



Winter  
2014



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# GPSC News

Volume 12 Issue 2

\*Georgia Power Rate Case  
Decision  
\*Commission Reduces Com-  
pany request  
\*Senior Discount increased  
by \$4 per month

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**Next  
Issue  
April  
2013**

## Commission Decides Georgia Power Rate Case

The Commission on December 17, 2013 unanimously approved a settlement in the Georgia Power Company rate case that will save electric consumers \$573 million over a three year period (based upon the Company's initial requested amount.) It will also increase the Senior Citizen Discount by \$4 a month, keep electric rates affordable, protect reliability of service and allow the Company to recover the cost of compliance with federally mandated pollution controls. The Commission approved the settlement signed by the Commis-



sion's Public Interest Advocacy Staff, the Company, and 11 of the 13 intervenors in the case in Docket 36989.

"This is an historic agreement," said **Commission Chairman Chuck Eaton**. "This agreement protects our

most vulnerable citizens while keeping electric rates just and reasonable."

**Commission Vice-chair Doug Everett** said this agreement will benefit low income senior citizens. He is mystified why AARP, an

*(Continued on page 2)*

## Commission Approves Atlanta Gas Light Pipeline Program

As part of its essential role to promote economic development in Georgia, the Commission December 12, 2013 unanimously approved two agreements for improvements in the Atlanta Gas Light Company (AGLC) natural gas pipeline distribution system. These agreements will ensure that adequate dis-

tribution system capacity, system pressure, and system resources exist to provide safe and reliable delivery of natural gas to every customer in the AGLC delivery area. The agreements, signed by both AGLC and the Commission Staff, are for the 2013-2017 Integrated System Reinforcement Program (i-SRP 2.0) Plan in Docket

37370 and the 2013-2017 Integrated Customer Growth Program (i-CGP 2.0) Plan in Docket 37371 under Georgia STRIDE. Under these programs, AGLC and its ratepayers will make an estimated \$261 million investment in improvements to their distribution system over

*(Continued on page 2)*

## State Budget Underway

The Commission completed its first presentation on its Fiscal Year 2015 and the Amended Fiscal Year 2014 Budgets on November 15, 2013 before Governor Nathan Deal. This is the first year since 2008 that the Governor and OPB have not required state agencies to submit cuts in their previous year's budgets. This is good news for the Commission which has seen a 25 % reduction in its spending and a 20% reduction in its workforce since 2008.



## Georgia Power

*(Continued from page 1)*

organization that represents consumers age 50 and over, so strenuously objected to the proposed agreement. "The low income seniors will actually be getting a decrease in their rates in 2014. That's the people they represent," added Everett.

**Commissioner Stan Wise** said for the first time in memory, nearly all the parties signed off on an agreement in a major rate case. "This agreement has an unprecedented number of intervenors who signed onto this stipulation with only a couple of exceptions. I think our Staff is due great credit in resolving a number of the issues. Thanks to all the parties for lessening the im-

pact of this very important decision," said Wise.

Among the provisions contained in the settlement: Increases the monthly Senior Citizen Discount from a maximum of \$14 to \$18 a month for qualifying low income customers 65 years and older. Reduces the Company's filed rate request by \$573 million over a three year period. Lowers the Company's Return on Equity to 10.95%. Sets an Earnings Band of 10 percent to 12 percent. Any earnings above 12 percent will be shared two-thirds with customers with the remaining one-third retained by the Company. The Company will not file a general rate case unless its earnings drop below 10 percent. The Commission held three hearings prior to issuing its decision in this docket.

## Commission Approves AGL Pipeline Improvements

*(Continued from page 1)*

the next four years.

"This Commission realizes that extending and improving the natural gas distribution system is vital to Georgia's economic development," said **Commission Chairman Chuck Eaton**.

"Today's decision will allow Atlanta Gas Light Company to extend service to unserved and underserved customers and will promote economic develop-

ment across our state."

The terms of the two agreements include: The Commission maintains final approval authority over all projects. The Company will file quarterly, semi-annual and annual reports with the Commission on expenditures and progress of all projects. The 2013-2017 i-SRP 2.0 Plan in Docket 37370 addresses distribution system reliability issues in Coweta, Fayette, Gwinnett, Hall,

Forsyth and Dawson Counties. The estimated cost of these projects under the i-SRP 2.0 Plan is \$214.8 million. Beginning on the first marketer bills after January 1, 2015 all firm customers will pay an additional \$0.39 per month and each successive month through December 2015 for the i-SRP program under Georgia STRIDE. The 2013-2017 i-CGP 2.0 Plan in Docket 37371 is comprised of the strategic

corridor investment program and the line extension program. AGLC has requested approval of the Liberty County project under the i-CGP 2.0 Plan. The estimated cost of this project under i-CGP 2.0 Plan is \$46 million. Beginning on the first marketer bills after January 1, 2015 all firm customers will pay an additional \$0.09 per month and each successive month through December 2015

for the i-CGP program under Georgia STRIDE. The Commission Staff will conduct quarterly prudence audits for both programs. In January 2010, the Commission approved the i-CGP program to provide an economic development component to the Georgia Strategic Infrastructure Development and Enhancement Program (STRIDE). The Commission approved the i-SRP program in October 2009 that is de-

signed to be a ten-year construction program of improvements to AGLC's core transmission and distributions facilities to better meet the peak day demand from its customers.

