



GPSC News



Making Business and Safety Decisions Affecting Tomorrow

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Commissioner Angela Elizabeth Speir made history as the first woman to chair the Public Service Commission when she presided over the Commission's Administrative Session on January 18, 2005. "This will be a busy year for

Commissioner Speir Presides Over Administrative Session

the Commission," Commissioner Speir said. already on the docket "We have Atlanta Gas and Georgia Power Light Company and Savannah Electric Company will file a re-

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Commission Cuts Georgia Power Rate Request

The Commission December 21 in a 3-2 vote approved a decrease in the Georgia Power Company (Company) rate hike request filed on July 1, 2004. The Commission will cut the Company's request by more than 41%, reducing their \$328 million request by more than \$134 million. This means

the average residential customer will see a \$3.10 increase in their monthly Georgia Power electric bill. "Georgia Power's rates will remain below the national average by more than 20% and still lower than the rates were ten years ago,"

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Commission Lobbies For Additional Funds in State Budget



State lawmakers have added \$50,000 to the Commission's 2005 amended budget. The money would be used to hire additional consultants for the Georgia Power Fuel Cost Recovery case, Docket Number 19142-U. The bill is now awaiting the Governor's signature. The House had added the additional funds in their version of the FY 2005 Amended Budget (HB 84) but the Senate had removed it. The proposal went back and forth at one time during the conference committee, which irons out differences when the House and Senate pass different versions of legislation. However, in the end the conference agreed with the House position



and kept the money in. In the FY 2006 Budget, HB 85, the House has added \$100,000 to the Commission budget to finance the move of the Utilities Division from 47 Trinity Building to the 254 Washington Street Building. The Senate version increases that by \$10,000. The Senate also removed over \$3 million in local projects that the House ap-

proved setting the stage for another conference committee showdown. We are hopeful that our increase will remain in the final conference committee budget report.

At print time, legislators appeared headed for an April 1 adjournment day or Sine Die. Last year's regular session ended on April 7 but the Governor called lawmakers back in May for a Special Session to fix the FY 2005 Budget. In 2003, the General Assembly adjourned on April 25, 2003 ending one of the longest sessions in recent history. In 2002, the Session adjourned on April 12.

If you have a story for the next GPSC News, please send to Bill Edge, bille@psc.state.ga.us. Next issue deadline is April 15, 2005.

Speir Takes Over As Chairman

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quest for an increase in their Fuel Cost Recovery Allowance. These cases are in addition to our normal regulatory duties. We have a heavy schedule this year but I look forward to the opportunity to serve the people of Georgia."

Commissioner Speir became the first woman elected to the Commission for a six-year term

in November 2002 and the second Republican woman elected to a statewide office. A Georgia native, Commissioner Speir grew up in DeKalb County and graduated from Agnes Scott College with a Bachelor of Arts in Biology. She is also a graduate of CEO International.

After graduation from Agnes Scott, Angela Speir served as the Assistant Administrator of the medical complex at the United Methodist Children's Home providing medical aid

and counseling to abused children.

She first ran for public office in 1992 as a candidate for the Georgia State Senate.

.Ms. Speir is a member of the National Association of Regulatory Utility Commissioners Committee on Telecommunications. Commissioner Speir and her husband reside in Gwinnett County.

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continue good quality of service and incite innovation by the Company.

A majority of the Commission voted 3-2 to adopt a stipulation agreed to by the Company, the Commission's Adversary Staff, Consumer's Utility Counsel and other parties in the case. The Stipulation provides for a three-year

accounting order rather than the one-year rate plan the Company requested. The terms of the accounting order include:

- Rates would be set at a return on equity (ROE) of 11.25% and capped for the next three years.
- A reduction in the Company's rate request of \$134

million.

- An earnings band of 10.25% to 12.25%. Any earnings above the band would be split between ratepayers and the company, with all ratepayers receiving 2/3 and the Company 1/3.
- As long as earnings remain within the band, the Company may not seek a new



Atlanta Gas Light Rate Case Hearings Kickoff

Staff Testimony in the Atlanta Gas Light Company rate case, Docket Number 18638-U, got underway March 14, 2005. Adversary Staff testified that AGLC should receive no rate increase, but instead should have the Company's rates frozen for three years, and a Comprehensive Rate Plan established for the Company. Adversary Staff contends that the Company is currently over-earning \$55 million per year from its base rates and those over-earnings should be used to offset and levelize the Company's future pipeline replacement costs – resulting in rate stability for the next 3 years. Several public witnesses



Helene Mills Expresses Her Views on Atlanta Gas Light Rate

spoke to the Commission prior to Staff testimony. Most said a rate increase would be another burden senior citizens could not

afford.

