

# Update from the Mississippi Public Service Commission

*[www.psc.ms.gov](http://www.psc.ms.gov)*

**Commissioner Brent Bailey**



**Madison County Business League & Foundation**

**January 27, 2021**

# Central District Counties

<i>Bolivar</i>	<i>Kemper</i>	<i>Scott</i>
<i>Claiborne</i>	<i>Lauderdale</i>	<i>Sharkey</i>
<i>Copiah</i>	<i>Leake</i>	<i>Sunflower</i>
<i>Hinds</i>	<i>Madison</i>	<i>Warren</i>
<i>Holmes</i>	<i>Neshoba</i>	<i>Washington</i>
<i>Humphreys</i>	<i>Newton</i>	<i>Yazoo</i>
<i>Issaquena</i>	<i>Noxubee</i>	
<i>Jefferson</i>	<i>Rankin</i>	



# What We Do

The Commission regulates telecommunications, electric, gas, water and sewer utilities. The agency is charged with assuring that rates and charges for services are just and reasonable, that the service rendered is reasonably adequate, and that any facilities constructed or acquired are required for the convenience and necessity of the public.

The commission answers complaints, conducts investigations, and holds both formal and informal hearings.

# The Public Service Commission has regulatory jurisdiction over the following utilities:

- Investor-owned electricity
- Private water/sewer
- Independent telecommunications
- Intrastate pipeline safety
- Mississippi No Call Program
- Natural Gas

# Mississippi Public Utility Act

Requires the MPSC "to promote adequate, reliable and economical utility service" and to "avoid wasteful, uneconomic and inefficient uses of energy."

Requires all public utilities to "furnish adequate, efficient and reasonable service."

# What is **ENERGY EFFICIENCY**?

Energy efficiency simply means **using less energy** to perform the same task – that is, eliminating energy waste.



Energy efficiency is a proven **low-cost** clean energy resource.

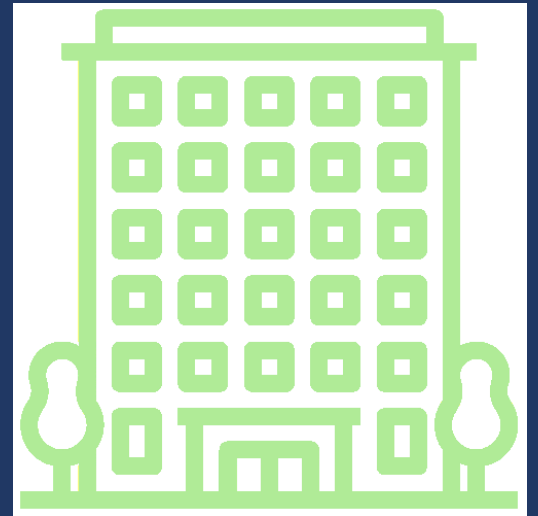
# Benefits of ENERGY EFFICIENCY

- Reducing greenhouse gas emissions
- Reducing demand for energy imports
- Lowering costs on a household and economy-wide level

There are enormous opportunities for efficiency improvements in every sector of the economy, whether it is buildings, transportation, industry, or energy generation.

# ENERGY EFFICIENCY in Buildings

- Commercial buildings have **high energy needs** and can put great strain on the nation's power grids during peak periods.
- Developing more efficient buildings helps ensure a **steady supply of affordable power** and **significantly lowers** operating costs for business.

