

May 31, 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*

**MsRWA Annual Conference Aims to Keep Drinking Water Safe, Reliable, Affordable**

For part of this week, I have been at the 2023 Mississippi Rural Water Association’s (MsRWA) Annual Management & Technical Conference & Exhibition in Biloxi, MS. The conference portion of the event includes nearly 4 days of training, workshops and certification courses for water and wastewater operators, managers, staff and board members. These programs generally focus on assisting small and rural communities with providing their customers with high-quality water and wastewater services. There is also a large exhibition of the latest technologies, equipment and software that facilitate the safe and efficient operation of systems. Clean drinking water and safe wastewater treatment are vital to the health and safety of Mississippians. Organizations such as the MsRWA strive to protect the quality of life in Mississippi, while supporting the local efforts needed to help rural communities thrive.



Among other activities, the MsRWA is looking for the best water in the state. Drinking water is judged in three categories: appearance, odor, and taste. The top award is the recognition for the “Quality On Tap” designation in addition to cash prizes. The top winner will also represent Mississippi in Washington, DC to compete against finalists from 49 other states at the National Rural Water Association in Washington, DC held each February. The 2022 winners were: 1st place - Harmontown Water Association; 2nd place - Jackson Municipal Airport and 3rd place - Town of Mize, MS. I had the honor to serve as a judge for this year’s drinking water quality contest. The winners of this year’s competition will be announced later in the conference.





## MPSC Central District Selected as a Host Institution for 2023 Clean Energy Innovator Fellowship

The U.S. Department of Energy's (DOE) Clean Energy Innovator Fellowship program funds recent graduates and energy professionals to support energy organizations, agencies and institutions to advance clean energy technologies, policies and other solutions that will help diversify the power generation system, explore utilization of new programs for residential, commercial and industry customers, make the U.S. power system more resilient, and implement innovative grid services.

The program recruits candidates from diverse backgrounds to spend up to two years at eligible host institutions. This year, the Mississippi Public Service Commission Central District was selected to serve as a Host Institution and Mentor for the 2023 Clean Energy Innovator Fellowship. Recent graduates and early- or mid-career energy professionals may apply until **Monday, June 12<sup>th</sup>** at DOE's [Clean Energy Innovator Fellowship](#) link. Ideal candidates will already have clean energy related skills and an interest in building them further.

Fellows will get hands-on experience supporting projects that the Host Institutions identify as critical to advancing new technologies, serving customers' needs, or enhancing grid resilience while ensuring energy affordability and grid reliability. The MPSC Central District is seeking a fellow to conduct research and analyze methods for using Advanced Metering Infrastructure (AMI) data to promote awareness of energy efficiency benefits and support the development of utility programs to maximize energy and economic savings while innovating operational strategies. The Fellow will also engage with the Mississippi State Energy Office and other stakeholders to aid the Commission in crafting new strategies for utilizing data from AMI devices to help consumers better understand their energy consumption patterns. The Innovator will produce a final report on opportunities to use AMI data analysis to support innovative approaches to energy efficiency, cost saving, and energy conservation measures for customers and utilities. The Innovator will also analyze AMI data to seek distributed energy resource aggregation solutions and other applications of AMI data.

Fellowship candidates must apply to the program by **June 12<sup>th</sup>**. Visit the program website for additional information: [Clean Energy Innovator Fellowship | Department of Energy](#)

## Vogtle Unit 3 Reaches Full Power

The first of two new nuclear reactors at Plant Vogtle near Augusta, GA has reached 100% power for the first time, Georgia Power announced. Georgia Power said Unit 3 reached its maximum output of 1,100 megawatts Monday morning, but the company said it still must put the unit through a battery of tests before it can be synced with the electric grid and dispatched for commercial operation. The unit is expected to begin delivering power in June.

Once complete, Georgia Power says Unit 3 and its twin, Unit 4, will produce enough electricity for 500,000 homes and businesses without emitting greenhouse gases. The units are the first new commercial nuclear reactors built in the U.S. in more than three decades. However, the units are nearly seven years behind schedule and their total price tag has more than doubled to \$35 billion.







