



GPSC News

Making Business and Safety Decisions Affecting Tomorrow

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Fall 2002

Workshops Begin To Train Leaders On Regulated Provider

*Workshops will train Community Leaders on the Regulated Provider Program

*Workshops set for November 12 and 26 and December 10 and 17

*Held at Commission Offices

Workshops are underway to provide information to community leaders and others on the Regulated Provider program. The first workshop took place on October 29 but others are scheduled for November 12, November 26, December 10 and December 17 at the Commission offices. Commission staff members as well as representatives from



Consumers Affairs Director Cynthia Johnson Opens Workshop

the Department of Human Resources and SCANA Energy Regulated Division will provide an overview of the Regulated Provider qualification rules and

enrollment procedures as well as information on the 2002 Natural Gas Consumers' Relief Act. The Commission appointed SCANA Energy Regulated Division as the regulated provider under the authority granted in the Act.

To publicize the Regulated Provider,

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Commission Settles Regulated Provider Lawsuit

The Commission on October 30 approved a stipulation to settle a lawsuit filed August 23 by industrial users concerning the financing of the Regulated Provider Program. The industrial users claimed that the Commission had acted illegally in appointing SCANA Energy

Regulated Division as the regulated provider under the authority granted in the Natural Gas Consumers' Relief Act of 2002. They contended that the law failed to give the Commission authority to pay the Regulated Provider upfront for each "bad debt" customer. Under the terms of the stipulation, the SCANA and the Industrials will share in the cost of bad debt if the number of customers signing up for the Regulated Provider exceeds 25,000. The stipulation does not preclude the Commission from providing additional refunds to residential and commercial customers.

Commission Cuts Budget

Despite a small increase in state revenue collections in September, 2002, the Commission voted at its August 27 Special Administrative Session to submit to the Governor the required two percent additional budget reductions. The Commission cuts call for reductions in per diem and fees and vehicle purchases.

The Commission cut \$183,590 from the fiscal year 2003 budget. The cuts including replacing on two of three cars requested and cutting back on the temporary employees in

Consumers Affairs, the use of consultants who monitor compliance with federal telecommunications law.

State revenues for September, 2002 were up about 2 percent compared to September, 2001. The increase ended a 15 months of consecutive declines in state revenue collections.

If you have a story for the next GPSC News, please send to Bill Edge, bille@psc.state.ga.us. Next issue deadline is Jan. 15, 2003.

Commission Staff To Take Part In Utility Safety EXPO

Pipeline Safety Director **Danny McGriff** and GUFPA Investigator **Gary Mason** will take part in the 2002 Georgia Utility Safety EXPO at the Gwinnett Civic Center on Friday, November 8, 2002 from 6 a.m. to 8 p.m. The EXPO, sponsored by the Georgia Utility Contractors Association, Inc., will feature safety classes, equipment demonstrations and educational seminars. Stop by and visit Danny and Gary at the PSC exhibit.

Regulated Provider

Commission Chairman David L. Burgess has recorded television and radio public service announcements that will run statewide. Information packets have also been distributed to community groups such as churches and charities. As of

A 17 person delegation from the Japan Electric Association met with Commission Electric Staff on September 27 to discuss the Commission's regulation of electric utilities in Georgia and FERC issues. The delegation included representatives from Hokkaido Electric Power

Company, Tokyo Electric Power Company, Hokuriku Electric Power Company, Kyushu Electric Power Company, Kansai Electric Power Company and Osaka Gas Company. Electric staff has also met with the United States Energy Association's delegations from Jordan and South Africa.

Japanese Delegation Visits

Commission Wins Appeal In Excavation Case

A Fulton Superior Court judge on October 17 upheld the Commission's decision to levy a \$10,000 fine against Douglas Asphalt Company for violations of the Utilities Protection laws. Douglas contended that it did not dig but the Court applied the "any evidence" rule and found that the

Commission's decision had adequate support. The Court took particular notice of the letter from the Company's own attorney that was admitted without objection before the Commission that acknowledged Douglas was excavating.

