



# GPSC News

Fall 2009

Volume 8 Issue 4

*\*STRIDE Program to improve natural gas distribution system  
\*\$.39 increase in October 2009 bills*

## Commission Approves Atlanta Gas Light STRIDE Program

### In this issue

Legislative Update	2
Lifeline Linkup Proclamation	3
Wise Calls for More Aggressive Marketing for Renewable Energy	3
Commission Fines Illegal Movers	4
Commission Conducts Rate Training Class	4
Commission Approves Georgia Power Settlement	5
Commission Fines Illegal Movers	5
Commission Waives Phone Book Rules	5
GUCC Convention	6
Employee News	7
State Holidays	8
Commission Calendar	8

**Next Issue  
January 2010**

The Commission October 6 approved by a 4-1 vote Atlanta Gas Light Company's (AGLC) request to implement a new program to ensure that the Company's natural gas distribution system will be able to handle increased load growth and improve the system's reliability. The Company has named its proposal the "Strategic Infrastructure Development and Enhancement Program" or STRIDE (Docket Number 29950.)



The Commission approved an agreement in the Docket signed by both the Commission's Public Interest Advocacy Staff and AGLC. However the Commission adopted an amendment proposed by **Commissioner Lauren "Bubba" McDonald, Jr.** to levelize the increase that consumers will see in

their bills over the next three years. The Commission decision means residential, commercial and industrial customers will pay an additional \$.39 as part of the monthly AGLC base charge on their natural gas bill beginning October 1, (Continued on page 2)

## Commission Investigates Gwinnett County Pipeline Cuts

The Commission is investigating two incidents that damaged natural gas pipelines inside the city of Snellville, Georgia on September 29, 2009 and September 30, 2009, at U.S. Highway 78 and Fountain Drive. These incidents caused local authorities to close several businesses and

evacuate citizens resulting in economic loss and the disruption of traffic and citizens lives. The first incident involved the cutting of a two inch natural gas line while the second incident involved

damage to a four inch natural gas line, both owned by Atlanta Gas Light Company. The Commission is charged under Georgia law with the enforcement of Georgia's Utility Facility Protection Act (GUFPA), passed in 2000 by the Georgia General Assembly and (Continued on page 2)



## Legislative News

**B**udget time is here again and that means the 2010 Legislative season is fast approaching.

Since the 2009 General Assembly adjourned in April, the state budget news has been dismal as revenues continue their downward drop. Revenues for September 2009 were 16 percent lower compared to September 2008. Revenues for Fiscal Year 2010 overall were down more than 14 percent compared to FY 2009.

The Commission will present its FY 2010 Amended Budget and FY 2011 Budget to the Governor on November 5. The Commission is dealing with the budget cuts in several ways:



The Commission faces any number of major rate cases in the 2010 that will impact the budget.

1. Atmos Energy, decision expected March 2010.

If you have a story for the next GPSC News, please send to Bill Edge, [bille@psc.state.ga.us](mailto:bille@psc.state.ga.us). Next issue deadline is October 15, 2009.

2. Georgia Power Fuel Case, decision in March 2010.
3. Atlanta Gas Light Company rate case, decision late 2010.
4. Georgia Power rate case, decision expected December 2010.
5. Georgia Power Integrated Resources Plan, decision expected mid-2010.
6. Atlanta Gas Light Company Capacity Supply Plan, decision in Fall 2010.

All of these proceedings will require funding for outside consultants and subject matter experts to assist the Commission and staff in reaching the most beneficial decision in these cases.

## Commission Approves AGLC STRIDE Program

*(Continued from page 1)*

2009. Rates will increase by an additional \$0.39 on October 1, 2010 and another \$0.40 on October 1, 2011. The Company's original proposal would have increased bills by \$0.95 a month.

The Commission held a hearing in this docket on September 16, 2009 following the Company's filing on June 15, 2009.