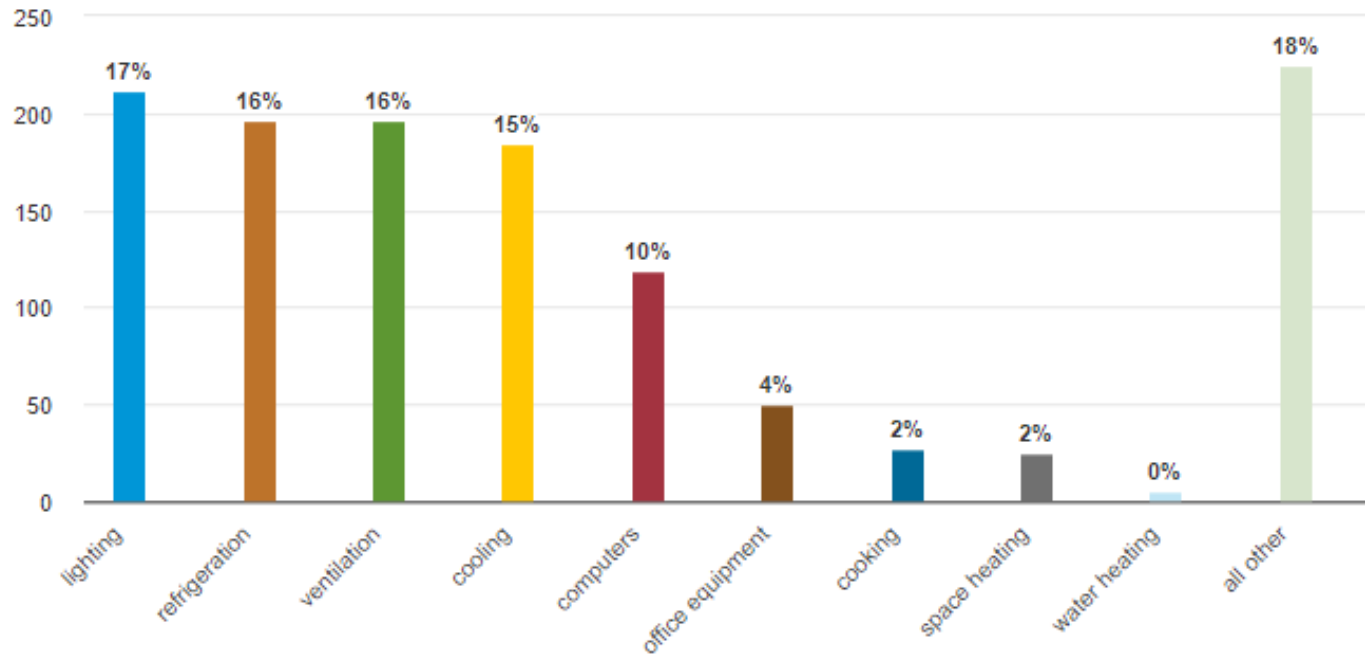




# Types of **ENERGY** used in Commercial Buildings

Electricity use in U.S. commercial buildings by major end uses, 2012

total = 1,243 billion kilowatthours (kWh)



Note: All other includes motors, pumps, air compressors, process equipment, backup electricity generation, and miscellaneous appliances and plug-loads.

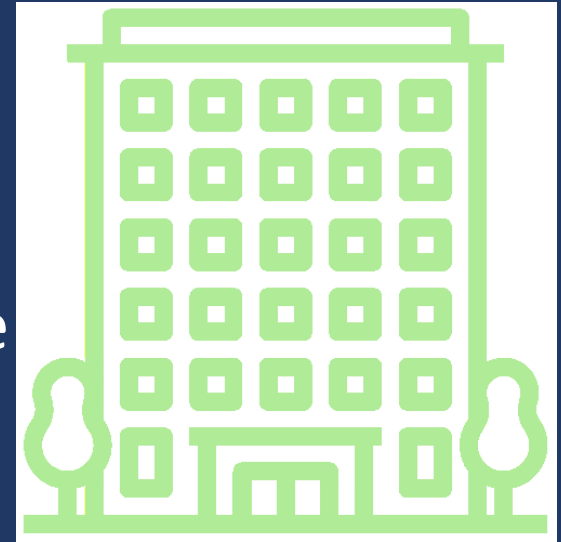
Source: U.S. Energy Information Administration, 2012 Commercial Buildings Energy Consumption Survey, Consumption and Expenditures, Table E5, May 2016

- **Electricity and natural gas** are the most common energy sources used in commercial buildings.
- Most individual commercial buildings have their own heating and cooling systems. However, there are district energy systems that supply heating and cooling to groups of commercial buildings.
- District energy systems generally use **fossil fuels (coal, natural gas, or fuel oil)**, although some use **renewable sources of energy (biomass, geothermal, solar, and wind energy)**.

