



# GPSC News

*Making Business and Safety Decisions Affecting Tomorrow*

Summer 2003

Volume 3 Issue 1

## Green Energy

*\*Voluntary  
\*Power from Renewable Sources  
\*Premium paid over and above normal usage*

# Commission Approves Green Energy Pricing Programs

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The Commission July 15 approved the state's first Green Power Pricing tariffs for the Green Energy Programs submitted by Georgia Power Company and Savannah Electric and Power Company. The entirely voluntary programs will allow electric utility consumers to purchase part of their electric power that is generated by renewable resources, such as landfill gas and solar. Georgia Power customers who are interested in participating in the utility's Green Energy Programs will be able to do so at a premium rate of \$5.50 per



Atlanta City Council member Claire Muller addresses the Commission at Green Power hearing on July 1

100-kilowatt hour block of time. Savannah Electric and Power customers will be able to do so at a minimum 12-month period

*(Continued on page 2)*

## Commission Approves Resolution of Issues With Natural Gas Marketer ACN Energy

The Commission June 3 refunded to customers. required by approved the largest ACN paid the remaining Commission rule; that payment ever by a Georgia \$17,108 to the Low ACN's disconnection natural gas marketer to Income Heating Energy notices implied that to resolve alleged violations Assistance Program avoid disconnection the of Commission rules and (LIHEAP). Specifically, the consumer must pay to Georgia law. The allegations included: that ACN all amounts owed, agreement required ACN sent to customers rather than just the natural gas marketer ACN disconnection notices past due amounts; Energy, Inc. to pay a total threatening disconnection and that ACN's of \$326,158, of which in seven days, instead of disconnection notices \$309,050 was credited and the 15 days notice

*(Continued on page 2)*

## Commissioner Wise To Assume NARUC Presidency



Commissioner Stan Wise will become President of the National Association of Regulatory Utility Commissioners (NARUC) on August 4. Wise takes over the top post at NARUC following the resignation of current NARUC President David Svanda of the Michigan Public Service Commission.

Wise will preside over the association's Annual Convention here in Atlanta, November 16-19, 2003.

NARUC is a non-profit corporation found in 1889. Its members include the governmental agencies that are engaged in the regulation of utilities and carriers in the 50 states, the



District of Columbia, Puerto Rico and the Virgin Islands. NARUC's member agencies regulate telecommunications, energy, and water utilities. NARUC represents the interest of State public utility commissions before the three branches of the

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Federal government and the Independent federal agencies. NARUC works closely with the Federal Energy Regulatory Commission, FCC, the Nuclear Regulatory Commission, SEC, and the FTC to ensure that the State perspective is considered in their proceedings. The role of NARUC is becoming increasingly important as many issues involve Congress and the federal regulatory agencies.

Commissioner Wise is serving his second six-year term on

### ACN Energy

*(Continued from page 1)*

failed to offer reasonable payment arrangements, failed to provide notice of payment centers, and failed to provide notice that qualified low-income residents could transfer to the Regulated Provider without termination of service. In addition, ACN charged consumers rates that were higher than those on file with the Commission.

### Green Power Pricing Approved

*(Continued from page 1)*

tomers who are interested in taking part in the Green Energy Program will be able to do so at a rate of \$6 per 100-kilowatt hour block per month for a minimum 12-month period of time. The Commission will conduct an annual review of the Green Energy Programs beginning August 1, 2004.

The Commission heard from several members of the public during its July 1, 2003 hearing on Green Energy Pricing. Among them was Atlanta City Council member Claire Muller. Ms. Muller asked the Commission to consider lowering the cost of the program and to encourage the utility companies to work with cities in making the Green Energy program a success.

## Senate Committee To Study Electric Transmission Line Locations

The Senate Electric Line Location Study Committee will meet this fall to begin its study of electric transmission line locations and the issues surrounding this controversial topic. Senator Renee Untermann, (R-Loganville) will



Sen. Untermann

chair the five member panel. Other Senators on the Committee include Senator Mitch Seabaugh (R-Sharpsburg), Senator Davie Shafer (R-

Norcross), Senator Preston Smith (R-Rome) and Senator Terrell Starr (D-Forest Park). At the time of this printing, the Committee has not set any official hearings. The Committee was established pursuant to

## Commission Decisions



### PSC Prescribes Accounting Treatment for Transfer of Property by Savannah Electric; Sets Georgia Power Fuel Cost Recover Hearings

