



# GPSC News

Winter 2012

Volume 11 Issue 1

*\*NRC grants COL to Plant Vogtle Nuclear Construction Project*

*\*Commissioners Praise Decision*

*\*Completion Scheduled for 2016 and 2017*

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## Commission Praises NCR Approval of Plant Vogtle License

Members of the Commission applauded the Nuclear Regulatory Commission's decision on February 9, 2012 to grant the Combined Construction and Operating License (COL) to the Southern Nuclear Operating Company so that construction of the two new units at Plant Vogtle owned by Georgia Power



**Units 1 and 2 at Plant Vogtle Nuclear Power Plant near Waynesboro, Georgia**

and other co-owners can begin in earnest. This will be the first new nuclear power plant construction in the nation in 30 years.

"Getting the license to complete construction for our two new reac-

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## Echols Takes Over as Commission Chairman for 2012

Commissioner Tim G. Echols on January 15, 2012 began a one-year term as Chairman Commission for 2012, taking the gavel from outgoing Chairman Stan Wise. Echols is the newest member of the Commission.



The Commission Chairmanship is rotated annually among the five Commission members based on Georgia law and Commission rules.

"I am honored to serve as Chairman of the Commission this year," said Echols. "I appreciate the confidence that others have placed in me."

Echols appointed Commissioner Chuck Eaton as his Vice-Chairman, Commissioner Stan Wise as Energy Chair, Commissioner Lauren "Bubba" McDonald, Jr. as Facilities Protection Chair, and Commissioner Doug Everett as Telecom Chairman. Echols

will chair Transportation and Administrative Affairs.

"Each Commissioner brings a level of expertise to the committee process," said Echols. "They have the institutional knowledge to serve our citizens and industries." Echols said one of his most important responsibilities this year as Chair is representing the Commission at the Legislature.

"I am a big believer in legislative intent," said Echols. "Getting to know the members of the General Assembly can really

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**Next Issue  
April  
2012**

## 2012 Legislative Session Update

Lawmakers opened the 2012 session of the Georgia General Assembly on January 9, 2012 and made it clear they intend to do the people's business and waste as little as possible in getting their job done.

The House approved the Amended Fiscal Year 2012 Budget, H.B. 741, on February 3, 2012, one of the earliest dates ever for approving a budget. It passed by an unheard of unanimous vote. The Senate approved its version of the amended budget on February 23.

Meanwhile, several bills of interest to the Commission are



effective July 1, 2012. This bill has the support of the Commission, the Department of Public Safety and the Governor. It passed the

winding their House on February 23 on a vote way through of 156-3. It is now in the Senate the legislative Transportation Committee where process. it will receive a hearing after

Chief among "Crossover Day" or the 30th day them is House of the 2012 Legislative Session Bill 865 which on march 7, 2012.

transfers the Unfortunately, the House and Transportation Senate Amended Budgets contain the Governor's recommendation of two per cent cut to the Department of Public Safety Commission's budget, despite our pleas to both chamber's budget committees.

Meanwhile, the House takes up the Fiscal Year 2013 Budget in early March.

The legislators plan to finish their business and adjourn the 2012 Session on March 30.

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 April 15, 2012.

## Commission Praises NRC Vogtle Decision

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tors is a great victory for Georgia, and nuclear power in general," said Chairman Tim Echols. "Now the Public Service Commission can get to work and help ensure that it is completed on time and on budget." Commission Vice-chairman Chuck Eaton noted, "We appreciate the NRC's vote of confidence. The eyes of the coun-

try are upon us as we move forward with this nuclear project. Commissioner Stan Wise called this decision a pivotal step forward. "This is a significant milestone in the construction of Plant Vogtle. This action gives the NRC's blessing to accelerate the process on time and on budget. We appreciate the NRC's confidence in the decisions of those of us on the first level of response."

Commissioner Doug Everett said, "This new nuclear plant is very important to the people of Georgia. It ensures safe and reliable energy to the people for generations to come. The availability of electricity is as important as reasonable and just rates. This plant will help guarantee that Georgia will not have brown outs or blackouts such as you see in some of the other

States."

Commissioner Lauren "Bubba" McDonald, Jr. noted the project's massive economic impact. "This decision shows that the Commission has the foresight to plan to provide the most reliable and cleanest energy source for future generations. This is one of the largest construction projects in Georgia history and that means

jobs for Georgians."

Almost three years ago, on March 17, 2009, the Commission approved Georgia Power's request to build the two new units at Plant Vogtle. In that approval, the Commission also established an innovative process to monitor the construction of the new units, with oversight by an independent Construction

*(Continued on page 3)*

## Echols Chairs PSC

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help in assuring that appropriate legislation is passed that impacts energy, telecom and transportation."