Here are some facts related to

the Commission's decision:

The new STRIDE program would allow AGLC to invest approximately \$400 million over the next ten years in infrastructure improvements. Those improvements could include upgrading the utility's distribution system and liquefied natural gas (LNG) facilities to improve system reliability and create a platform to meet forecasted growth.

AGLC will be required to file quar-

terly progress reports. Every three years the Company must file a copy of its STRIDE plan for the next three years for Commission review and approval.

STRIDE would merge into the existing AGLC Pipeline Replacement Program (PRP) that began in 1998. Under the agreement, Commission Staff will conduct quarterly financial and prudence of implementation audits of the STRIDE program.

## Commission Probes Pipeline Damages

*(Continued from page 1)*

amended in 2005, aimed at protecting underground facilities from damage and destruction during excavation activities. Violations of the Act are punishable by civil penalties up to \$10,000 for each violation. In addition, the Commission also enforces federal safety regulations for

natural gas systems inside the state.

State law and Commission rules require excavators to contact the Utility Protection Center before they excavate near underground utilities in order to have the utilities' locations marked. Once work begins, excavators must use reasonable care to ensure

underground utilities are not damaged.

The Commission conducts ongoing education programs to ensure excavators, utility locators and utility employees are familiar with their duties and responsibilities under GUFPA.

# Governor Signs Proclamation for Lifeline/Linkup Week in Georgia

**Georgia Governor Sonny Perdue** August 31 proclaimed September 14-18, 2009 as Lifeline/Linkup Week in Georgia. Joining the Governor for the proclamation signing ceremony at the Capitol was **Commission Chairman H. Doug Everett, Consumer Affairs Director Mike Nantz and Public Information Officer Bill Edge.**



Lifeline provides a monthly credit of up to \$10 off qualified consumers' monthly local service telephone bill (AT&T gives a \$13.50 monthly credit) while Link-Up assists with paying up to 50% of installation costs, not to exceed \$30 (AT&T pays 100% of installa-

tion costs). "I am pleased that the Governor recognizes the importance of all Georgians staying connected to local resources and emergency

services that can improve and possibly save many lives," said Everett, "Access to local emergency services and community resources is vital to our low-income and elderly residents. The Commission wants residents to "stay connected" and is reaching out to those who need phone service but can't afford it."

"We know there are many consumers who qualify for this credit but who are not participating," Everett said. "We want to get the word out about this valuable program."

As of June 30, 2009, there are 116,728 Georgians who receive

*(Continued on page 7)*

# Commissioner Wise Calls for More Aggressive Marketing of Renewable Energy

**Commissioner Stan Wise** in a letter sent August 10 to Georgia Power, says aggressive marketing is the key to promoting consumers' use of renewable resources and ensuring the success of any renewable energy program. Wise said, "At the Commission's August 4, 2009 Administrative Session in Docket



Number 16753, the Renewable Rate tariff (for Georgia Power) I was critical of the efforts of all parties in the marketing of renewable products." Wise adds that the need to advance further the sale of solar power generation is vital to the success of this interaction. He adds that the plan should include but is not limited to efforts of all those green energy groups who have spoken in favor of enhanced solar energy production.

# Commissioner Wise Takes Part in Bonbright Conference

**Commissioner Stan Wise** was one of the participants in the annual Bonbright Conference sponsored by the Terry School of Business at the University of Georgia October 8-9, 2009.

along with North Carolina Public Utilities Commission Chairman Edward S. Finley, Jr. and Federal Energy Regulatory



Commissioner Phillip Moeller. Commissioner Wise emphasized:

The need to have a regulatory environment so that utilities could earn a fair return. This would allow the utilities the financial capability to provide reliable and reasonably price electric service.

Wise added that Commissions should be proactive, like the

*(Continued on page 7)*

Wise took part in a panel discussion: "State Regulatory Roundtable: How Do We Afford It?"