*\*The latest building energy consumption data will be coming out in 2021.*

# Upgrading Existing Buildings to be more **ENERGY EFFICIENT**

- Building designers are looking to optimize building efficiency and then incorporate renewable energy technologies, leading to the creation of zero-energy buildings.
- Changes in existing buildings can also be made to reduce energy usage and costs. These may include small steps such as:
  - Choosing LED light bulbs and energy efficient appliances
  - Upgrading insulation and weatherization
  - Changes in occupant behavior
  - System controls



# ENERGY EFFICIENCY Programs in Mississippi

The following utilities in Mississippi filed Quick Start program plans:

## Entergy Mississippi:

- Residential Lighting – distribute ENERGY STAR certified lighting products to low-income customers through various community organizations
- Residential Appliances – offer rebates/incentives for purchase of efficient appliances
- HVAC/AC Tuneup – offer rebates/incentives for purchase of efficient HVAC systems; offer tune-ups of existing systems free of charge, with low-income customers receiving priority
- Residential Audit/Direct Install (READI) – customers receive free home energy audits and direct installs of efficient lightbulbs, night lights, faucet aerators, low-flow showerheads, smart power strips, etc.
- Business/Small Business – Customers receive financial incentives for efficient lighting, lighting control systems, HVAC systems, refrigeration systems, and food service equipment. Customers can also qualify for custom solutions such as efficient process equipment or industrial systems.
- They offer more than 100 incentives/rebates in total

# ENERGY EFFICIENCY Programs in Mississippi

## Atmos Energy:

- Residential Solutions for New and Existing Homes – rebates/incentives for efficient furnaces, water heaters, select appliances (e.g. gas clothes dryers), and Wifi thermostats; free energy assessments for all interested customers.
- Multifamily Direct Installs – weatherstripping, faucet aerators, low-flow showerheads
- Small Commercial – rebates/incentives for efficient water heaters, furnaces, smart thermostats
- Large Commercial – rebates/incentives for efficient boilers, furnaces, water heaters, and kitchen equipment; incentives for custom solutions (pipe insulation, steam trap replacement, etc.)
- Education Efforts – general energy saving tips

## Centerpoint Energy:

- Residential Solutions for New and Existing Homes – rebates/incentives for efficient water- and space-heating technologies and smart thermostats; higher rebates and free weatherization kits for low-income families; home energy reports and free direct installs (faucet aerators and low-flow showerheads) for all interested residential customers
- Commercial Solutions – rebates for efficient boilers, furnaces, burner replacements, and commercial food service equipment (ovens, fryers, etc.); detailed energy audits and incentives for custom solutions.
- Education Efforts – general energy saving tips