The Adversary Staff is a separate group who conduct an investigation and present evidence independent of the Commissioners.

The Company presented its direct testimony in support of its request during hearings in January. Rebuttal hearings are scheduled for April 11 and 12, 2005. The Commission is scheduled to issue its decision in this case during a Special Administrative Session on April 28, 2005.

The Atlanta Gas Light case is found under Commission Docket Number 18638-U.

Commission Unveils New Website Look

The Commission unveiled a new look to its website, www.psc.state.ga.us, on November 17 that is more consumer friendly and user intuitive. These online enhancements will give consumers and other users the ability to formulate smart choices concerning Natural Gas, Electric and Telecommunications services. These improvements include:

The Electric Bill Calculator will give consumers the ability to check Georgia Power and Savannah Electric bill calculations based on information obtained from their monthly electric bill statement. The calculator is easy to use and has the same intuitive and visually appealing look and feel as the new site. Bilingual support for consumers who have the need to access

consumer information in a non-English format on the Commission website.

A new Telecom database search engine page. This will assist users with locating information relating to Telecom companies doing business in Georgia.

More enhancements and beneficial features will be added in the weeks to come.

FCC Designates 811 as the Nationwide Number to Protect Pipelines from Excavation Damage

The Federal Communications Commission (FCC) March 10 designated 811 as the national call-before-you-dig number. The establishment of a nationwide one-call hotline, as mandated by the Pipeline Safety Improvement Act of 2002,

provides excavators anywhere in the United States with an easy-to-remember, three-digit number to find out if there is a pipeline or any other underground facility where they plan to dig. Third-party damage, caused by digging into an

oil pipeline, results in the largest volume of oil that is accidentally released from pipelines. It accounts for 43 percent of oil spilled. The FCC will give communications carriers two years to implement the 811 number.

Commission Goes on the Road for Savannah Electric Rate Hearings



Commissioners March 2 took the Commission on the road to Savannah to conduct the first hearings in Savannah Electric and Power Company's (Company) request for an increase in its base rates. Several local public officials as well as citizens voiced their opinion on the Company's proposed rate increase request. Savannah Electric has filed a request to increase its base rates by \$23.8 million a year, an 8.8% increase in a customer's monthly bill. Chatham County Chairman Pete Liakakis welcomed the Commission to Savannah. The



Savannah Mayor Otis Johnson Welcomes the Commission to Savannah

Commission is grateful to Chatham County for the use of their facilities in the historic Old Chatham Courthouse. This is the second hearing in Savannah using the Chatham County Commission Chambers. Savannah Mayor Otis Johnson also welcomed the Commissioners to the city. Savannah State University President Dr. Carlton Brown praised Savannah Electric for its role as an effective corporate citizen. Dr. Brown however ex-

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Commission to Hear Georgia Power Fuel Case

The Commission February 18 approved a schedule of public hearings in Georgia Power Company's request for an increase in its Fuel Cost Recovery Allowance.

Under Georgia Law (OCGA 46-2-26) the Company is allowed to recover dollar for dollar all fuel costs prudently incurred.

The Commission will conduct hearings on April 18, 2005 be-

ginning at 10 a.m. and April 19, 2005 beginning at 10:30 a.m. on the Company's request. The public is invited to comment at the beginning of each day's proceedings.

The Commission is scheduled to issue its decision in this case at its regular Administrative Session on May 17, 2005 at 10 a.m.

The Company's Fuel Rate as proposed would increase the aver-

age residential bill by about \$7.92 per month.

The hearing will take place at the Commission's offices, 244 Washington Street, Atlanta, Georgia in Room 110.

More information on this issue can be found on the Commission's website, www.psc.state.ga.us, by entering Docket Number 19142 in the Docket Search.

Commission Approves Change in Marketer Late Fee

The Commission January 18 approved by a vote of 3-2 a revision of the Commission Rule relating to the minimum account balances that natural gas marketers can charge their customers late fees on past due bills. The revised rule raises the minimum past due balance in cus-

tomers accounts on which natural gas marketers can assess a late fee from \$10.00 to \$30.00. The late charge fee is \$10.00 or 1.5%, whichever is greater.

