

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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Update on Solar Energy Development Across the Nation and Mississippi



According to the *U.S. Solar Market Insight Report 2022 Year in Review*, the U.S. solar industry installed 20,200 megawatts-direct current (MW_{dc}) of capacity, a 16% decrease from 2021. The uncertainty surrounding solar product import tariffs and numerous solar equipment detentions by Customs and Border Protection constrained industry growth. While federal import tariffs are structured to increase and incentivize domestic production of solar modules and associated electronics, the domestic production supply chain still needs time to build up.

Solar accounted for 50% of all new electricity-generating capacity added to the U.S. grid in 2022, the fourth consecutive year that solar was the top technology for new additions. Utility-scale solar installations accounted for 11,800 MW $_{\rm dc}$ for 2022 while the commercial-scale solar segment installed 1,400 MW $_{\rm dc}$ and the community solar business segment installed 1,000 MW $_{\rm dc}$.

Meanwhile, the residential segment installed just shy of 6,000 MW_{dc} across the nation in 2022, growing by 40% over 2021. A record 700,000 homeowners installed solar in 2022. Last year also marked the first year the segment exceeded 5,000 MW_{dc} of annual installations. There are just over 4 million solar energy systems installed in the U.S. capable of supplying power to 25 million households. See the National Solar Data Infographic for more information.

Last year, the *U.S. Solar Market Insight Report 2021 Year in Review* ranked Mississippi at 50^{th} out of 52 in the nation in solar deployment for 2021. (The ranking included Washington DC and Puerto Rico.) The state fell from 31^{st} in the nation in 2020. But Mississippi rebounded in 2022 and ranked 29^{th} in the nation for solar installations in MW_{dc} capacity for the year. Much of the growth in Mississippi can be attributed to utility-scale solar projects, but there was moderate growth in the residential sector as well.



Utility-Scale Solar Projects in Mississippi

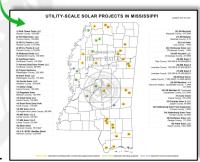
Since 2015, the MPSC has approved 28 Certificates of Public Convenience and Necessity for over 1,833.68 MW $_{\rm dc}$ of solar projects and 155.14 MW of BES valued at \$2.19 billion. In the past year, the MPSC has approved the following utility-scale solar projects:

MS Solar 7 - Clay County - 200 MW with 50 MW Battery Energy Storage Hattiesburg Solar Farm Expansion - Hattiesburg, MS - 3 MW Harvest Gold Solar Power LLC - Sunflower County - 99 MW Fable Solar LCC - Stone County - 109.2 MW Sunflower Solar LLC - George County - 112 MW SR Marshall - Marshall County - 4.75 MW SR Byhalia - Marshall County - 4.75 MW

This week, I will be holding a public hearing for the Ragsdale Solar Project in Madison County (100 MW). In addition, seven projects totaling nearly 685 MW of solar projects are currently being reviewed by the MPSC and could come before the Commission for hearing in the coming months.

Of the 36 utility-scale solar projects that the Commission has granted a Certificate or is under review by the Commission, only two projects are owned and operated by a public utility. One facility is the 100 MW Sunflower Solar LLC project in Sunflower County just north of Ruleville, MS is owned by Entergy Mississippi. The other is the 1.285 MW with 5.14 MWh battery storage Walnut Grove Resiliency Demonstration Project located in Leake County and is owned by Mississippi Power Company. The other 34 utility-scale solar projects across are or will be owned, operated and financed by private sector companies that specialize in the development and delivery of competitive, clean energy to the open market. All projects combined represent a potential total investment of \$3.18 billion in the state of Mississippi. See the Map of Solar Projects in Mississippi.

Solar energy helps diversify the state's energy generation portfolio and serves as a hedge against potentially volatile generation fuel prices. According to the Solar Energy Industries Association (SEIA), Mississippi ranked 36th in the nation for total cumulative installed solar capacity at the end of 2022. However, less than 1%, or 0.78%, of Mississippi's electricity comes from solar at this time. Despite an anti-technology and anti-competition mindset that exists at certain organizations in Mississippi, solar installations provides residential and commercial consumers with choices while providing revenues for local government.



Residential-Scale and Commercial-Scale Solar in Mississippi

Hundreds of Mississippians have installed rooftop solar systems for the purpose of reducing their overall energy costs, putting money back into their pockets, and/or reducing their environmental impact. These smaller-scale systems (also known as distributed generation) have the ability to not only increase reliability across the distribution network by generating electricity locally, but may also help delay or avoid capital costs associated with transmission and generation additions.