Echols was elected to the Commission in November 2010. He and his wife Windy live in Winterville, Georgia.

## Commission Approves Assistance for Low Income Natural Gas Customers

Help is available for as many as 60,000 low income natural gas households in paying their winter heating bills following the Georgia Public Service Commission unanimous vote December 6, 2011 to approve the distribution of approximately \$10 million to low income senior natural gas customers and low income customers in Group 1 with the Regulated Provider. The assistance will be distributed beginning with the December- January period as a one-time credit of up to \$160 on customers' bills. The grants will be disbursed from the natural gas Universal Service Fund and only those customers in the Atlanta Gas



Light Company distribution area are eligible.

Commissioner Chairman **Stan Wise**, who made the motion to provide the assistance, said, "The reality is that the states are getting stuck with the impacts of drastic federal cuts to the energy assistance program and there are

going to be some truly needy people out there when winter heating bills start arriving."

Senior citizens who are

already receiving the AGLC senior citizen discount will receive the grant on their bills through their natural gas marketer. Senior low income citizens who are not currently receiving the discount but are eligible should submit an application in order to qualify for this assistance. To qualify for the dis-

count, a senior citizen must be age 65 or older, have an annual income of less than \$14,355 and have the account in their name. Commissioner **Tim Echols** added, "In difficult economic times like these, it is a blessing to have funds contributed by large industrial customers to assist low income seniors. We have so many great companies in Georgia and I hope we in government will make the business climate as friendly for them as possible."

Since the inception of the Universal Service Fund (USF), the Commission has approved the disbursement of \$64.9 million in assistance for low income natural gas customers on the AGLC system. Additionally, the Commission has approved a total of \$117.8 million in grants and refunds to all AGLC customers since 1998. The USF is a fund established under the Natural Gas De-regulation Act of 1997.

### Plant Vogtle

*(Continued from page 2)*

Monitor and the filing of semi-annual construction monitoring reports. The Company filed its first monitoring report on August 1, 2009.

Plant Vogtle, located near Waynesboro, Georgia, has been in operation since 1987 with the completion of Unit 1. Unit 2 went on line in 1989.

## Commissioner Wise Participates in Electricity Reliability Roundtable in Washington, D.C.

Commissioner **Stan Wise** participated in the National Electricity Reliability Roundtable held February 9, 2012 in Washington, D.C., hosted by the Institute for the 21st Century, an affiliate of the U.S. Chamber of Commerce. Moderators were Karen Har-

bert, President and CEO, Institute for 21st Century Energy, U.S. Chamber of Commerce, and David Wright, President, National Association of Regulatory Utility Commissioners, and



Vice Chairman, South Carolina Public Service Commission.

The discussion focused on the challenges in the absence of significant action by Congress on energy issues in the past few years

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## Commission Approves Spending Plan for Plant Vogtle Construction; Approves SCANA Energy as Natural Gas Regulated Provider

The Commission February 10 unanimously approved Georgia Power's latest request for approval of its expenditures at its Plant Vogtle nuclear power construction project near Waynesboro, Georgia. The Commission approved an agreement between the Company and the Commission's Public Interest Advocacy Staff to settle issues in Georgia Power's Fifth Semi-Annual Vogtle Construction Monitoring Report for the period ending June 30, 2011. Under the terms of the stipulated agreement, the Commission agreed that the project should



continue and approved the expenses and construction schedule contained in this filing. The Commission has certified Georgia Power's cost of the construction of Plant Vogtle Units 3 and 4 at \$6.1

billion. In the Commission's certification of the construction project in 2009, the Company agreed to file semi-annual monitoring reports with the Commission. Georgia Power files its next report on February 28, 2012. This project is the first new nuclear power plant construction in the nation in 30 years.

In other action, the Commission unanimously approved SCANA Energy as the Natural Gas Regulated Provider for a two year term beginning September 1, 2012 and ending August 31, 2014.

The new Regulated Provider contract provides savings for customers in both Group 1 and Group 2. Group 1 senior customers will see their monthly customer service charge drop by \$0.45, from \$1.95 to \$1.50, while Group 2 customers will also see a \$0.45 decrease in their monthly customer service charge from \$9.95 to \$8.95. In addition, Group 2 customers who pay their gas bills on time for six months will see their

monthly customer service charge decrease to \$6.95. After 12 months of on-time payments, these customers will also be eligible to return to the SCANA Energy deregulated market.

The Regulated Provider, established under O.C.G.A. § 46-4-166, provides natural gas service to low-income consumers (Group 1) and to customers who are unable to obtain or maintain natural gas service

from other marketers or whose utility payment history is cited as reason for transfer from Group 1 to Group 2 (Group 2). The Regulated Provider serves those customers in the Atlanta Gas Light Company service areas that are served by one of the nine certificated natural gas marketers.