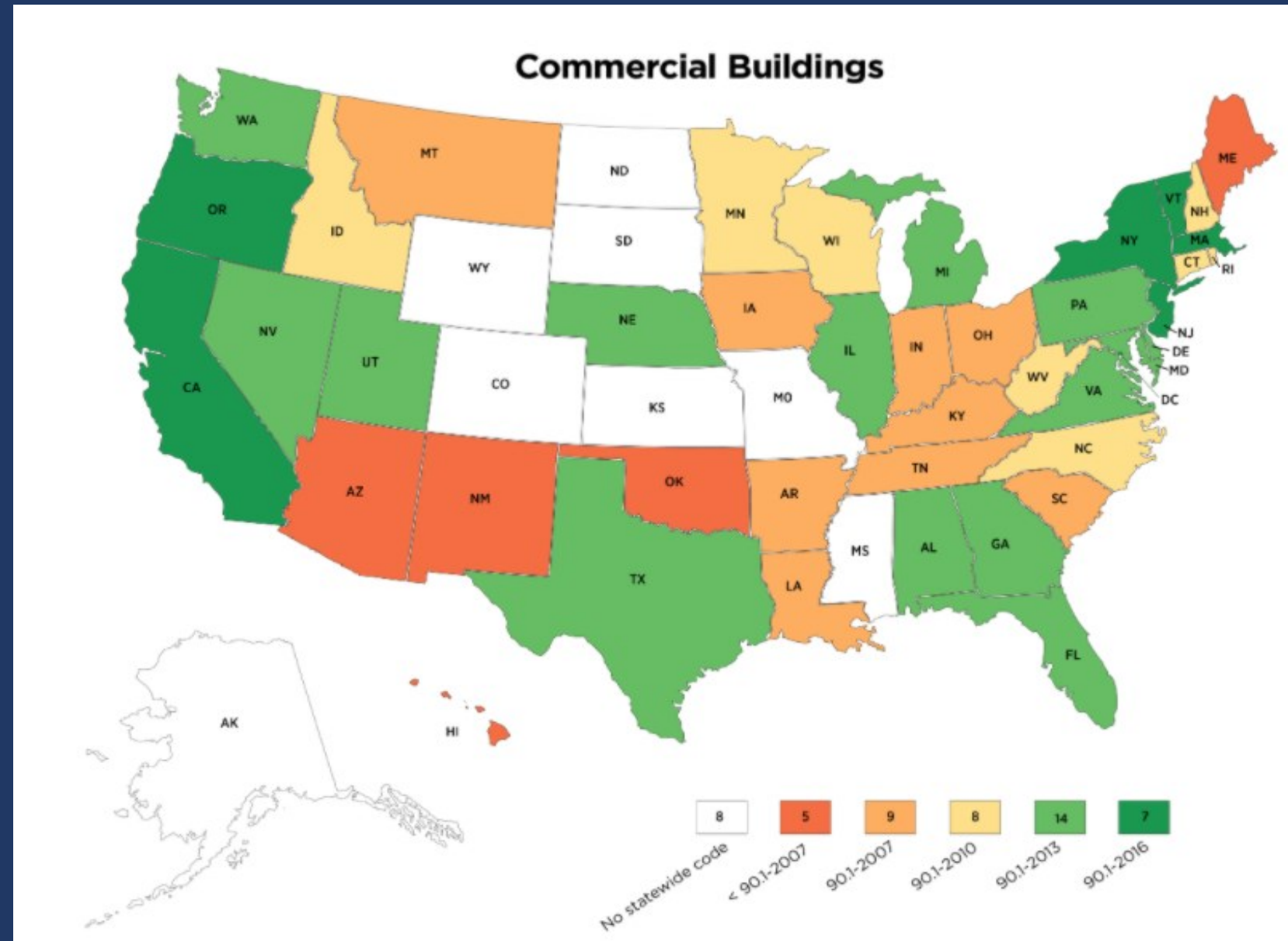
**These Quick Start programs continue to facilitate economic development, in-state job creation, and an increased quality of life for Mississippians.**

# ENERGY EFFICIENCY Programs Impacts

- In 2012, Mississippi ranked last place in ACEEE's annual State Energy Efficiency Scorecard, which ranks states according to their efforts to save energy.
- In 2013, following the passage of the strong energy efficiency rules, Mississippi became one of the most improved states in the nation.
- In the first 3 years, these programs **saved more than 120,000 MWh of electricity and 125,000 Mcf of natural gas.**
- Since then, Entergy MS programs have helped saved more than 168,000 MWh and more than 34,000 MW.
- However, due to lack of state action on energy efficiency, Mississippi has dropped back to 48<sup>th</sup> in the nation.

# Status of Commercial Building Energy Codes in Mississippi

- HB 1281, signed by Governor Phil Bryant in 2013, updates energy building codes for commercial buildings bringing them to the ASHRAE 90.1-2010 standard.
- However, **no statewide code has been adopted in Mississippi**. The Mississippi Development Authority has not taken the formal steps necessary to adopt the code.
- In 2019, the governor signed legislation extending the repealer on the 2013 statute authorizing 90.1-2010 until 2023.



# Status of Commercial Building Energy Codes in Mississippi

- Largely already done in practice in commercial construction, this legislation officially **sets a legal standard for energy efficient construction**.
- The economics of ASHRAE standards are well-understood and significant, **especially in climates like Mississippi**.
- Standardized and smarter construction practices, both in commercial and residential, will be **economically beneficial** for homeowners and businesses, and through time, will effectively **expand Mississippi's energy supply capacity** through conservation.



# What's Next for ENERGY EFFICIENCY in Mississippi?

- In December of 2019, the MPSC finalized a new Integrated Resource Planning rule, which requires regulated utilities to file resource plans with the Commission that consider both supply-side and demand-side resources for meeting customer needs.
- This includes energy efficiency, demand response, and distributed energy resources, along with traditional utility-scale resources like solar farms and power plants.