The Mississippi Renewable Energy Net Metering and Interconnection Rule (adopted by the MPSC on December 3, 2015) has been revised and is now called the <u>Mississippi Distributed Generation and Interconnection Rule</u>. The new rule was <u>adopted by the MPSC</u> on October 4, 2022. While the new rule maintains the regulatory framework that facilitates a consumer's right to self-supply electricity and right to connect to the grid, it also creates new incentives for residential solar and energy storage installation and establishes a Solar for Schools program.



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By April 1 of each year, electric utilities subject to the rule shall submit an Annual Report to the Commission. The report includes information such as the number of distributed generation customers, the type of technology installed and the amount of interconnected generation capacity. The required information is outlined in the Rule.

Entergy Mississippi, LLC (2023-UN-16)

Entergy Mississippi, LLC (EML) serves approximately <u>461,000 customers in 45 of Mississippi's 82 counties</u>. <u>EML's Distributed Generation Report for Calendar Year 2022</u> indicates that 52 customers with a total nameplate capacity of 1,834.12 kW executed solar Interconnection Agreements during 2022. Previously, 39 customers executed Interconnection Agreements in 2021.

At the end of 2022, 178 EML customers (177 solar and 1 wind) have executed a Distributed Generation Interconnection Agreement (DGIA) since EML implemented its program in September 2016. The 178 DGIA customers (0.038% of EML's customer base) have achieved the following: Represent 3,299.87 kW in distributed generation capacity; Delivered 891,950 kWh to the grid; Collected \$36,168 from EML for the energy exported to the grid. The 3,299.87 kW capacity represents 0.112% of EML's 2022 Total System Peak Demand of 2,938 MW. Currently, EML may refuse Net Metering Applications if total Net Metering Interconnection capacity exceeds 3.0% of Total System Peak Demand. EML's Total System Peak Demand increased from 2,884 MW in 2021 to 2,938 MW in 2022. To participate in Entergy Mississippi's Distributed Generation program, visit https://www.entergy-mississippi.com/net_metering/.

Mississippi Power Co. (2016-UN-33)

Mississippi Power Company (MPCo) serves approximately 190,000 customers in 23 of Mississippi's 82 counties. MPCo's Net Metering Report and Interconnection Report for Year Ended 2022 indicated that 123 customers with a total nameplate capacity of 1,916.40 kW were approved for interconnection in 2022. Previously, 43 customers were approved for interconnection in 2021.

At the end of 2022, 256 MPCo customers were Renewable Energy Net Metering (RENM) Program participants. The 256 RENM interconnected customers (0.134% of MPCo's customer base) have done the following in 2022: Represent 4,229.86 kW in distributed generation capacity; Delivered 1,326,412 kWh to the grid; Collected \$72,054.43 from MPCo for the energy exported to the grid. The 4,229.86 kW capacity represents 0.2787% of MPCo's Total System Peak Demand of 1,517.65 MW. Currently, MPCo may refuse Net Metering Applications if total Net Metering Interconnection capacity exceeds 3.0% of Total System Peak Demand. To participate in Mississippi Power Co.'s Distributed Generation program, visit https://www.mississippipower.com/residential/ways-to-save/renewable-energy/solar-energy/net-metering---your-bill.html.

Cooperative Energy (2011-AD-2)

Cooperative Energy (CE) provides electrical power for <u>11 electric distribution cooperatives</u> who in turn serve approximately <u>437,000 customers in 55 of Mississippi's 82 counties</u>. CE's <u>Net Metering Report and Interconnection Rule Report for Year 2022</u> indicate that 184 customers with a combined solar nameplate capacity of 1,526.42 kW_{ac} executed solar Distributed Generation (DG) Agreements in 2021. Previously, 93 customers executed solar DG Agreements in 2021.

At the end of 2022, CE and its 11 member cooperatives had a total of 760 solar distributed generation interconnection customers (0.1739% of CE's member cooperatives' customer base) with a total interconnected capacity of $7,374.205~\rm kW_{ac}$.