## Commission Fines Illegal Movers and Approves 3-1-1 for Albany

The Commission August 18 unanimously levied a total of \$10,000 in fines against two household goods movers found to be operating illegally in Georgia. The Commission also revoked the interim operating authority of another mover and denied the application of a fourth for intrastate authority to operate in Georgia. The Commission action included:

1. Fined Gary B. Luster, doing business as Motivated Movers, \$5,000 for holding themselves out to be a legally licensed mover and/or for making illegal moves without proper authority from the Commission. (Docket Number 29575)

2. Fined Derrick Hairston, doing business as The Moving Company, \$5,000 for holding themselves out to be a legally licensed mover and/or for making illegal moves without proper authority from the Commission. (Docket Number 29576)

3. Revoked the interim operating authority of Yoon Sik Yang, doing business as Pro Express, Inc. for the carrier's failure to provide the Commission with requested documentation and for failure to maintain required insurance. (Docket Number 29580)

4. Denied application of A Van Lines, LLC and issued a cease and desist order to stop all intra-

state moves within Georgia. (Docket Number 29014)

"The Georgia Public Service Commission continues to take action against 'rogue movers' who violate Georgia laws and Commission rules. We will protect consumers from unscrupulous movers who are uninsured and unlicensed," said **Commission Chairman Doug Everett**.

In the past year, the Commission has levied more than \$181,000 in fines against illegal movers.

In other action, the Commission approved the assignment of the telephone dialing code prefix 3-

*(Continued on page 7)*

## Commission Conducts Staff Rate Case Training

Commission Staff gathered Next, **Phil Smith** for a full day of rate case and **Allison Morris** training on October 8 at the Commission offices.

The session kicked off with a Revenue Representation by Utilities Director **Tom Bond**, "Overview of the Georgia PSC Rate Case Process in Georgia." Tom explained how the Administrative Procedures Act applies to the rate case process.

**Morris** presented "The Revenue Requirement Equation", an overview of the theory behind rate case and the formula for determining revenue



**Sheree Kernizan presents her case study**



requirements.

**Tom Newsome** presented "Rate of Return and Return on Equity" issues. **Alicia McBride** followed with Affiliate Transactions while **Dan Cearfoss and Jamie Barber** presented "Revenue Issues and Cost Allocation and Rate Design."

Consumer Affairs Director **Mike Nantz** offered his pres-

entation on "Consumer Rate Case Issues" followed by **Tony Wackerly's** summary in "Adding it All Up."

Natural Gas Director **Nancy Tyer** and Electric Director **Sheree Kernizan** wrapped the day's training with case studies on the last Georgia Power, Atlanta Gas Light and Atmos Energy rate cases.

## PSC Approves Settlement in Georgia Power Request; Delays Filing of Fuel Cost Case

The Commission August 27 approved a settlement in Georgia Power's request to use up to \$324 million of ratepayers' funds as revenue to delay filing a rate case this year. The Commission unanimously accepted the agreement to resolve the Company's filing of June 30, 2009 in Docket Number 25060. The terms of the stipulation include:

- The Company will be allowed to amortize \$108 million of the regulatory liability account in 2009, provided the Company does not file a rate case this year.

- In 2009, the Company may amortize no more of the fund than is necessary to bring the Company's return on equity (ROE) to 9.75%.

- The Company will be allowed to amortize two-thirds or \$216 million of the account if the Company does not file a rate case prior to July 1, 2010.

- In 2010 the amortization is limited to only that amount that would bring the Company's ROE to 10.15%.

The Company will not file a rate case before July 1, 2010 unless its ROE falls below 9.25% in either 2009 or 2010.

In other action, the Commission also accepted a request from the Company to delay the filing of a Fuel Cost Recovery Case until no later than December 15, 2009. The Commission has previously approved two earlier delays of the Company's filing in Docket Number 28945.

The last Commission approved fuel cost recovery increase for the Company was on May 20, 2008.



## PSC Hands Down Fines for Illegal Movers

The Commission September 1 levied \$170,000 in fines on nine household goods movers for violations of state law and Commission rules. These violations include: 1. Conducting intrastate moves without proper authority from the Commission; and 2. Failure to comply with lawful Commission orders.