## EPA Proposes New Regulation of Power Plant Carbon Emissions Under Clean Air Act

On May 11, the Environmental Protection Agency (EPA) issued a 681-page [Notice of Proposed Rulemaking](#) (NOPR) that outlines new regulatory plans to limit emissions of carbon dioxide from fossil fuel-fired power plants. This effort resembles the Obama Administration's *Clean Power Plan* (CPP), which was ultimately rejected by the U.S. Supreme Court. The current EPA proposal would repeal the Trump Administration's *Affordable Clean Energy* (ACE) rule. Due to the inability to pass legislation to accomplish the current administration's climate and clean energy goals, the EPA proposal will attempt to accomplish through regulatory means what has not been achieved through Congressional action.

EPA's goal is to finalize the proposed new rule by June 2024. States will have two years after the rule is finalized to develop and submit implementation plans to the EPA for review. EPA has 1 year to approve or reject state plans. The EPA anticipates the proposal will cost the U.S. power industry over \$10 billion, while yielding health and climate benefits of around \$85 billion. Many stakeholders are not confident in the cost/benefit estimates.

The fossil-fueled electric generation sector is the largest stationary source of greenhouse gases (GHGs). The proposals would set emission limits for new gas-fired combustion turbines, existing coal, oil, and gas-fired steam generating units, and certain existing gas-fired combustion turbines. The proposed emission standards are based on the potential reductions achieved through the utilization of technologies such as carbon capture and sequestration/storage (CCS), low-GHG hydrogen co-firing, natural gas co-firing, and improved generator efficiency. See the [EPA Fact Sheet](#) for more information on the proposed rule.

Should the proposed rule become effective by June 2024, existing steam generating units would have until January 1, 2030, to demonstrate compliance. Starting in 2030, state implementation plans would have to indicate the emission limits and types of emission control technologies to be adopted. The emission limits and technologies would be phased in based on the type of generation unit, how frequently the unit operates, and the generation unit's anticipated date of retirement. For example, a typical baseload generation unit would be required to utilize CCS to capture 90% of GHG emissions by 2035, or co-firing of 30% by volume low-GHG hydrogen beginning in 2032 and co-firing 96% by volume low-GHG hydrogen beginning in 2038.

CCS and hydrogen-blending are both in their infancy with very limited applications and projects to confidentially demonstrate technically viable and economically responsible emission reduction pathways. Sure, recent federal legislation such as the Inflation Reduction Act have created very generous tax credits (up to \$85/ton) for the capture and sequestration of carbon dioxide. Furthermore, the Bipartisan Infrastructure Law authorized the Department of Energy to spend \$8 billion to stimulate a nascent clean hydrogen industry.

The proposed GHG regulations will most likely increase the compliance costs for new and existing fossil fueled generation plants that have certain attributes and provides certain grid services that maintain an adequate and reliable supply of electricity. These attributes include synchronous inertia, voltage control, dispatchability, fuel assurance, availability during all hours and other attributes. To meet the proposed regulatory requirements, an extensive buildout of supporting infrastructure, including new pipelines and storage facilities, would take years to permit and build.

Many industry groups are concerned that the proposal will speed up the retirement of a substantial number of generating units before adequate replacement generation can be built and would further exacerbate reliability concerns. However, others see the EPA's proposal as a mechanism to scale up renewable energy generation and new technologies while creating new jobs without adversely affecting ratepayers.









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Like past proposals to limit GHGs, this one will likely be debated in the courts.

The Mississippi Public Service Commission (MPSC) opened a docket in 2014 to investigate, consider and respond to the proposed regulation of GHG emissions from existing electric generation units. Since 2016, the MPSC has been involved in various proceedings and a multi-state coalition challenging the EPA's power to regulate GHG emissions from power generation units.

