



MISSISSIPPI PUBLIC UTILITIES STAFF

EXECUTIVE SUMMARY

**Annual Report
For the Fiscal Year
Ending June 30, 2025**

EXECUTIVE SUMMARY

The Public Utilities Staff (“Staff”) was created in 1990 and charged under Mississippi Code Ann. § 77-2-1 with representing the broad interests of the State of Mississippi by balancing the respective concerns of the residential, commercial and industrial utility customers, the state agencies and the public utilities. The Staff has investigative and advisory authority including:

- Reviewing and investigating contested matters before the Public Service Commission (“Commission”) and making recommendations with respect to the reasonableness of rates charged or proposed to be charged by public utilities;
- Reviewing, investigating and making recommendations with respect to proposed investments and to services furnished or proposed to be furnished by public utilities;
- Making recommendations to the Commission for public utility rates, service or area when deemed necessary and in the broad public interest.

The Staff currently has 20 employees with a variety of technical expertise (accounting, legal, economics, telecommunications and administration). The Staff is under the direction of the Executive Director and is organized into four divisions: Legal; Administrative Services; Water and Sewer; and Electric, Gas, and Communications.

During FY 2025, the Staff participated in 155 utility filings before the Commission. This involved reviewing and investigating contested and uncontested matters and making recommendations to the Commission with respect to the reasonableness of rates charged or proposed to be charged by utilities. In addition, the Staff continually reviewed, investigated and made recommendations regarding proposed new investments and new services furnished or proposed to be furnished by jurisdictional public utilities.

ELECTRIC

During FY 2025, Staff reviewed the annual fuel filings and performed its continuous monitoring activities related to fuel adjustment clauses for the two major investor-owned electric utilities in the State: Entergy Mississippi, LLC (“EML”), a subsidiary of Entergy Corporation, and Mississippi Power Company (“MPC”), a subsidiary of Southern Company. Additionally, Staff prepared its Summary and Comments of the Commission’s contracted financial fuel audit and procurement reviews. The audits confirmed there were no material misstatements of allowable fuel and purchased energy expenditures during the audit period and that procurement practices were reasonable.

Staff also participated in and reviewed other notable electric filings throughout the year, including:

- EML’s various filings for capital investment in transmission and distribution infrastructure;
- EML’s formula rate plan;
- EML’s Cogeneration and Small Power Production;
- MPC’s Capital Plan;
- MPC’s Environmental Compliance plan;
- MPC’s various filings for capital investment in transmission and distribution infrastructure; and,
- MPC’s annual formula rate plan.

Additional information regarding the cases outlined above, as well as other notable filings, is included in the body of the Annual Report.

GAS

During FY 2025, Staff reviewed the formula rate plans (“FRP”) and performed its continuous monitoring activities of the three major investor-owned natural gas local distribution companies (“LDCs”) in the state: Atmos, Delta Mississippi Gas (formerly CenterPoint), and Spire. Additionally, Staff continued monitoring the purchased gas adjustments (“PGA”) of these three major gas utilities. Staff reviewed the sale and transfer of CenterPoint to Delta Mississippi Gas, various supplemental growth projects, and rate change requests for the three major LDCs and jurisdictional municipalities. Details regarding the cases discussed above, as well as other notable filings, are included in the body of the Annual Report.

WATER & SEWER

The Staff reviewed 26 water and sewer cases that included applications for construction of facilities, applications to serve customers, and applications to revise the rates and charges authorized by the Commission. The Staff audited water and sewer companies, made cost studies of construction projects, monitored construction of new facilities and examined customer service practices of water and sewer utilities. Also, the Staff reviewed over 10 water block grant applications and made recommendations to the Mississippi Development Authority.

TELECOMMUNICATIONS

The Telecommunications Division continues to review and provide recommendations to the Public Service Commission regarding eligible telecommunications carriers (ETCs) and carriers providing regulated services throughout the state of Mississippi.

ELIGIBLE TELECOMMUNICATIONS CARRIERS (ETCs) – The Universal Service Fund (USF) is one fund with four programs - High Cost, Low Income, Rural Health Care, and Schools & Libraries. Two of these programs, High Cost and Low Income, require carriers to be designated as ETCs to receive funding. The Commission and Staff have the primary responsibility of designating ETCs in Mississippi, along with oversight responsibilities on an annual basis.

HIGH-COST SUPPORT – Mississippi remains one of the largest national beneficiaries of monies allocated from the federal Universal Service Fund High-Cost Support program. The purpose of the USF-High-Cost Support program is to provide funds for telecom carriers to deliver services to rural/underserved areas where the market alone cannot support the substantial cost of deploying network infrastructure and providing connectivity.

In 2025, Mississippi ETCs are expected to receive approximately \$153 million in total High-Cost Universal Service funding which included disbursements from the Rural Digital Opportunity Fund (RDOF). The year 2025 marked the third full year of RDOF monthly disbursements to the twenty-three (23) RDOF ETCs certified by the Commission upon recommendation of the Staff. In 2025, these ETCs received approximately \$42.7 million in RDOF disbursements and are expected to receive the same amount in 2026.

One of the main Telecommunication Division duties for 2025 was the compilation and analysis of USF mandated filings submitted by Mississippi ETCs demonstrating the use of awarded funds in accordance with program rules. The results of the compliance analyses by the Telecommunication Division, along with its recommendations, were submitted to the Commission for its consideration as to the certification of each ETC to receive high-cost support for the 2026 program year.

LOW-COST/LIFELINE SUPPORT – The Low-Income program, commonly known as Lifeline, provides discounts that make local telephone service affordable to millions of low-income consumers. Lifeline provides discounts, currently \$5.25 per month for voice-only services or \$9.25 per month for bundled services, that make telephone service more affordable for millions of Americans. Consumers apply for the discounts through their telephone provider or USAC's National Verifier tool. Currently in Mississippi, consumers may qualify for the Lifeline program if they have a gross household income at or below 135% of the Federal Poverty Guidelines or participate in a qualifying federal aid program (such as SNAP, Medicaid, SSI, among others).

FILING COMMENTS WITH THE FCC – The Staff monitors events of concern with the FCC and assists the Commission in filing comments. Past comments concerned the Connect America Fund (CAF) Order, call completion concerns, cramming, and Lifeline issues.

SERVING ON FEDERAL AND STATE COMMITTEES – Members of the Staff have previously served on various committees and subcommittees in different agencies to share and gain knowledge of the telecommunications' changing environment. Staff service has included Vice-Chair on the Telecommunications Subcommittee and member-at-large on the State and National Action Plan (SNAP) Committee of the National Association of Regulatory Utility Commissioners (NARUC). In addition to NARUC participation, Staff have served on the Universal Service Federal-State Joint Board and Mississippi Cyber Initiative. These appointments and participation also are vital in the implementation of changes by the FCC and allow for the recognition of Mississippi's involvement in national and state telecommunications issues.