The actions approved by the Commission are:

Mars Van Lines, Inc. \$5,000 fine and cancellation of its certificate for failing to respond to Commission information requests.

Yadco Services. \$25,000 fine for operating without Commission authority. Ordered to cease and to desist intrastate moves.

Total Home Care. \$5,000 fine for

operating without Commission authority.

USA Movers Atlanta, a/k/a Movers, Etc. \$15,000 fine for failing to comply with lawful Commission orders.

Beach Boys Moving. \$15,000 fine for failing to comply with lawful Commission orders.

Peoples Moving Company.

*(Continued on page 7)*

## PSC Approves Waiver of Phone Book Rule

The Commission October 6 approved a one year waiver within the metro Atlanta white pages or a CD ROM by calling a toll free AT&T number or going to AT&T's website to order the directories by AT&T Georgia in Docket Number 30137. AT&T had sought a permanent waiver of the rule but will proceed with a proposed rule making to further clarify the issue. AT&T

customers may request a free copy of either the printed residential white pages or a CD ROM by calling a toll free AT&T number or going to AT&T's website to order the directories. Additionally, free copies of the CD or printed book will be available at all AT&T stores. AT&T must include the above information on bill inserts for the next three months.

The Commission also approved a schedule for hearings in the Atmos Energy request for a rate increase. Hearings will be held January 12-13, February 18-19 and March 11, 2010. The Commission will issue its decision in this docket during a Special Administration Session on March 25, 2010.

# Commissioners and Staff Take Part in GUCC Convention

**Commission Chairman Doug Everett and Commissioner Lauren "Bubba" McDonald, Jr.** along with several Commission staff members attended the annual Georgia Utilities Coordinating Council meeting in Dillard, Georgia October 7-9, 2009.

About 250 utility representatives, excavators and contractors representing all parts of Georgia convened to share the latest information on Georgia's Dig Law, receive updates from federal officials and be recognized for their hard work. The Utilities Protection Center held their annual meeting in conjunction with the GUCC gathering. Steven L. Fischer with the U.S.



**Steven L. Fischer addresses the GUCC meeting**

Office of Pipeline Safety was one of the top five programs in the country. plauded the Commission's Pipeline Safety Program, saying it

There were also break out sessions on permitting for Oversize/Overweight loads, Overhead Safety and Understanding Georgia Department of Transportation Highway Plans.



**Lisa McKnight (with Digger Dog) presents PSC Awards; Commissioner McDonald (right) prepares to join the Motorcycle Rally**



**Commissioner Everett and his "hog"**

**Lisa McKnight**, Pipeline Safety, handed out the Commission's Awards to recognize special achievements in underground safety.

One of the fun highlights of the meeting was its annual Motorcycle Rally, a two hour ride from Dillard into North Carolina and back with **Commissioners Everett and McDonald** and **PIO Bill Edge** (right) taking part.



## Wise takes part in 2009 Bonbright Conference

*(Continued from page 3)*

Georgia Commission, to ensure utilities have the financing necessary to build the required infrastructure, such as Vogtle, for reliable service and support state's economy. Wise, a strong proponent of nuclear power, says it is necessary for a growing state like Georgia.

Wise added, "There would be upward pressure on rates in upcoming years with new construction, environmental mandates and higher fuel cost. This would force tough decisions on Commissions." In 2005, Commissioner Wise was the Bonbright Honoree of the Year.

## Employee News Sympathy

We extend our condolences to **Nancy Tyer** on the passing of her brother-in-law Edward J. Swint on September 28. The funeral was held on October 3 at the Sherrick Road Church of God in Canton, Ohio.



## Farewell

Two longtime Commission employees bid farewell recently. **Candes Leshner** (right) retired September 29 after 34 years with the Commission. Candes most recently worked in the Executive Secretary's office. We wish Candes the best of luck as she devotes her full time efforts to her tennis teams!