### Wise Takes Part in Roundtable

*(Continued from page 3)*

and the Environmental Protection Agency (EPA) advancement of an aggressive suite of regulations, many of which impact electric power generation. "Clearly the Department of Energy or the EPA rules, cost, jobs and reliability are at the fore-

front of what utility regulators are trying to protect in their respective states," said Commissioner Wise.

The Roundtable also discussed rules such as the Cross-State Air Pollution Rule, Utility MACT, cooling tower regulations under section 316(b), and New Source Performance Standards to address greenhouse gas emissions that have

cumulative impacts on the viability of many existing base load generation units. In order to comply with these regulations, significant numbers of retrofits and retirements of such generation units are likely. These retirements could stress the reliability of the electric system, have unintended consequences on end-use customers, and could force uneconom-



## Commission Approves New Georgia Atmos Rate

The Commission on December 14, 2011 unanimously approved an innovative Georgia Rate Adjustment Mechanism (GRAM) for Atmos Energy Corporation that will reduce rates by \$800,000 or about \$12.50 for each residential ratepayer in 2012. The Commission approved a stipulation or settlement between Atmos and Commission Staff in Docket 34734 that is unique to natural gas regulation in Georgia. Georgia law allows the Commission to adopt alternative forms of regulation for natural gas util-



ities in Georgia.

Commission Chairman **Stan Wise** said, "It is a transparent process with benefits and protections put in place. It shows the benefits of not doing business as usual as we've done for the past 30 or 40 years. It is enlightening that we can begin this process

with a rate reduction."

According to the stipulation the GRAM is designed to:

1. Produce lower prices for consumers of natural gas in Georgia
2. Provide incentives for the gas company to lower its costs and rates
3. Reduce regulatory delay and costs

Provide incentives to improve the efficiency and productivity of the gas company

The GRAM provides that the Company will make an annual GRAM filing by October 1 of each year. The Commission Staff will have 120 days to review the filing.

## Natural Gas Marketers Respond to Government Report on Natural Gas Prices

Representatives of Georgia's certified natural gas marketers appeared before the Commission's Energy Committee on January 12, 2012 to respond to a federal report that Georgia natural gas customers pay rates that are 37% higher than the national average. The marketers noted that Georgia natural gas prices are some-



**Marketers explain their natural gas prices to the Commission**

what higher due to several factors. Among them: the short winter heating season which forces the marketers to collect their costs over a shorter period. The Bureau of Labor Statistics released the report in December 2011.

The news media provided extensive coverage of the meeting.

## Wise Takes Part in Washington Roundtable

*(Continued from page 4)*

ic and imprudent choices involving existing and new infrastructure.

"The sustainability of some observer's vision that we can be at 90 per cent renewables, efficiencies and storage in 25 years is just not a sustainable vision,"

Wise added.

Other participants in the Roundtable included: Congressman Gene Green (D-TX); Congressman John Shimkus (R-IL); Congressman Lee Terry (R-NE); Chairman Art Graham (Florida Public Service Commission); Chairman Todd

Snitchler (Public Utilities Commission of Ohio); Commissioner Cheryl LaFleur (Federal Energy Regulatory Commission); Commissioner Philip Moeller (Federal Energy Regulatory Commission.) Commissioner Wise is a past

*(Continued on page 6)*

## Natural Gas Unit Audits Atmos Pipeline Replacement Program

Since 2001, under the Commission Order in Docket 12509, the Atmos Energy Corporation has implemented its Pipeline Replacement Program (PRP). In its order the Commission approved the replacement of a total of 230 miles of pipe in the Atmos service territories of Columbus and Gainesville. A total of 184 miles of cast iron pipe will be replaced over a 15 year period in Columbus, Georgia and 46 miles of bare steel pipe will be replaced over a 20 year period in Gainesville, Georgia. The PRP is funded through a rider in the form of a monthly surcharge from



Daphne Jones, Janey Chauvet, Harold Woods (Atmos), and Bolin Killings discussing the specific pipe replacement being conducted in this residential neighborhood in Columbus, Georgia.

Atmos' customers. The Company's projection is that the cast iron pipe replacement in Columbus will be completed in 2013 and in Gainesville all bare steel pipe will be completely replaced in 2016.

Atmos files annual and quarterly reports summarizing the work performed and costs incurred in its PRP. The annual report covering Atmos' fiscal year, which ends on September 30<sup>th</sup>, is filed in February following its fiscal year end. The Natural Gas Staff audits the program in Columbus every year dur-

ing the month of May. Staff members Janey Chauvet (Team Leader), Daphne Jones, and Bolin Killings are the members of the audit team.

