity of. *Signed by Governor*

[SB 2433](#): Regulation of public utilities; exempt distribution of water by eligible homeowners' association to its own residents from. *Sent to Governor*

[SB 2512](#): Counties; authorize to designate ARPA funds to rural water and sewer associations for infrastructure projects. *Passed House → Returned for Concurrence*

[SB 2562](#): Transportation; allow public and private partnerships to establish electric vehicle charging stations. *Signed by Governor*

### **Appropriation, Tax, Bonds or other Funding/Revenue Bills**

[HB 871](#): Ad valorem tax; extend time for partial exemption and fee-in-lieu of ad valorem tax agreement for certain renewable energy projects. *Referred to Senate Finance*

[SB 2698](#): Ad valorem tax; extend fee-in-lieu qualifying period for renewable energy project. *Referred to House Ways and Means → Concurred in Amendment from House*

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

- ✎ **The Commission** filed an [Order](#) issued on February 28, 2023 Referring Consolidated Hearing to Hearing Examiner in regards to **Great River Utility Operating Co., LLC's** [Notice of Intent to Establish State-Wide Rates for Water and Wastewater Service in its Certificated Areas in the State](#). Great River Utility Operating Company presented Stipulations for consideration in its state-wide rate case for water systems and its statewide rate case for sewer systems. The Stipulations as presented would result in a 26% reduction from Great River's original request of \$53.75 a month for sewer service and a 16% reduction from Great River's original request of \$47.21 a month for water service. **The Hearing Examiner** took the Company's Stipulation and consultants' reports and recommendations under advisement and will continue to review **Great River's** request to establish state-wide rates.
- ✎ **The Commission** issued an [Order Setting Supplemental Hearing](#) in regard to **Great River Utility Operating Co., LLC's** the Notice of Intent to Establish State-Wide Rates for Wastewater Service in its Certificated Areas in the State. The matter has been set for a supplemental hearing on Monday, March 27, 2023, at 10:00 a.m. in the **Commission** Hearing Room, 1st Floor, Woolfolk State Office Building, 501 N. West Street, Jackson.
- ✎ **Hinds Solar, LLC** filed its [Petition](#) for a Certificate of Public Convenience and Necessity for the construction and operation of a 150 MW<sub>AC</sub> solar photovoltaic electric generation facility and an option to construct up to 150 MW battery energy storage system in **Hinds County**. The entire electrical output generated by the Project will be sold to **Entergy Mississippi, LLC** under a PPA with a term of 20 years. The Project was selected as a part of **Entergy Mississippi's** 2022 Request for Proposals, which solicited 500 MWs of renewable resources across their service area. The capital investment in Mississippi necessary to develop and construct the Project is estimated to be approximately \$150,000,000 or above. A new and significant source of income will be realized by participating landowners. The Project has signed a Fee in Lieu of Taxes agreement with the County and will serve as a new and significant source of revenue for the community. **Hinds Solar** must commence operations by December 2024.
- ✎ The following regulated utilities have filed their Annual Reports as required by the Hire Mississippi Rule: [Entergy Mississippi, LLC; Atmos Energy Corporation](#)
- ✎ **Atmos Energy Corporation** filed its [Notice of Intent](#) in the Matter of a Comprehensive Review of **Atmos Energy Corporation's** Proposed Capital Budget for Fiscal Year 2024. The filing reflects the agreement between the **Public Utilities Staff** and **Atmos Energy** that Staff has a duty to review and make a recommendation to the **Commission** regarding all capital projects proposed by **Atmos** on an annual basis. The Joint Stipulation further reflects that **Staff** must be able to verify the projected level of spending, determine the reasonableness of the projected level of spending and the fact that the project was completed within the timeframe proposed, and is being used and is useful in rendering gas service. To allow **Staff** to fulfill this duty, **Staff** and **Atmos Energy** agreed to an annual procedure by which **Atmos Energy**, by March 1 of each year, will make its System Integrity Rider filing with **Staff**. The filing provides descriptive detail and the type of capital projects proposed for the coming year.
- ✎ **Entergy Mississippi, LLC** filed its 2023 [Formula Rate Plan](#) for the twelve-month period ending December 31, 2023 ("2023 Evaluation Report"), along with the Company's look-back for the twelve-month period ended December 31, 2022 ("2022 Look-back"). The filing provides information for the **Public Utilities Staff** to conduct a review of the Company's expenses, capital accounts (rate base), revenues, and operational performance for the twelve-month period ended December 31, 2022, and determine whether and how much of a rate adjustment is appropriate. The filing lays out grid modernization investments, storm-related costs, demand-side management activities and other programs, as well as infrastructure improvements and investments.
- ✎ **Ocelot Solar, LLC** filed its [Petition](#) for a Certificate of Public Convenience and Necessity for the construction, ownership, and operation of an approximate 100 MW solar electric generation facility in **Sharkey County**. **Ocelot Solar, LLC** will sell the entire electric generation output of the Facility, at wholesale, into the interstate electricity market of Midcontinent Independent System Operator ("MISO") through an interconnection with **Entergy Mississippi**. The capital investment necessary to develop and construct the Facility is estimated to be approximately \$120 million, resulting in a taxable value that will generate significant ad valorem tax revenue to **Sharkey County** and the local school district. Construction is estimated to take 21-24 months, dependent on weather, and is expected to commence operations in December 2026.