# Other ENERGY EFFICIENCY Efforts in Mississippi

- The Mississippi Development Authority created the Energy Efficiency Revolving Loan, which offers loans up to \$500,000 at 2% below the prime rate to businesses that are increasing energy efficiency in their buildings, equipment and processes.
- Additionally, MDA's Industrial Energy Efficiency Program offers grants up to \$50,000 to companies that are engaged in industrial or manufacturing processes to make energy efficiency upgrades.
- The USDA offers grants and loans to rural small businesses (any area with less than 50,000 residents) for energy efficiency improvements.

# Benchmarking Commercial Building ENERGY Use Per Square Foot

*How does your energy use compare with industry peers?*

- The average office building spends an excess of \$30,000 per year on energy
- Most building operators don't have deep visibility into a facility's energy consumption
  1. Measure your building's energy consumption.
  2. Benchmark your building against similar buildings.
  3. Make targeted improvements.
- Commercial, Warehouse, Retail have differing energy use profiles

# Utilities in Madison County

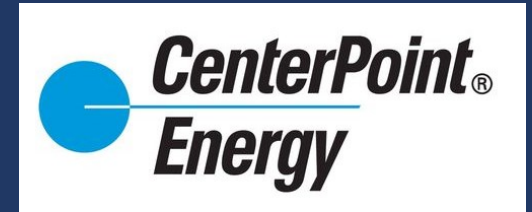
Entergy Mississippi



Atmos Energy



Centerpoint



- Each of the utilities provide economic development services that are paid for through economic development and/or supplemental growth riders on customer bills.
- These riders cover utility costs for extending services to new areas or offering specialized services to meet the energy needs of new businesses.



# Utilities in Madison County

## Entergy Mississippi

**Entergy** helps businesses to select suitable sites for industrial activities, fosters partnerships between those businesses and local governments/organizations, identifies state and local economic development incentives, and assists businesses with applications for those incentives.

**Whether a business is relocating or expanding, Entergy provides the following services:**

- Provides a Site Identification Tool
- Additionally, Entergy makes available Comprehensive Economic Development Services (contract services)



## Utilities in Madison County

# Entergy Mississippi

### Example Project in Madison County

## Entergy Mississippi Powering Up Madison County Mega Site

12/10/2019



*Company to invest \$57 million in project to attract economic development, improve reliability*

JACKSON, Mississippi –The Mississippi Public Service Commission has approved Entergy Mississippi's construction of a \$57-million substation at the Madison County Mega Site.

## SOME INCENTIVES INCLUDE:

### Community Development Block Grants Program for Economic Development

Provides funding to municipalities and counties for publicly owned infrastructure projects to assist with the location, expansion or retention of businesses. CDBG Economic Development funds must be tied to job creation, and municipalities and counties must apply on behalf of a business locating or expanding in Mississippi.

### Development Infrastructure Grant Program (DIP)

Provides grant assistance to counties or municipalities to finance infrastructure projects to support business locations and expansions in Mississippi. Funding from this program can be used by municipalities and counties to assist with the location or expansion of businesses. Usage of the funds must be directly related to the construction, renovation or expansion of industry.





# Utilities in Madison County

## Atmos Energy

## CenterPoint Energy



**Atmos Energy** is recognized as an economic development champion for its commitment to “Hire Mississippi”.

**Atmos Energy and CenterPoint Energy** are entitled to spend a certain amount of money each year (usually up to \$5 million) to extend service to new commercial entities.

Sheet 403 CenterPoint Energy Resources Corp. (Name of Utility Organization or Other Serving Agency)		Mississippi Public Service Commission	
MISSISSIPPI GAS (Rate Area to Which Schedule is Applicable)		P. S. C. SCHEDULE NUMBER RIDER SG	
TYPE UTILITY SERVICE Gas (Electric, Gas, Telephone, Water, Sewer)		REVISED NO. 5	DATE ISSUED September 22, 2020
CLASS OF SERVICE Large Volume (Residential, Commercial, Industrial, Rural)		SUPERCEDES SCHEDULE NO. RIDER SGR Revised No. 4	DATE ISSUED November 7, 2019
(This space for statement of availability, character of service, rate, minimum charge, terms of payment, special conditions, and minimum contract period pertinent to the application of this particular rate schedule)		SCHEDULE CONSISTS OF 6 SHEETS	