The Commission June 17 unanimously ordered Savannah Electric and Power Company (SEPCO or Company) to account for the transfer of 58 acres to its affiliate, Southern Power, at the higher of net book value or fair market value. The land, which will be used to construct a combined cycle generation plant at Plant McIntosh, has a book value of \$16,496. The Company's own appraisal last year set the market value of this

property at \$226,000. The Commission accepted Commissioner Doug Everett's amendment to the staff's recommendation to require the Company to obtain a new appraisal of the property, since the existing appraisal is over nine months old. In doing so, Commission Chairman Robert Baker said, "We're concerned that SEPCO ratepayers get the full value of this property." In other action, the Commission approved a schedule for hearings in Georgia Power Company's Fuel



Cost Recovery case, filed on May 23, 2003. Georgia Power is seeking a new fuel cost recovery rate that will reflect the increased costs of fuel to meet electricity demands for its service areas. If approved, the proposed rate will increase the average customer's bill by

about 2.9 percent, or \$1.60 a month. Hearings will be held on July 31, 2003 and August 1, 2003. The Commission will issue its decision setting the new fuel rate at its regular Administrative Session on August 19, 2003. Under Georgia law, the Commission has 90 days to make a decision after the utility files its request for a new fuel cost recovery rate.

### No Call Provisions Become Law

Governor Sonny Perdue signed Senate Bill 272 June 4 to enable Georgia residents to include their wireless and mobile phone numbers on the Georgia No Call List. The Commission proposed this consumer-oriented legislation that unanimously passed the 2003 Georgia General Assembly. Senator Mitch Seabaugh (R-



**Governor Perdue signs SB 272**

of Consumer Affairs handles all violations reported by Georgia residents. Over 200 telephone solicitors across the country have paid fines for violation of no call laws in 30 states.

A Georgia resident may subscribe or receive additional information about the No Call List by calling the toll free number, 1-877-426-6225 or by accessing our web site at [www.ganocall.com](http://www.ganocall.com).

**Bob Vaughan** is the new chairman of the GUFPA Advisory Committee, the first Commission staff member to hold that position. The Advisory Committee is appointed by the Commission to advise on issues concerning the protection of underground utilities. The Committee is composed of representatives from the utilities, excavators, DOT, Consumers Utilities Counsel and municipalities.



Sharpsburg) sponsored the legislation.

The Commission implemented the no call program that now has over 430,000 phone numbers on the list in 1999. The Governor's Office

## Commission Rulings



### Commission Accepts Stipulation with Atmos in Gainesville Explosion

The Commission June 17 unanimously accepted an amended agreement with Atmos Energy to resolve issues stemming from the December 17, 2002 explosion in Gainesville, Georgia which killed one person and seriously injured a second person. Atmos Energy agreed to pay a penalty of \$285,000 in two parts: \$195,000 to fund a statewide natural gas public safety education program in English and Spanish and a credit of

\$90,000 to the pipe replacement program. This credit would reduce the monthly rider paid by customers for the twelve months beginning October 2003. The agreement states that the \$195,000 for public education will be under the control of the Commission and Atmos will not derive any advertising benefit from this program. The stipulation also requires Atmos to survey and repair all leaks in its pipes with specified deadlines under Commission oversight and to resolve the 13 alleged violations of federal and state regulations outlined in the

Commission's February 24, 2003, report on the incident.

### PSC Approves Resolution of Alleged Violations of Natural Gas Act by Natural Gas Marketer Southern

The Commission July 1 unanimously accepted an agreement to resolve alleged violations of Georgia law and Commission rules by Southern Company Gas. Among the alleged violations are that Southern Company Gas sent

notices to its customers threatening disconnection with less than the required 15-day notice, and required customers to pay the entire amount due rather than the amount past due more than 45 days. Southern Company Gas agreed to credit \$45,000 to affected customers' accounts and to contribute \$100,000 to the Low Income Heat Energy Assistance Program (LIHEAP) for a total payment of \$145,000.

Commissioners made it clear they expect all marketers to abide by the law and Commission rules in the future. Chairman Robert B. Baker, Jr. said "The rules are in the law, they are not tricky. We hope we won't have these cases in the future and that our staff can spend more time assisting consumers." Commissioner Angela Speir noted that Southern Company Gas is the fourth natural gas marketer this year to come before the

Commission for alleged violations of natural gas laws and Commission rules. "Marketers have had their warning shot. If we see these types of violations continue, we will seek stronger sanctions." Commissioner David Burgess noted that consumers will directly benefit from this action. "This step will bring the total to \$1 million in credits this year that natural gas consumers have received due to Commission enforcement of

state law and Commission rules," Burgess said. Additionally a majority of Commissioners came out forcefully against the proposed use of automatic renewal provisions for fixed-rate gas contracts. The Commission's policy statement against the use of automatic renewal provisions was the result of a new tariff filed by Shell Energy

Services Company that would have permitted the company to automatically renew a customer's service contract without receiving an affirmative consent from the consumer. The Commission Staff identified several matters where natural gas consumers had been given only a few days to respond and had received misleading and inaccurate

information regarding gas contract renewal.