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- ✎ **Half Step Solar, LLC** filed its [Petition](#) for Certificate of Public Convenience and Necessity Authorizing Construction, Ownership, and Operation of a Solar Electric Generating Facility in **Tunica County**. **Half Step Solar** is a 150MW project consisting of single axis tracker solar panels. There is room for future expansion depending on the Tunica Mega Site. Construction is forecasted to begin in August 2024 and is estimated to take 21-24 months and commence operations in December 2026. The capital investment to construct the Facility is estimated to be approximately \$170 million, and the resulting taxable value will create significant ad valorem tax revenue to **Tunica County** and the local school district. The Facility intends to sell wholesale energy, and potentially other project attributes, to one or more off takers pursuant to a power purchase agreement at rates competitive with traditional resources. The project will provide direct and indirect economic benefits to the state, county, and surrounding area in the form of taxes (sales and ad valorem), jobs, and related ancillary economic impacts.
- ✎ **The Commission** issued a [Suspension Order](#) in regards to Notice of Intent of the Town of Brooksville to Change Rates for Water Service In Its Certificated Area In **Noxubee County**.
- ✎ **Entergy Mississippi, LLC** filed its [Submittal](#) of Annual [Distributed Generation Reports](#) and [Distributed Generation Interconnection Reports](#) in accordance with the requirements of the Distributed Generation Rule.
- ✎ **Mississippi Power Company** filed its [2023 Mid-Point Supply Side Update](#) to the Company's 2021 Integrated Resource Plan. A list of the documents utilized to support and inform **Mississippi Power Company's** Mid-Point Supply-Side Update is listed below:
  - [Load Forecast vs. Capability by Scenario](#)
  - [Generic Expansion Plan](#)
  - [CO2 Price Forecast](#)
  - [Natural Gas Price Forecast](#)
  - [Coal Price Forecast](#)
  - [Oil Price Forecast](#)
  - [2021 Reserve Margin Study](#) (Redacted)
  - [Scenario Load Forecasts](#)
  - [Mississippi Power Company Market Potential Study](#)
  - [2021 Standby and Interruptibles](#)
  - [Renewable Integration Study](#)
  - [Renewable Cost-Benefit Framework](#)
  - [2023 Energy Delivery Plan](#)
  - [Renewable ELCC Study](#)
  - [Watson 5 Retirement Study 1](#) (Redacted)
  - [Watson 5 Retirement Study 2](#) (Redacted)

The Update to is meant describe any material changes to the Integrated Resource Plan, including material changes in economic assumptions (e.g., future natural gas price forecasts or alternative technology costs), environmental rules and regulations, regional transmission organization rules, or forecasted load requirements." In the Update, **Mississippi Power Company** has identified significant assumption changes to its 2021 Integrated Resource Plan (IRP).