SUPPLEMENTAL GROWTH RIDER

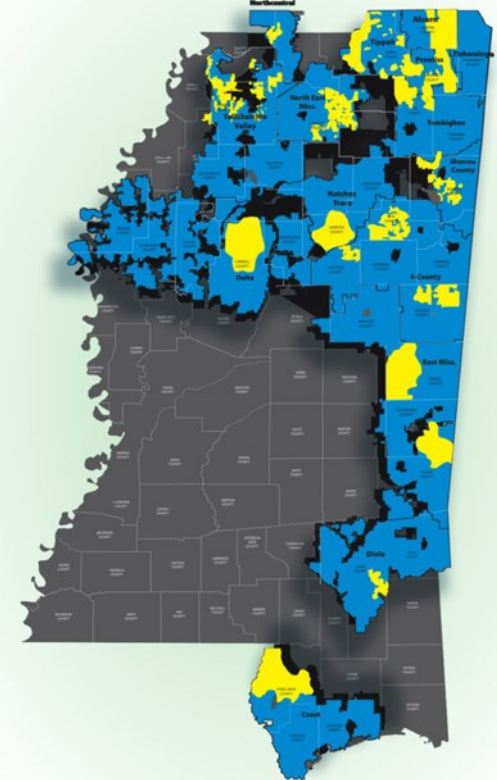
**RIDER SG**

- APPLICATION**
  - This Rider (“Rider SG”) shall apply to all capital expenditures projected or incurred by the Mississippi Division of CenterPoint Energy Resources Corp. (hereinafter “Company”) under the General Provisions stated herein.
- PURPOSE**
  - Rider SG is designed to encourage industrial development and job creation by providing an incentive for the Company to extend gas service to industrial projects which are not otherwise feasible for the Company to fund.
- SUMMARY**
  - The Company may invest up to \$5,000,000 for economic development in incremental funds above its normal capital budget annually in Mississippi without prior Mississippi Public Service Commission (hereinafter “Commission”) approval to extend gas service for industrial projects not otherwise economically feasible for the Company to fund. The Company shall be allowed to earn a Supplemental Return on Equity on the rate base associated with such projects. Capital investments and related expenses eligible for recovery would be filed and recovered under a separate, exact recovery rider. The Company may invest in excess of \$5,000,000 annually in such projects, but only with advance approval by the Commission. The Mississippi Public Utilities Staff (hereinafter “Staff”) will consider such requests on an expedited basis. Upon approval, the Company will undertake construction of the project on a timely basis and include the actual or projected capital expenditure in its next Rider SG filing.

# Mississippi Electric Cooperatives Broadband COVID-19 Act

Provider Name	Primary Award	Secondary Award	Tertiary Award	Total Awards
Telepak Networks, Inc. dba C Spire Fiber	\$ 850,657.50	\$ 485,050.00		\$ 1,335,707.50
North Lauderdale Water Association	\$ 175,000.00			\$ 175,000.00
Sebastopol Water Association	\$ 100,000.00			\$ 100,000.00
Uplink Internet	\$ 150,000.00			\$ 150,000.00
Alcorn County Electric Power Association	\$ 4,911,998.46	\$ 519,799.59		\$ 5,431,798.05
Coast Electric Power Association	\$ 5,425,826.42	\$ 574,174.00	\$ 119,022.94	\$ 6,119,023.36
Delta Electric Power Association	\$ 4,431,896.41	\$ 468,994.00		\$ 4,900,890.41
Dixie Electric Power Association	\$ 3,324,675.14	\$ 351,825.00		\$ 3,676,500.14
East Mississippi Electric Power Association	\$ 5,425,826.42	\$ 574,174.00	\$ 62,890.39	\$ 6,062,890.81
4-County Electric Power Association	\$ 5,425,826.42	\$ 574,174.00	\$ 36,687.58	\$ 6,036,688.00
Monroe County Electric Power Association	\$ 3,804,101.16	\$ 402,559.00		\$ 4,206,660.16
Natchez Trace Electric Power Association	\$ 3,942,546.55	\$ 417,209.00		\$ 4,359,755.55
North East Mississippi Electric Power Association	\$ 3,706,380.22	\$ 392,217.78	\$ 745,000.00	\$ 4,843,598.00
Northcentral Electric Power Association	\$ 2,486,837.11	\$ 263,163.00		\$ 2,750,000.11
Prentiss County Electric Power Association	\$ 4,521,522.02	\$ 478,478.00	\$ 7,965.74	\$ 5,007,965.76
Tallahatchie Valley Electric Power Association	\$ 4,080,916.60	\$ 431,851.00		\$ 4,512,767.60
Tippah Electric Power Association	\$ 5,425,826.42	\$ 574,174.00	\$ 10,318.48	\$ 6,010,318.90
Tishomingo County Electric Power Association	\$ 4,288,653.69	\$ 453,835.00		\$ 4,742,488.69
Tombigbee Electric Power Association	\$ 3,797,166.96	\$ 401,825.00	\$ 378,955.00	\$ 4,577,946.96
<b>Total</b>	<b>\$ 66,275,657.50</b>	<b>\$ 7,363,502.37</b>	<b>\$ 1,360,840.13</b>	<b>\$ 75,000,000.00</b>