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 March 15, 2014.

# NARUC and States Win as Federal Court Orders Department of Energy to Stop Collecting Fees for Nuclear Waste Disposal

**Commissioner Stan Wise**, who has testified on nuclear waste disposal before Congress and before the Blue Ribbon Commission on America's Nuclear Future, agrees with National Association of Regulatory Utility Commissioners (NARUC) that the Court of Appeals' decision is "great news for consumers of nuclear power," who have paid more than \$30 billion nationwide since 1983 for a permanent nuclear waste disposal site. Georgia rate-payers have paid over \$1 billion into the Nuclear Waste Fund or around \$30 million per year.



On November 19, 2013, the U.S. Court of Appeals ordered the Department of Energy (DOE) to submit a proposal to Congress to change the Nuclear

Waste Disposal fee to zero until DOE can comply with the Nuclear Waste Policy Act of 1982 or until

Congress enacts an alternative waste management plan. Commissioner Wise wants to thank several of his fellow Commissioners from around the nation and others for their tireless efforts. This decision is the culmination of years of work starting in the 1990s when it became apparent that DOE would not make the 1998 deadline set forth in the Nuclear Waste Policy Act of 1982 for a permanent waste repository: David Wright, Commissioner, South Carolina Public Service Commission and Past NARUC

President, who testified before Congress for NARUC on "Recommendations from the Blue Ribbon Commission on America's Nuclear Future" on June 7, 2012. Greg R. White, Commissioner, Michigan Public Service Commission and Chairman of the NARUC Subcommittee on Nuclear Issues, Waste Disposal David Boyd, Commissioner, Minnesota Public Utility Commission and Chairman of NARUC's Committee on Electricity. And special thanks to my

fellow Commissioner, **Lauren, "Bubba" McDonald, Jr.**, Vice-Chairman of NARUC's Subcommittee on Nuclear Issues, Waste Disposal and member of the Executive Committee of the Nuclear Waste Strategy Coalition (NWSC). James Bradford Ramsay, General Counsel, who successfully represented NARUC where its request that the Department of Energy suspend collection of the Nuclear Waste Fund fees was granted. Georgia currently has two nuclear power plants in operation, Plant

Hatch in southeast Georgia and Plant Vogtle in east Georgia. The plants are owned jointly by Georgia Power, Oglethorpe Power Corporation, Municipal Electrical Authority of Georgia and the City of Dalton. Georgia Power is building two more units at Plant Vogtle that are expected to be in service around 2017. State utility commissions in forty States served by nuclear-generated electricity have been involved

*(Continued on page 5)*

## Governor Deal Proclaims Lifeline Week in Georgia

**G**overnor Nathan Deal joined with the Commission in proclaiming September 9-15, 2013 as Lifeline Awareness Week in Georgia. Joining the Governor at the Capitol for the proclamation presentation were **Commissioner Stan Wise, Executive Director Deborah Flannagan, Budget and Fiscal Officer Terry Pritch-**



**ett, Consumer Affairs Manager James Gibson, Consumer Affairs Education Director Claudette Willingham and Operations Support Technician Monique Andrews.**



## Commission Approves Agreement on Plant Vogtle Construction Monitoring Report

The Commission on September 3, 2013 unanimously approved a stipulated agreement to resolve several issues in Georgia Power Company's (Company) Eighth Semi-Annual Vogtle Construction Monitoring Report in Docket 29849. On a motion by Commissioner Doug Everett, the Commission adopted the agreement signed by the Company and the Commission Public Interest Advocacy (PIA) Staff on July 30, 2013. Under the agreement the Company will delay its request to increase the certified cost of the project and any further requests



to increase the certified cost, until the completion of Vogtle Unit Three. The Company will file no later than February 28, 2014 a combined Ninth and Tenth Vogtle

Construction Monitoring (VCM) covering the period from January 1, 2013 through December 31, 2013. The Company filed on September 3, 2013 an abbreviated update on the status of the Project and the expenses incurred on the Project from January 1, 2013 through June 30, 2013.

The Commission on March 17, 2009 approved the certified cost of \$6.114 billion for the Plant Vogtle Construction Project in Docket 27800.

The two units under construction are scheduled to into operation in 2017 and 2019.