- ✎ **Intrado Safety Communications, Inc.** filed its [Notice of Consummation](#) that the indirect transfer of control of **Intrado Safety Communications, Inc.**, was consummated on January 31.
- ✎ **The Commission** issued a [Second Order of Continuance](#) in regards to the **Siwell Utility Co., Inc.** and **Rolling Hills Wastewater, Inc.** Show Cause Hearing Determining Whether Respondents Are In Violation of Certain Statutes Governed by the Commission.
- ✎ **Holmes County Landowners** filed [Comments](#) in opposition to the proposed Supplemental Petition by **Southern Spirit Transmission LLC** for a Certificate of Public Convenience and Necessity for the Proposed **Southern Spirit Transmission** Project.
- ✎ **Mississippi Power Company** filed its [Notice](#) initiating its second Integrated Resource Planning and Reporting cycle to be conducted in accordance with Rule 29. Additionally, **Mississippi Power Company** filed its [Notice](#) of Initial Public Workshop to interested parties pursuant to the **Commission's** Rule 29. **Mississippi Power Company** proposes to conduct its Initial Public Workshop on Friday, March 31, 2023, between the hours of 9:00am and 12:00pm, in Jackson, MS.





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- 📁 Gulf States Renewable Energy Industry Association filed its [Motion to Intervene](#) regarding the Notice of Mississippi Power Company to Establish a Solar for Schools Rate Schedule.

## CENTRAL DISTRICT SNAPS



Lauderdale County Schools District Superintendent Dr. John Mark Cain hosted a "Hot Topics" session last week with his colleagues at the LCSD offices. Participants included Central District superintendents for Vicksburg Warren School District, Rankin County School District, Pearl Public School District, Union County School District and Enterprise School District. I was happy to share information on the Commission's Solar for Schools program and the energy savings opportunities available to eligible K-12 school districts.



Since 1870, Weidmann's has been serving delicious meals coupled with deep history and excellent hospitality. Go by and see Charles Frazier and his team next time you are in Meridian!

While in Lauderdale County last week, I met with Randy Carrol at East Mississippi Electric Power Association. They have connected over 8,000 customers to high speed internet and are on track to connect over 12,000 by the end of the year. EMEPA leaders and staff do a great job at keeping their customers informed, rates stable and reliability top tier.

Additionally, I would like to congratulate Randy for his recent induction into the Meridian Community College Hall of Fame. It's a well-deserved honor recognizing his commitment and dedication to his career and achievements at EMEPA.





# FROM THE DESK OF COMMISSIONER BRENT BAILEY CENTRAL DISTRICT OFFICE



*Did you know that one of North America's largest providers of point of sale receipt paper, labels and other therm paper applications is located in Meridian, MS??? Specialty Roll Products, Inc. has been providing these services since 1970 and continues to grow their offerings - even in a more digitized world! I appreciate owner Larry Love for touring me around the facilities and giving me an inside view of his operations.*



**Our Pipeline Safety Division completed 3 construction inspection in the Central District during the month of February.**



The total amount of construction notices that were received by the Commission in the Central District during the month of February is approximately **\$722,000**.

**"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.*



*Pictured with Laurie Mosby, Mississippi Hotel & Restaurant Supply*

*Pictured with Beth Hennington, a Mississippi Baker who was selected by the Food Network last year to compete against four other bakers in the sixth season of the Christmas Cookie Challenge.*



Last week, our Consumer Complaint Specialists handled a total of **22** complaints in the Central District.

Electric Companies	14
Water/Sewer	5
Telecommunications	2
Natural Gas	1

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.*