**Mississippi Electric Cooperatives  
Broadband COVID-19 Grant Program**



Mississippi will receive **\$495,725,799.60** through  
the  
**Rural Digital Opportunity Fund Phase I Auction**

Madison County will receive a total of **\$3,374,397**

**Connect Everyone LLC**

140 Locations

**\$579,225**

**Space Exploration  
Technologies Corp.**

1,706 locations

**\$2,795,172**



The average Mississippi county will receive just over **\$6 million** through the **Rural Digital Opportunity Fund Phase I Auction**  
Madison County will receive a total of **\$3,374,397**

We know we have the need, why the lack of funding?

Broadband: Reported Access vs Actual Usage (25/3 Mbps)						
County	Population	Reported Access (FCC) <sup>1</sup>	Actual Usage <sup>2</sup>	Pop. w/o Broadband	Per Cap Income <sup>3</sup>	Percent Rural <sup>4</sup>
Madison	95,203	93%	41%	55,979	\$38,469	28%

<sup>1</sup> FCC's 2019 Broadband Deployment Report

<sup>2</sup> Microsoft Data Science and Analytics (November 2019 Data)

<sup>3</sup> FCC 2020 Broadband Deployment Report

<sup>4</sup> U.S. Census Data (2010)

# Legislation

## 2021 General Session

### INVESTOR OWNED UTILITY BILLS

- **HB 942:** Declares that it is the policy of the State of MS to support deployment of existing and emerging technologies, including fiber-optic infrastructure and provide customer access to broadband services; Allows investor-owned electric utilities to provide broadband providers use of electric delivery system to provide broadband services; Allow the MPSC to enter into contracts for the purpose of data collection and broadband mapping.
- **SB 2798:** Broadband services; provide for the participation of investor-owned electric utilities in the expansion of.

*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.*

# Legislation

## 2021 General Session

The Commission will be watching numerous bills that could impact customers, certain utilities or the MPSC. Some of these include:

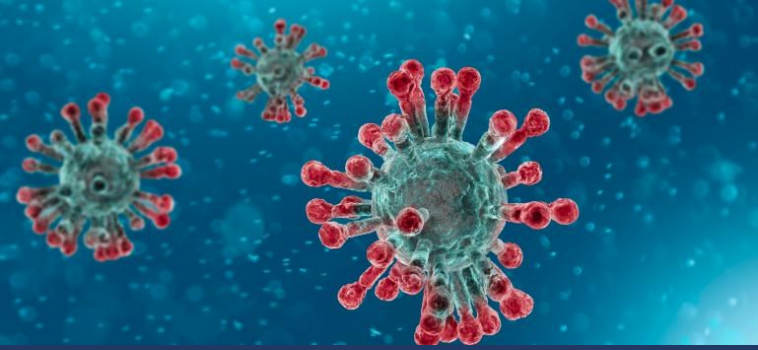
- **HB 86:** Provide for certain participation of investor owned electric utilities in the expansion of broadband services in the state
- **HB 91:** Public Service Commission; remove from the provisions of the Mississippi Budget Transparency and Simplification Act
- **HB 100/SB 2018:** MS Telephone Solicitation Act; extend repealer on requirement that fees be deposited into State General Fund
- **SB 2123:** Political subdivisions; prohibit ordinance that bans or restricts a person's ability to use a natural gas or electric public utility
- **SB 2210:** Municipally owned waterworks; prohibit from charging higher rates to customers residing outside of and within one mile of the corporate limits of the municipality

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# MPSC and Economic Development