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In 2021, 760 interconnected solar distributed generation customers: Delivered 3,470,763 kWh to the grid; Of the 760 DG customers, 649 collected \$156,393.08 from CE for the energy exported to the grid (the DG renewable rate for 2022 was \$0.045/kwh); Represent 0.293% of CE's Total System Peak Demand. To participate in the distributed generation program, check with your local cooperative, such as Southern Pine Electric's <u>Distributed Generation Page</u>.

Tennessee Valley Authority (TVA)

TVA provides electrical power to 436,000 residential, commercial and industrial customers through 14 municipals and 14 cooperatively-owned utilities located primarily in the northern half of Mississippi. TVA and its electric distribution partners are not required to submit an annual Net Metering Report to the MPSC. However, per my request, TVA staff voluntarily provides information on the number and capacity of solar distributed generation installations located in the TVA service area. TVA reported that 26 new solar installations less than $1 \, \mathrm{MW}_{\mathrm{DC}}$ in size were interconnected in 2022, bringing the total number of solar distributed generation interconnected customers to 159 with a total generation capacity of 12,747 kW. Another six solar distributed generation projects have executed interconnection agreements but are not yet operational.

TVA's <u>Green Connect</u> program that is designed to connect homeowners with solar installers. The only Mississippi cooperatives or municipalities <u>participating in the program</u> is 4-County EPA and Oxford Utilities. Other TVA programs include TVA <u>Green Switch</u> and <u>Dispersed Power Production</u>.

[NOTE: Neither Cooperative Energy nor TVA provide compensation for excess generation as described in the Mississippi Distributed Generation and Interconnection Rule. While Cooperative Energy does file an Annual Report as required by the Rule, Cooperative Energy does not incorporate the 2.5 cents/kWh benefits adder into the compensation rate for net excess energy delivered to the grid. TVA compensates solar distributed generation customers for their excess generation at the avoided cost rate published each month, which was 1.783 cents/kWh for May 2023.]

By the Numbers:

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Utility	Solar DG Customers* at end of 2020	Solar DG Customers* at end of 2021	Solar DG Customers* at end of 2022	Total Installed Solar Capacity (kW AC)	% of Peak System Demand
Entergy MS	110	149	198	3,288.774 kW	.111%
MS Power Co.	227	221	299	4,309.29 kW	.2893%
Cooperative Energy	484	576	760	7,374.205 kW	.293%
TVA	116	124	159	12,747 kW+	n/a
Total	937	1,070	1,416	27,719.27 kW	

(info as of Dec. 31, 2022)

^{*}Solar DG Customers = Distributed Generation Customer (includes Distributed Generation Net Metering Interconnected Customers & other non-net metering distributed generation customers that existed prior to the implementation of the Rule)

^{*}Only includes Distributed Generation facilities of less than 1 MW capacity



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Rate of Compensation for Net Excess Energy Delivered to the Grid:

Utility	Avoided Cost of Wholesale Power (¢/ kWh)	RENM Customer Rate w/ DGBA (¢/ kWh)	RENM Customer Rate w/ DGBA and LIBA (¢/kWh)
Entergy MS#	3.8	6.3	8.3
MS Power Co.*	3.13 to 3.44	5.63 to 5.94	7.63 to 7.94
Cooperative Energy	4.5	N/A	N/A

^{*}Entergy MS Rate Schedule NEM-2 (March 16, 2023)

DGBA = Distributed Generation Benefits Adder

LIBA = Low-Income Benefits Adder

Status of Distributed Generation and Interconnection Rules

The MPSC <u>established a new docket</u> (2012-AD-19) on January 12, 2021, to Review the Efficacy and Fairness of the Net Metering and Interconnection Rules. On February 2, 2021, the Commission <u>invited written comments</u> to a series of issues and questions as well as experience with the Rule. On January 18, 2022, the Commission issued <u>proposed final modifications</u> to the Mississippi Renewable Energy Net Metering Rule and the Mississippi Distributed Generator Interconnection Rule with a request that parties file written comments on the proposed revisions by February 1, 2022. The Commission then held a public hearing on the final proposed rule modifications on February 8, 2022.

On July 12, 2022, the Commission <u>approved amendments</u> to the former Net Metering and Interconnection Rules, referred to as the "Net Renewable Generation Rules". The newly adopted rules included policies that look to increase solar adoption, enhancing grid reliability and economic development, in addition to improving access to solar for low and middle income residents. The amendments set forth provisions instructing the utilities to make separate filings for the approval of Solar-for-Schools programs and up-front rebates for distributed generation technologies.