More information on this issue can be found under Docket Number 12720.

Commission Chair Angela Speir said she voted for the rule

change to ensure that customers are treated fairly. Commissioners Robert Baker and David Burgess also voted yes. Commissioner Stan Wise who voted no on the change, said it would transfer costs to those who pay their bills on time. Commissioner Doug Everett also voted no on the change.

Commission Approves USF Funds for Low-Income Assistance



The Commission November 2 unanimously approved the release of \$3 million from the Universal Service Fund (USF) to give qualified low-income citizens and senior citizens in Georgia some relief from this winter's expected high natural gas heating bills. Commissioner David Burgess, who sponsored the proposal, noted, "These funds will enable many Georgia families to keep the heat on this winter and pay those soaring natural gas bills." Commissioner Stan Wise added, "The legislature

was correct to give us this authority. We now have the opportunity to grow the system and help our senior citizens." Today's action means a total of \$6.1 million is available from the USF this winter to provide relief to eligible low-income families and senior citizens. The Department of Human Resources (DHR) disburses the funds through Community Action Agencies across the state. Eligible households must meet federal poverty guidelines in order to receive the assistance. For the first time, DHR will be able to use these funds to as-

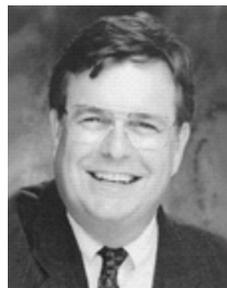
sist people already disconnected with paying deposits to get reconnected and staying connected to the natural gas system.

Since 2001, the Commission has disbursed more than \$21 million in assistance to low-income families and senior citizens to help pay winter natural gas bills.

In other action, a majority of the Commission voted to reduce the rates charged for Institutional Telephone calls. The proposal calls for a 10 percent reduction in the intrastate long

distance collect call rate but the reduction would be phased-in over a four-year period beginning July 1, 2005. The surcharge would drop 5 cents a year from the current \$2.20 to \$2.00 while the per minute rate would drop from 24 cents per minute to 19 cents per minute. For more information on this issue, enter Docket Number 18870 in the Commission's docket search function.

Commissioner Wise Completes Term As NARUC President



Commissioner Stan Wise says it was been an eventful year during his 15-month tenure at the head of the National Association of Regulatory Utility Commissioners (NARUC). Wise recently turned over the NARUC Presidency to Marilyn Showalter, Chairman of the Washington State Utilities and Transpor-

tation Commission, during NARUC'S Annual Convention in Nashville, Tennessee.

Wise said, "High on the agenda has been new telecommunications technologies, such as Voice Over internet Protocol, new rounds of court battles on telecommunications issues, and rising natural gas prices." Wise noted the recent Federal Communications Commission ruling that states com-

missions have limited jurisdiction over the fast growing internet-based telephone service. Wise is concerned that the FCC failed to address whether VoIP providers must pay fees into the Universal Service Fund for bringing telephone service to rural areas and emergency 911 services.

He noted that a federal court ruling this year also limited state commission's authority to

set prices charged by the Baby Bells for competitors' access to their networks. "We're now waiting for the FCC to issue a new set of rules on this issue," Wise said.

In response to soaring natural gas prices, Wise says regulators at the convention approved a resolution urging Congress to expand the boundaries off the West Coast for natural gas ex-

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Savannah Electric Rate Hearings



(Continued from page 4)

pressed concern about the cost to the institution of increased utility rates.

Sarah Barsack, of the Southern Alliance for Clean Energy, urged Savannah Electric to promote energy efficiency and not spend money on slick billboards. Wallace Bacon told the Commission as a retiree he could not afford higher electric rates.

Savannah Electric President Anthony James kicked off the Company's direct testimony. James told the Commission the Company needs the rate increase because of the investment in transmission and distribution, the addition of Plant McIntosh to



Chatham Commission Chairman Pete Liakakis Welcomes Commissioners

the rate base and the inclusion of the PPA of Plant Wansley.

he Commission will hold additional

hearings in the Savannah Electric case on March 29, 30 and 31 for Adversary Staff testimony. The Company will present its rebuttal testimony on April 26 and 27. The Commission would issue its decision on the Company's request at its regular Administrative Session on May 17, 2005. More information on the Savannah Electric rate case is found under Commission Docket 19758.