The EPA's proposal is subject to the regulatory rule-making process, including a public comment period. EPA will accept comments on the proposal through July 24, 2023. Comments, identified by Docket ID No. EPA-HQ-OAR-2023-0072, may be submitted online, by email, fax or mail. Go to <https://www.regulations.gov/> for more information about the rule and how to submit comments. EPA's Office of Air and Radiation has posted a slide deck: [https://www.epa.gov/system/files/documents/2023-05/111%20Power%20Plants%20Stakeholder%20Presentation2\\_4.pdf](https://www.epa.gov/system/files/documents/2023-05/111%20Power%20Plants%20Stakeholder%20Presentation2_4.pdf)

## Last Week at the MPSC

-  **Zayo Group, LLC** and **Electric Lightwave, LLC** d/b/a **Allstream** filed their [Joint Application](#) to complete a pro forma consolidation of **Electric Lightwave** into **Zayo Group**, with **Zayo Group** remaining as the surviving entity.
-  **The Public Utilities Staff** and **Mississippi Power Company** filed their [Stipulation](#) in regards to **Mississippi Power Company's** Notice of Intent To Change Rates Pursuant to the Performance Evaluation Plan, Rate Schedule PEP-6. There is no proposed impact to customer rates under this stipulation.
-  **The Public Utilities Staff** also filed a [Joint Stipulation](#) with **Entergy Mississippi, LLC** in regards to the Notice of Intent of **Entergy Mississippi, Inc.** to Implement Revisions to the Formula Rate Plan. As a result of these stipulations agreed to between the **Staff** and **Entergy Mississippi, LLC**, the rates of a typical residential customer using 1,000 kWh would be \$136.80 beginning with July 2023 bills, which is \$2.09 lower than the March 2023 bills.
-  **The Public Utilities Staff** filed the following Reports prepared by **Bates White Economic Consulting**: [Bates White Report on Mississippi Power Company's 2023 Capital Plan](#); [Bates White Report on Mississippi Power Company's 2023 Energy Delivery Plan](#)
-  **The Public Utilities Staff** also confidentially filed the following Reports prepared by **Bates White Economic Consulting**: [Bates White Report on Entergy Mississippi, LLC's 2023 Transmission & Distribution Plan](#); [Bates White Report on Entergy Mississippi, LLC's 2022 Energy Delivery Plan](#). Public, redacted versions of the Reports will be filed soon.
-  **CenturyTel of North Mississippi, Inc.** d/b/a **CenturyLink** filed its [Access Service Tariff Revisions](#) with a proposed effective date of July 1, 2023.

## CENTRAL DISTRICT SNAPS

I am always excited to attend the MsRWA Annual Conference on the Gulf Coast. I have enjoyed visiting with their CEO, Kirby Mayfield, as the MPSC stands ready to work with the MsRWA to ensure consumers are receiving the best service possible and that systems remain resilient and reliable.





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Harry Gong, of MSDH Drinking Water Division, and Rita Clary, of National Rural Water Association



Destiny and Candace will soon be graduating the MsRWA Apprenticeship Program and will be Certified Operators at facilities in the City of Meridian and City of Vicksburg, respectively.



Congrats to Representative Tracy Rosebud for receiving an award for supporting rural water associations in MS.



MS 811's Jerry Kennermur, North Region, Charles Stallings, South Region, and John Stallings, Central Region



While in downtown Lexington Wednesday, we stopped in at Southern Coffee Services and visited with the owners, Janie and Ellis Harris. Mrs. Janie gave us a tour of the company and showed us how they produce their fresh roasted coffee beans. Their product is distributed to many convenient stores and grocery stores, not only in Mississippi, but also in Louisiana and Alabama.



I thank the Lexington Rotary Club and appreciate the invitation from Lexington's Mayor, Robin McCrory, for having me as their guest speaker Wednesday to provide an update from the Commission and to answer some of their questions.



Last week, our Consumer Complaint Specialists handled a total of **33** complaints in the Central District.

Electric Companies	26
Telecommunications	4
Natural Gas	2
Water/Sewer	1

Last week, the Central District received a total of **137** 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.*