The Commission's policy statement against the use of automatic renewal provisions will be evaluated in conjunction with a proposed rulemaking proceeding pending before the Commission regarding the use of automatic renewal provisions in gas customer contracts.



## Commission News

### Commissioners Attend FERC Technical Conference in Atlanta



Several Commissioners attended the Federal Energy Regulatory Commission (FERC) Technical Conference on Regional Transmission Organizations and Wholesale Market Platform issues in Atlanta on June 5. Commissioners Robert Baker, Doug Everett, Angela Speir and Stan Wise attended the conference. Afterwards, Commissioners Everett and Wise joined a number of other Southern



Commissioners Robert Baker (l) and Doug Everett chat with FERC Chairman Pat Wood

regulators to voice concerns to FERC about its national electricity-restructuring plan, saying many of these concerns remain unaddressed. They made clear that voluntary participation in re-

gional transmission organizations, a clear demonstration of net benefits and preservation of state jurisdiction over certain components of electricity service need to be part of any restructuring proposal. Commissioner Wise, said, "My hope is that FERC would continue its role of accommodating the concerns of Georgia's and other southern Commissioners and that the model they adopt would reflect those concerns. I still believe that a go slow approach to this



Commissioners Baker and Angela Speir attend the FERC workshop

process would best represent Georgia's consumers." Commissioner Doug Everett, Commission Vice-Chairman, said, "This is the first step to nationalizing the electric industry. FERC's plan will mean higher rates for the average Georgia electric utility consumer."

The Atlanta conference was one of several regional technical conferences held by FERC this year.

### Commissioner Everett Visits Alternative Energy Plant in Northeast Georgia

Commissioner Doug Everett got a close up and personal look June 20 at an alternative energy source near Carnesville, Georgia that could help Georgians use "Green Power" while at the same time cleaning up the environment. The process



Commissioner Everett chats with ERI manager Billy Jones

burns chicken manure to fire a boiler that produces steam that is used to run an electric generator. Burning the manure could help alleviate the contamination of streams and ground water by the phosphates and nitrogen in chicken manure. The plant is operated by Earth Resources, Inc. of Carnesville.



## Pipeline Safety Conducts Workshop

The Commission held its annual Pipeline Safety Seminar at the Macon Holiday Inn Conference Center April 21-24 with about 350 people, primarily employees from municipal, private and master meter gas operators from around the state, in attendance. Pipeline Safety staff made presentations on the federal pipeline safety regulations and state GUFPA law. Special breakout sessions were held for the attendees to sharpen their technical skills in performing certain tasks on the pipelines. Vendors were present to introduce the latest tech-



Pipeline Safety Staff conducts Seminar

nology and materials available to the natural gas industry. The Pipeline facilities staff along with a Federal Office of



Pipeline Safety Director Danny McGriff makes presentation

Pipeline Safety instructor and various other speakers with expertise in their field conducted group training and breakout sessions.

## Consumer Affairs

### Big Bucks...Big Bucks...Can You Say "Biggggg Bucks?" by Bernard Cameron

Consumers receive big bucks! Since September 23, 2003 (the date legislation contained in HB 1568 became enforceable), consumers have realized savings of more than \$1.5 million. About \$822,000 of this amount was the result of "formal" enforcement

action that Consumer Affairs staff spearheaded against three gas marketers (Georgia Natural Gas, A C N Energy and Southern Gas Company). The remaining \$700,000 was due to service providers (across all industries - gas, electric and telephone) issuing refunds, credits or adjustments to consumers' bills after contact with our office.

More than \$330,000 was returned to customers of Georgia Natural Gas (GNG)

who were disconnected in error. These customers had either paid their bills in full or were current on an authorized payment arrangement, but the Company failed to take reasonable actions to protect them from being disconnected. In a stipulated settlement, the Company agreed to pay each customer \$100 and \$5 per day the customer's service remained off. Additionally, GNG was required to refund or credit reconnection fees or

deposits collected. A contribution of \$10,000 was paid to the Low-Income Home Energy Assistance Program (LIHEAP).