Commissioner Wise Appears on WXIA-TV

Commissioner Stan Wise appeared on the WXIA-TV public affairs program "Week In-Depth" with host Denis O'Hayer on Sunday, January 23, 2005. The key topic of the program was the recently decided Georgia Power rate case. Other guests on the program included Georgia Power Vice President Ron Hinson and Rita Kilpatrick, of the Southern Alli-



ance for Clean Energy.

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ploration.

The National Association of Regulatory Utility Commissions (NARUC) 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 telecommunica-

tions, energy, and water utilities.

Commissioner Wise is serving in his second six-year term on the Georgia Public Service Commission having been re-elected in November 2000.

Articles on Commissioner Wise's NARUC presidency appeared in the Marietta Daily and the Atlanta Journal Constitution.

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rate case.

Georgia Power had filed a rate hike request seeking an annual increase of \$328 million in revenues that would have increased residential rates by about 7% per year on average. The Commission last approved a rate increase for the Company in 1991.

Employee News



New Employee



Welcome to **Tom Newcombe**, who joined the Internal Consultants/Facilities Protection Unit as an Analyst on January 4. Tom previously worked as a senior business valuation analyst for the past 5 years before joining the GPSC. He also spent nine

years as a chemical engineer working in process design and participated in several plant commissioning and start-ups overseas. He has a Bachelors in Chemical Engineering from Georgia Tech, a Masters of Science in Business Economics and a Masters of Science in Finance from Georgia State University.

Congratulations

Congratulations to **Executive Secretary Reece McAlister** and his wife Ellen on the birth of Troy William McAlister. Troy made his appearance at 8:38 a.m. February 8, 2005. He weighed in at 9 lb. 9 oz. and 21 inches long. Troy his four sisters in the McAlister household.

Sympathy

Condolences to Bill Edge, Public Information Officer, on the passing of his daughter, Courtney Lynn Edge, on January 31, 2005. Funeral Services were held in Lilburn, Georgia on February 3, 2005 at Trinity Lutheran Church.

Our sympathy goes to **Phil Smith** on the passing of his father, James Irvin Smith, on December 6, 2004. Funeral services were held at Long Creek Baptist Church in Warrenton, Georgia on December 11, 2004.

Farewell

The Commission bid farewell to two longtime employees. Dayle Perry retired December 31 after 24 years with the state. Roberta Brecher retired December 10 after seven years in state government. Both will be missed. We wish them the best in their new endeavors.

Blackshear Helps Apprehend Suspected Thief

Commission Records Keeper **Keith Blackshear** on February 22 helped catch a suspected thief after a Commission staff member returned to her office on the 6th floor of 47 Trinity after being away briefly and discovered a woman (5'-3" , African American, hair in bun, blue pullover and jeans) going through her wallet. When confronted the woman gave an implausible story and left.



Keith took the elevator down to the Trinity Avenue exit and

pointed her out to the security guard. Incredibly the woman was speaking on the guard's telephone! Capitol Security took the woman into custody. Thanks to Keith's quick thinking, further thefts were avoided.

Commission News



Georgia State Holidays For 2005

New Year's Day	January 1
Martin Luther King, Jr. Birthday	January 17
Confederate Memorial Day	April 25
Memorial Day	May 30
Independence Day	July 4
Labor Day	September 5
Columbus Day	October 10
Veterans Day	November 11
Thanksgiving	November 24
Robert E. Lee Birthday	November 25
President's Day	December 26
Christmas	December 27

Commission Calendar



- March**
- 1-Administrative Session
- 10-Committees
- 14-15 AGL Hearings
- 15-Administrative Session
- 24-Committees
- 29-31- Savannah Electric Hearings
- April**
- 5-Administrative Session
- 11-12 AGL hearings
- 14-Committees
- 18-19 Georgia Power Fuel Hear-

Commission Calendar

ings
 19-Administrative Session
 25-Holiday
 28-Committees
 28-Special Administrative Ses-
 sion

May
 3-Administrative Session
 12-Committees
 17-Administrative Session
 30 -Memorial Day Holiday

NARUC
Summer Meeting
 July 24-27, 2005
 Austin, Texas

Annual Convention
 November 13-16, 2005
 Palm Springs, CA

Winter Meeting
 February 12-15, 2006
 Washington, D.C.

SEARUC
June 6-8, 2005
 Covington, Ky.

GPSC ONLINE:
www.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
Angela E. Speir, Chair
Robert B. Baker, Jr.
David L. Burgess
H. Doug Everett
Stan Wise