The Staff's audit of the PRP consists of reviewing the Company's annual report and the invoices associated with the program for the fiscal year under review. The invoices are for the costs incurred from pipe removal and installation, contractors used, return of proper-



ty to the state in which it was found and other supporting equipment needed to complete PRP jobs. The Company employees assigned to the program are available during the audit to answer Staff's questions and/or con-

cerns. Staff then holds an exit conference with Atmos employees at the end of each audit to discuss Staff's findings. Accompanied by Atmos employees and contractors, Staff also participates in field visits to locations where the Company has either replaced pipe or where work is currently being done under the program. During the field visits Staff has the opportunity to question Atmos employees and contractors who are actually re-

placing the pipe. The field visits also allow Staff the opportunity to view the equipment being used to complete various projects under the program. Atmos' employees and contractors are always very professional, accommodating and willing to answer Staff's questions.



Roger Garms (Atmos) and Bolin Killings capturing the action taking place.

## Wise

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President of the National Association of Regulatory Utility Commissioners (NARUC) and currently is a member of the NARUC Board of Directors. He is serving in his third term on the Georgia Public Service Commission.

# Employee News

## Updates



Proud Grandpa **Terry Pritchett** says grandson Cooper Rice is getting bigger every day. Cooper will be one year old on April 27, 2012.

Former Commission employee and attorney **John Tucker** is retiring from his law practice in blue Ridge, Georgia.

### Congratulations

To **Bill Edge** on the birth of a great-niece, Olive Williams, in Rome Georgia on February 25, 2012.

### Sympathy

To **Yolanda Clay** on the passing of her father on February

16. From Yolanda:  
I want to THANK EACH AND EVERYONE OF YOU for your support last week. It was **GREATLY APPRECIATED**, more than words can express. The phone calls, emails, texts, cards and just knowing that you were praying for me and my family really comfort my soul! I am so thankful for working with a great group of people! It was a true spirit of peace that resided in me that made this difficult time a little bit easier. May God bless you and keep you all!

## Retirement: Farewell Bruce!

Friends, family and co-workers celebrated **Bruce Morgan's** retirement from the Commission on February 21. Bruce is retiring after 34 years at the Commission, the latest as Deputy Director of the Facilities Protection Unit. Facilities Unit Director **Mike Nantz** presided over the festivities. There were also remarks from former Facilities Director Danny McGriff and Commissioner



**Doug Everett.** Mike presented Bruce with proclamations honoring his service to the state



from Governor Nathan Deal and the Commission. Commissioners



**Chuck Eaton, Stan Wise and Lauren "Bubba" McDonald, Jr.** were also on hand to wish Bruce a fond farewell.



Commissioner **Doug Everett** relates stories about Bruce's service at the Commission



Hearing room is filled with Bruce's friends and family to wish him well on his new venture in retirement



# Commission News

## Commission Calendar



## Georgia State Holidays For 2012

**New Year's Day**  
**Martin Luther King, Jr. Birthday**  
**Confederate Memorial Day**  
**Memorial Day**  
**Independence Day**  
**Labor Day**  
**Columbus Day**  
**Veterans Day**  
**Thanksgiving**  
**Robert E. Lee's Birthday**  
**Washington's Birthday**  
**Christmas**

**January 2**  
**January 16**  
**April 23**  
**May 28**  
**July 4**  
**September 3**  
**October 8**  
**November 11**  
**November 22**  
**November 23**  
**December 24**  
**December 25**



### February 2012

2-Committees  
 7-Administrative Session  
 16-Committees  
 21-Administrative Session

### March 2012

1-Administrative Session  
 10-Committees  
 11-Veteran's Day  
 15-Administrative Session

## Commission Calendar

### April 2011

1-Committees  
 6-Administrative Session  
 15-Committees  
 20-Administrative Session  
 29-Committees

### May 2012

1-Administrative Session  
 10-Committees  
 15-Administrative Session  
 24-Committees

### NARUC

#### Winter Meeting 2012

February 5-8, 2012  
 Washington, D.C.

#### Summer Meeting 2012

July 22-25  
 Portland, Oregon

#### Annual Convention 2012

November 13-16, 2012  
 St. Louis, Missouri

### SEARUC

#### Annual Meeting 2012

June 3-6, 2012  
 New Orleans, Louisiana



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

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### COMMISSIONERS

**Tim G. Echols, Chairman**  
**Chuck Eaton, Vice-Chairman**  
**H. Doug Everett**  
**Lauren "Bubba" McDonald, Jr.**  
**Stan Wise**

### EXECUTIVE DIRECTOR

**Deborah Flannagan**

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