## Georgia Solar Energy Association Honors Commission

The Georgia Solar Energy Association honored the Commission as Solar Advocates of the Year during a luncheon December 19, 2013 in Atlanta. **Commissioners Lauren "Bubba" McDonald, Jr., Doug Everett, Chuck Eaton, and Tim Echols** were on hand to receive the recognition on behalf of the Commission. "All Commissioners are honored to receive this award



from GSEA. As the price of solar has dropped dramatically,

there have been more opportunities to include solar in a diversified portfolio," said Commissioner Eaton.

The Association recognized the Commission for its decision this year to expand Georgia Power's solar portfolio in the recent Integrated Resource Plan (IRP). The Commission approved an additional 525 Megawatts of solar energy as part of the three

year IRP which the Commission approved in July.

"The Georgia Public Service Commission Team is committed to Renewable Energy, maintaining reliability, clean air, and affordable electric rates for the future," said Commissioner McDonald.

"While it took a majority of commissioners to make this happen, I would like to acknowledge Commissioner McDonald's extraordinary efforts in growing solar in



**Jamie Barber** gives GSEA update on Commission solar decisions

our state," said Tim Echols. "Bubba McDonald made this happen."

The Georgia Solar Energy Association, comprised of leading experts in solar manufacturing and installation, academia, finance, and the law, is leading the effort in Georgia to promote the economic and environmental benefits of solar energy through education, advocacy and industry support.

## Court Puts Lifeline Rule on Hold

On December 18, U.S. District Judge Richard Story issued a temporary injunction to halt the implementation of a new Commission rule which would levy a \$5.00 per month charge on users of the Lifeline telephone service.

The court decision follows the Commission vote of 3-2 on October 15 to approve the revised rule proposed by **Commissioner Doug Everett** that would affect telephone service provided under the federal Lifeline program in Docket 35537.

The rule requires telecommunications companies of-



**Commissioner Everett speaks with Channel 46**

fering the Lifeline discount to either: 1. Bill and collect a \$5.00 per month charge from each Lifeline subscriber for participating in the program; or 2. Provide eligible

customers a minimum of 500 minutes of use per month. The NOPR eliminates the previously adopted requirement of photo identification for all Lifeline applicants. The revised rule takes effect on January 31, 2014 in order to provide telecommunications providers time to implement it.

"I proposed this rule to reduce fraud, waste and abuse in the Lifeline discount program" said Commissioner Everett, "I want to make sure this program is done right and I believe this new rule will accomplish that goal and keep the program viable for those who truly need it."

No further court dates have been set at this time.

## Federal Communications Commission Fines Lifeline Providers

The Federal Communications Commission late last year proposed nearly \$44 million in fines against three companies that appear to have violated FCC rules protecting its Lifeline program against waste, fraud and abuse. Added to the eight Lifeline enforcement actions brought by the FCC in the past 90 days, these three fines bring the total amount proposed to \$90 million over that

period. The actions flow directly from the FCC's comprehensive reforms to the Lifeline program last year. Those reforms provided clear, enforceable rules to prevent and combat waste, fraud and abuse, and empower the FCC's Enforcement Bureau to crack down on violations. To help low-income consumers afford phone service, Lifeline provides a discount on service, channeled through providers. However, to

focus the program on those who truly need it, the FCC's rules limit Lifeline subscriptions to one per household. Carriers are expressly barred from seeking Lifeline support for duplicative accounts.

The Notices of Apparent Liability were issued against three companies that appear to have requested and/or received Lifeline support payments for individual customers who appeared on the companies' Lifeline subscriber

lists more than once. The companies and proposed fines are as follows:

Cintex Wireless (\$9,461,978)

Telrite Corporation  
(\$22,399,761)

Global Connection  
(\$11,702,695)

In these cases, the carriers knew or should have known, based on their own internal data, that they were not entitled to support for these dupli-

cates under Lifeline program rules. The penalties proposed in these NALs are in addition to recovery of universal service funds paid to the carriers for duplicative Lifeline service. The companies have 30 days to pay or contest the proposed fines.

**Courtesy of NARUC Bulletin**

## Nuclear Waste Decision

*(Continued from page 3)*

with plans for nuclear waste disposal since the Nuclear Waste Policy Act was enacted in 1982. Utilities were required to enter into contracts with DOE for the payment of fees into the Nuclear Waste Fund to pay for the cost of disposal of used fuel beginning in 1998. Thirty years later, the fee payments continue to be made.