It is a violation of Commission rule to charge a customer a cents-per-therm other than the published price at the beginning of the customer's billing cycle. The published price is defined as the cents-

per-therm that is on file with the Commission. Customers of ACN Energy were the recipients of monthly bills that contained multiple cents-per-therm. The settlement agreement amount in this case was in excess of \$300,000. A contribution of \$17,108 was paid to LIHEAP. Consumers are entitled to receive a notice 15 days in

advance of the proposed disconnection of their natural gas service. Southern Company Gas sent out disconnection notices that gave consumers 7 days to pay their bill or risk being disconnected, and the notice led customers to believe they had to pay the entire bill, rather than just the amount that generated

*(Continued on page 7)*

# Employee News

## Sheila Collins Retires

**Sheila Collins** retired June 26 from the Commission. Sheila came onboard in June 1987 and was an Administrative Assistant who served in the Pipeline Safety Section, Division Support Unit and Consumer Affairs Unit during her career with the PSC.



Friends, family and staff gather to wish Sheila a happy retirement

the disconnection notice. This oversight cost the company over \$75,000 in credits/refunds to the affected customers and a \$100,000 contribution to LIHEAP. What is the message being conveyed to service providers? If you violate Commission rules – you pay. And, you pay “BIGGGGG.”

## New Employee



**Tressa deAndrade** joins the Commission as an Administrative Law attorney. She was born in Vietnam. Earned B.A. in Philosophy from University of Arizona and law degree at the University of Arizona College of Law. Her parents live in Arizona and her siblings live in North Carolina and Arizona. Resides in Midtown with husband of two years.

## Farewells

**Glenda Knowles**, Fiscal Affairs Director, leaves to take a new position with the Georgia State Financing and Investment Commission. Glenda has been with the Commission for three years but has served in several agencies in State government.

**Shane Wieberg** left the Commission July 18 to take a job in the private sector.

## 2003 Graduates



**Lindsay Wise**, graduated from Georgia Southern University with a Bachelor of Arts degree. Lindsay is the daughter of **Commissioner Stan Wise**.

## Former PSC Transportation Director Passes Away

**Tom Doyal**, former Director of Transportation at the Commission, passed away July 20 following a battle with cancer. Tom came to the Commission in 1954 and served as Direc-

tor of Transportation 1974-1989. Funeral Services were held July 23 at Carmichael-Hemperley Funeral Home. He retired from the Commission in 1989.

## Commission Honors Employees

The Commission June 17 honored its employees who have given their time and service to the Commission. Employees receiving five year awards were: Jamie Barber, Tom Bond, Janey Chauvet, Dona Cucich, Deborah Flannagan, Winifred Gaines, John McCarter, Carol Metz, Helen

O'Leary, Lisa Taylor, Michelle Therbert, Nancy Tyer, Cheryl Vinson, Earnest Whatley, Claudette Willingham and Troy Willis. Those employees receiving ten year awards were: Sheree Kernizan. Employees receiving 15 year awards were: Dennis Sewell.

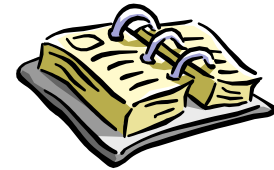
Employees with 25 year of service are: Keith Blackshear, Tim Hopkins, Glenda Knowles, and Bob Vaughan. Commission Chairman Robert B. Baker along with Commissioners David Burgess, Doug Everett and Angela Speir also attended.

# Commission News



## Georgia State Holidays For 2003

### Commission Calendar



<b>News Year's Day</b>	<b>January 1</b>
<b>Martin Luther King, Jr. Birthday</b>	<b>January 20</b>
<b>Confederate Memorial Day</b>	<b>April 28</b>
<b>Memorial Day</b>	<b>May 26</b>
<b>Independence Day</b>	<b>July 4</b>
<b>Labor Day</b>	<b>September 1</b>
<b>Columbus Day</b>	<b>October 13</b>
<b>Veterans Day</b>	<b>November 11</b>
<b>Thanksgiving</b>	<b>November 27</b>
<b>Robert E. Lee Birthday</b>	<b>November 28</b>
<b>Christmas</b>	<b>December 25</b>
<b>President's Day</b>	<b>December 26</b>

### August

5-Administrative Session  
14-Committees  
19-Administrative Session  
28-Committees

### September

1-Holiday  
2-Administrative Session  
4-Atmos hearing  
11-Committees  
16-Administrative Session

## Commission Calendar

### October

2-Committees  
7-Administrative Session  
13-Holiday  
16-Committees  
21-Administrative Session  
30-Committees

### NARUC

**Annual Convention**  
November 16-19, 2003  
Atlanta, Georgia  
**Winter Meeting**  
March 7-10, 2004  
Washington, D.C.  
**Summer Meeting**  
July 11-14, 2004  
Salt Lake City, Utah

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**COMMISSIONERS**  
**Robert B. Baker, Jr., Chairman**  
**David L. Burgess**  
**H. Doug Everett**  
**Angela E. Speir**  
**Stan Wise**