**Gigi McGhee** (below) resigned from the Commission August 13. She had worked at the Commission for the past 11 years mostly recently as Administrative Assistant for the Utilities Finance Director. Gigi is leaving to take a position with the Atlanta School System. Good luck and best wishes!



**Good Luck!**

### Lifeline-Linkup

*(Continued from page 3)*

this credit but there are thousands more who could qualify but are not signed up. In order to qualify for these programs, you must be a participant in any one of the following programs: Temporary Assistance to Needy Families (TNAF), Food Stamps, senior citizens discount from power or gas company, SSI, Medicaid, Federal Public Housing Assistance, or Low-Income Home Energy Assistance Program.

### Commission Fines

*(Continued from page 4)*

1-1 to Albany and Dougherty County to provide non-emergency government services in Docket Number 29611. This is the seventh Commission approved 3-1-1 number assignment to local governments. The other local governments already assigned 3-1-1 are Cobb County, Dawson County, Consolidated Columbus Government, DeKalb County, City of Savannah and Columbia County.

### Illegal Movers Fined

*(Continued from page 5)*

\$15,000 fine for failing to comply with lawful Commission orders. Atlanta Moving & Storage Services. \$10,000 fine for illegal moves. Let's Move It. \$25,000 fine for illegal moves. A Van Lines LLC. \$55,000 fine for 10 illegal moves. The Commission has levied more than \$475,000 in fines against illegal household goods movers in the past year.



# Commission News

## Commission Calendar



## Georgia State Holidays For 2009

<b>New Year's Day</b>	<b>January 1</b>
<b>Martin Luther King, Jr. Birthday</b>	<b>January 19</b>
<b>Confederate Memorial Day</b>	<b>April 27</b>
<b>Memorial Day</b>	<b>May 25</b>
<b>Independence Day</b>	<b>July 3</b>
<b>Labor Day</b>	<b>September 7</b>
<b>Columbus Day</b>	<b>October 12</b>
<b>Veterans Day</b>	<b>November 11</b>
<b>Thanksgiving</b>	<b>November 26</b>
<b>Robert E. Lee's Birthday</b>	<b>November 27</b>
<b>Washington's Birthday</b>	<b>December 24</b>
<b>Christmas</b>	<b>December 25</b>

### November 2009

3-Administrative Session  
 10-11-Georgia Power Hearings  
 11-Veteran's Day Holiday  
 12-Committees  
 17-Administrative Session  
 24-Committees  
 26-Thanksgiving Holiday  
 27-Holiday  
 30-Special Administrative Session

### December 2009

1-Administrative Session

## Commission Calendar

10-Committees  
 15-Administrative Session  
 24-Holiday  
 25-Christmas Holiday  
 31-Committees

### January 2010

1-New Year's Day Holiday  
 5-Administrative Session  
 14-Committees  
 18-M.L. King Holiday  
 19-Administrative Session  
 28-Committees

### NARUC

#### Annual Convention 2009

November 15-18, 2009  
 Chicago, Illinois

#### Winter Meeting 2010

February 14-17, 2010  
 Washington, D.C.

#### Summer Meeting 2010

July 18-21, 2010  
 Sacramento, California

### SEARUC

#### Annual Meeting 2010

June 21-24, 2010  
 Point Clear, Alabama



**GPSC ONLINE:** [psc.state.ga.us](http://psc.state.ga.us)

The Public Information Office publishes GPSC News for the Georgia Public Service Commission. Information for GPSC News should be sent to: Bill Edge, 244 Washington St. S.W., Atlanta, Ga. 30334. Discussion of regulatory matters in this newsletter should not be construed as legal interpretations of orders or rules issued by the Commission.

### COMMISSIONERS

**H. Doug Everett, Chairman**  
**Lauren "Bubba" McDonald, Jr.**  
**Robert B. Baker, Jr.**  
**Chuck Eaton**  
**Stan Wise**

**EXECUTIVE DIRECTOR**  
**Deborah Flannagan**

**EXECUTIVE SECRETARY**  
**Reece McAlister**