On August 11, 2022, Entergy MS and Mississippi Power Co. filed <u>Motions to Rescind</u> and/or Rehearing of the newly adopted "Net Renewable Generation Rules". The Commission granted the Motion for Rehearing and adopted an Order setting rehearing for September 27, 2022. After receiving and rehearing testimony, the Commission on October 4, 2022, issued a <u>Post-Rehearing Order</u> adopting final changes to the Mississippi Distributed Generation Interconnection and Distributed Generation Rules.

On March 17, 2023, the Commission approved <u>Entergy MS's Notice of Intent to Implement a New Rate Schedule and Related Agreements</u> and approved <u>MS Power's Notice of Intent to Change Rates</u> for the Net Energy Metering Rate.

While both Entergy MS and MS Power Co. filed notices and rate schedules for the purposes of implementing a Solar for Schools Program, on March 16, 2023, the Commission suspended the filings at 2023-UN-17 and 2023-UN-18.

^{*}MS Power Co. Option A Standard Rate per Rate Schedule RENM-1A (Sept. 21, 2022)



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Multiple intervenors filed Objections and Exceptions to the Notices of Intent of Entergy Mississippi, LLC and of Mississippi Power Co. and filed comments identifying perceived deficiencies in the Solar for Schools filings. The Commission is reviewing the comments and reply comments of all parties.

Entergy Mississippi Commits \$1.5 Million to Help with High Bills

Entergy Mississippi announced last week their commitment of \$1.5 million, funded by Entergy shareholders, to help their customers manage their energy bills as summer nears and energy usage rises in many households. Their effort is an extension of the company's Operation Bill Assist, a \$3.2 million pledge launched last year to offset high bills brought on by increased natural gas prices.

The commitment includes: \$1 million in free energy efficiency kits; more than \$520,000 in emergency bill assistance for older adults and customers with



disabilities; and 100 community events in honor of the company's recent centennial anniversary.

The energy efficiency kits combined with Entergy's available online tools can save customers as much as \$300 annually. Entergy Mississippi is partnering with community action agencies, non-profits, schools and others to volunteer and distribute the free kits at 100 community events this year. Customers can also order a kit for free at www.msentergysolutions-marketplace.com. The emergency bill assistance will be administered through Entergy's The Power to Care program, in partnership with the Salvation Army.

The Commission remains committed to ensuring our regulated utilities provide affordable power to Mississippi consumers, and we appreciate Entergy Mississippi's efforts to provide the help and tools needed for their customers to lower their energy bills and put more money back in their pockets.

Last Week at the MPSC

- © Southern Renewable Energy Association (SREA) filed its <u>Comments</u> in regard to <u>Mississippi Power</u> Company's Integrated Resource Plan (IRP) Technical Conference.
- EarthGrid PBC filed its <u>Application</u> for a Certificate of Public Convenience and Necessity to Provide Resold and Facility-Based Telecommunication Services within the State.
- Entergy Mississippi, LLC filed a <u>supplemental exhibit</u> in regards to the submittal of its 2023 Formula Rate Plan (FRP).



- → Ragsdale Solar Hearing
 May 11 at 5:30 p.m. at the
 Madison County
 Courthouse
- → PSC's June Monthly Docket Meeting — June 13 at 10:00 a.m.

CENTRAL DISTRICT







Happy Retirement Sam Johnson

Congratulations to Sam Johnson for his retirement from Mississippi 811. *Inc. Sam was the first employee of* Mississippi 811 and served as the organization's president for 39 years!! (Fun fact: Prior to helping start Mississippi 811, Sam worked at the MPSC's Pipeline Safety Division.) As the "Founding Father" of the **Underground Utility Damage** Prevention industry in Mississippi, Sam has been a strong advocate of public safety, a voice for responsible regulation, and leader in the adoption of new ticket processing and mapping solutions. Sam's leadership in Mississippi and across the nation has made digging and underground utility work safer for everyone. Thank you, Sam!

Our Pipeline Safety Division completed 7 construction inspection in the Central District during the month of April.

The total amount of construction notices that were received by the Commission in the Central District during the month of April is approximately \$880,000.



"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.



Last week, our **Consumer Complaint** Specialists handled a total of 34 complaints in the Central District.

Electric Companies 24 **Telecommunications** 5 **Natural Gas** 3 Water/Sewer

Last week, the Central District received a total of 105 complaints from consumers against potential telemarketers through our no call app, website and mailins. 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.