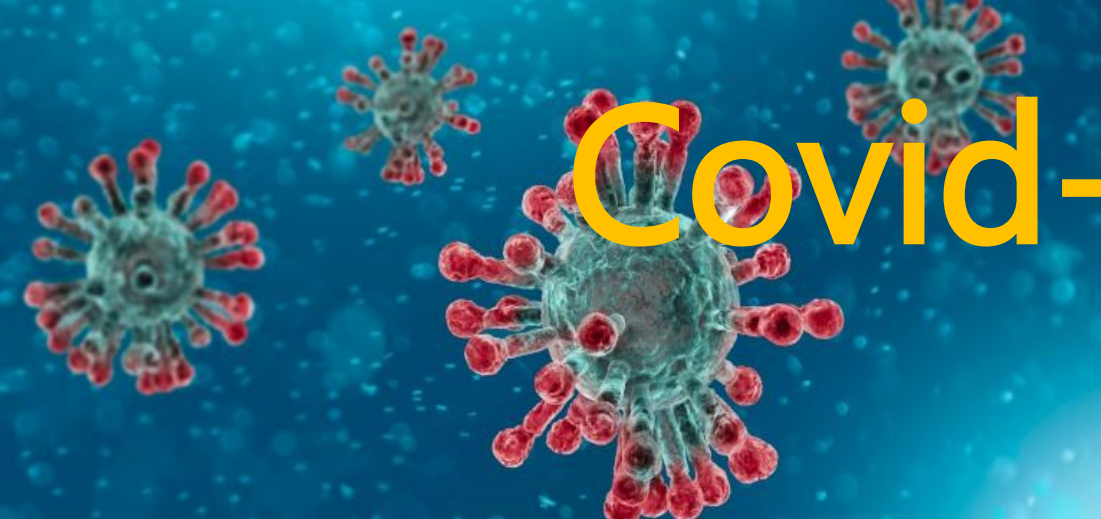
The Mississippi Legislature “authorize and empower the Public Service Commission....to take every opportunity to advance the economic development of the state.”

- Approving utility programs that attract new or existing businesses
- Contribute to workforce development
- Facilitate enhanced grid investments
- Expansion of fiber optic infrastructure



# Covid-19 Relief Efforts

- The Public Service Commission issued a temporary moratorium on utility disconnections. Most utilities voluntarily extended moratoriums.
- As we take precautions to protect ourselves during this crisis, we must be reminded that our utility workers continue their daily work in the field to ensure that we have the various utility services we need.
- Utility personnel and crews are taking special measures to help keep our lights, gas and water on and we ask you to help us all stay healthy and safe by adhering to CDC and MSDH guidelines and keep your distance from utility workers and work zones.

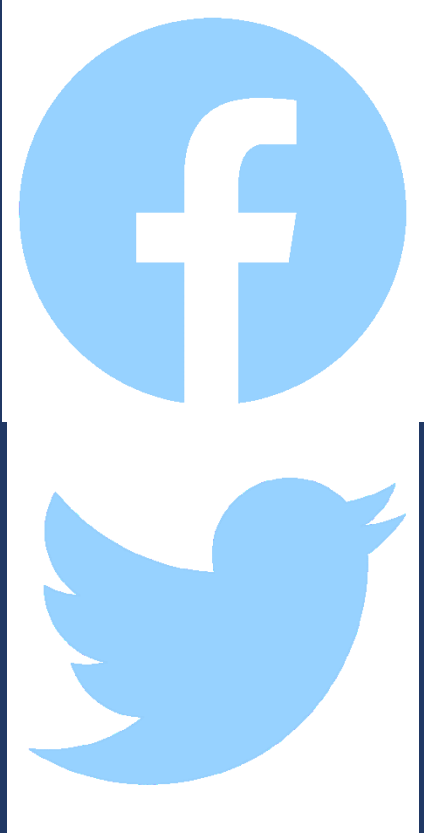


# Covid-19 Relief Efforts

## *made by our Utilities*

- ✓ Entergy Mississippi: Created a hub of resources and information on the benefits made available through the CARES Act- *"Resources for Mississippi Small Businesses Affected by COVID-19"*
- ✓ CenterPoint Energy: Created a "Small Business Resources" page

# Connect With Us!



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*[www.psc.ms.gov/central/commissioner](http://www.psc.ms.gov/central/commissioner)*