## 2013 Holiday Luncheon



The Commission celebrated the holidays with its annual Awards and Faithful



**Chairman Eaton** opens the festivities

Service Holiday Luncheon on December 10, 2013. Those receiving their Five Year Awards were: **David**



Commission staff enjoys a luncheon of good food and fellowship

**Lewis, Will Culbreath, Alicia D. McBride, Steven D. Roetger**  
Ten Year Awards: **Commissioner Doug Everett, Monique P. Andrews, Tonika M. Starks**



**Commissioner Echols** presides over the Faithful Service Awards

Fifteen Years: **Joyce L. Lewis, Winifred Gaines, Nancy G. Gibson.**

Twenty Years: **Dorothy W. Buckner, Jamie C. Barber, Nancy J. Tyer, Sheree W. Kernizan.**

Twenty-five Years: **Rachel Perry, Philip J. Smith.** We thank everyone for their years of service.

The event concluded with another wonderful luncheon.



**Commissioner Wise** gives inspirational remarks before lunch

## PSC and Legislative Staff Tour Plant Vogtle

Commission Staff accompanied two budget analysts from the Governor's Office of Planning and Budget on a tour of the Nuclear Plant Vogtle construction site on August 22, 2013. **Fiscal and Budget Officer Terry Pritchett, Public Information Officer Bill Edge** along with OPB analysts Matt Baxter and Drew Townsend visited the site to see the construction progress for Units 3 and 4 scheduled for completion in



2017 and 2018 respectively. This visit was an opportunity for these budget analysts to see the scope of the Commission's regulatory responsibilities. Both Matt and Drew said they have a greater appreciation for the Commission's work and regulatory responsibilities.



# Employee News

## Congratulations

To **Kelli Leaf** on her marriage November 9, 2013 to Marty Cole at Whitlock Inn in Marietta, Georgia. Kelli is an attorney for Facilities Protection.

To **Barbara Wolf** on the marriage of her daughter Erin to Andy Whitaker on November 9, 2013 in Jonesboro. Barbara is the Administrative Assistant for Commissioner Everett.

To Commissioner **Lauren "Bubba" McDonald, Jr.** on his selection as one of Georgia Trend Magazine's 100 Most Influential Georgians.

## Sympathy

To **Leslie Tench**, Electric Staff, on the passing of her brother, Daniel, on November 28, 2013.

To **Terry Pritchett**, Fiscal Officer, on the passing of his father W.D. "Bill" Pritchett on November 14, 2013. Funeral services were held in Marietta on November 17, 2013.



## "Team Regulators" Take Part in 2013 Kaiser Permanente Corporate Challenge

Commission Staff once again donned their running gear to take part in the 2013 Kaiser Permanente Corporate Challenge at Turner Field on September 12, 2013.

Taking part in Team Regulators were, left to right: **Monique Andrews, Bolin Killings, Janey Chauvet, Katherine Leigey, Anne McCullough, Sheree Kernizan, Barbara Wolfe, Mike Shemasky, Blair**



**Fink, Dennis Sewell, Quawanda Boyer, and Tom Bond.**

This is the 13th year the Commission has fielded a team to take part in the KP Corporate Challenge.

Next year's Corporate Challenge is scheduled for September 11, 2014.

## WSB Radio Gives Commission a "Breakfast Break"

WSB Radio Morning Show Host Scott Slade and his producer Heidi Mason brought a "Breakfast Break" to the Commission on October 18, 2013. **Commissioner Tim Echols** nominated the gas and electric staffs for their hard work and WSB selected them for the station's weekly "Breakfast Break" as the best office of the week.



All gather for a group photo



WSB Radio's Scott Slade and Heidi Mason arrive in their all electric Chevy Volt

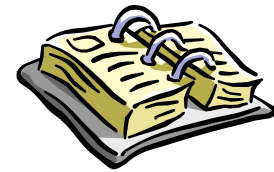
# Commission News

## Georgia State Holidays for 2014

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

**January 1**  
**January 20**  
**April 28**  
**May 26**  
**July 4**  
**September 1**  
**October 13**  
**November 11**  
**November 27**  
**November 28**  
**December 25**  
**December 26**

### Commission Calendar



#### January 2014

1-Holiday  
 2-Committees  
 7-Administrative Session  
 20-Holiday  
 21-Administrative Session  
 30-Committees

#### February 2014

4-Administrative Session  
 13-Committees  
 18-Administrative Session  
 27-Committees

#### March 2014

## Commission Calendar

4-Administrative Session  
 13-Committees  
 18-Administrative Session  
 27-Committees

#### April 2014

1-Administrative Session  
 10-Committees  
 15-Administrative Session

#### May 2014

1-Committees  
 6-Administrative Session  
 15-Committees

#### NARUC

##### Winter Meeting 2014

February 9-12, 2014  
 Washington, D.C.

##### Summer Meeting 2014

July 13-16, 2014  
 Dallas, Texas

##### Annual Convention 2014

November 16-19, 2014  
 San Francisco, California

#### SEARUC

##### Annual Meeting 2014

June 2014  
 Tunica, Mississippi



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

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#### COMMISSIONERS

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