The case stems from an incident on August 9, 2000 near

Macon, Georgia in which an excavation crew cut a fiber optic cable, belonging to Public Service Telephone Company, that linked Macon and Reynolds, Georgia. The Commission held a hearing in the case on June 27, 2001 and issued its decision on August 21, 2001. Douglas appealed the Commission's order to Fulton Superior Court.

Commission and DHR Sign Memorandum of Understanding to Qualify Recipients of the Regulated Provider



Commission Chairman David L. Burgess and Georgia Department of Human Resources Commissioner Jim Martin on September 12 signed a Memorandum of Understanding that will enable DHR to qualify up to 50,000 consumers who may be eligible for the Regulated Provider, SCANA Energy Regulated Division. The Commission appointed SCANA Energy Regulated Provider as the regulated

provider pursuant to the Natural Gas Consumers' Relief Act. The purpose of the regulated provider is to offer natural gas to low-income citizens and low-income seniors at special rates (Group 1), as well as to provide service to customers who have been denied service by other marketers (Group 2). For the low-income groups who qualify for the lowest rates (Group 1), SCANA will waive all

deposit requirements until November 20, 2002.

Under the terms of the Memorandum, the Department of Human Resources (DHR) will process up to 50,000 applications of consumers who wish to receive service from the Regulated Provider. In return, the Commission will provide to DHR up to \$678,000 in funds already allocated from the Universal Service Fund for processing costs. DHR began processing applications on



Chairman David L. Burgess signs the Memorandum as Commissioner Lauren "Bubba" McDonald and DHR Commissioner Jim Martin look on.

Monday, September 16. The agreement will be in effect until September 1, 2003.

Low-income consumers meeting income and household requirements who wish to sign up for the Regulated Provider should contact SCANA Energy Regulated Division at 1-866-245-7742 or DHR at 1-800-869-1150. Consumers who have been denied service by other marketers should call SCANA Energy Regulated Division regardless of income or household size.

The signing was attended by Brett Newsome, SCANA; Commissioner Lauren "Bubba" McDonald; Commission Chair David L. Burgess; Joyce Hull and Jim Martin, Department of Human Resources.

Wise Meets With Federal Regulators On UNE-P Issues

Commissioner Stan Wise met with Federal Communications Commission members Kathleen Abernathy and Kevin Martin on October 28 to discuss issues re-

lating to the unbundling of network elements in fostering local competition in the residential and small business markets in Georgia. State regulators from 11



other states joined in the briefing in Detroit, Michigan.

The Commission is currently considering a docket to determine the extent to which local switching, a critical component of the UNE-P offering, should remain a unbundled element throughout the Georgia market.



Coweta-Fayette EMC Submits Application for Natural Gas Affiliate

Coweta-Fayette EMC filed an application for a certificate as a natural gas marketer on September 13, becoming the second Georgia Electric Membership Corporation to do so under legislation approved during the 2002 General Assembly. The affiliate would provide service under the name "EMC Natural Gas."

Coweta-Fayette EMC provides electricity and other services to over 61,000 consumers in one of the nation's fastest-growing areas, including Coweta, Fay-

ette, Fulton, Heard, Meriwether, Spalding and Troup counties.

The Commission will conduct a public hearing on Coweta-Fayette's application on November 14 and is scheduled to issue a decision during a Special Administrative Session on November 26. "We plan to slowly enter into the market," said Daniel Hart, Chief Operating Officer of EMC Natural Gas. "We'll first concentrate inside our territory on customers served by Atlanta Gas Light Company (AGLC) pipes and then expand outside." Coweta-Fayette is the second

EMC to file for a natural gas marketer certificate. The Commission on October 1 approved the application of Walton Energy, Inc, an affiliate of Walton EMC, for a natural gas marketer certificate of authority.



Sizemore Holds Meetings On Economic Development

Commissioner Earleen Sizemore completed a series of meetings across the state in September and October in order to gather input on how the Commission can promote economic development. During meetings in Albany, Ringgold, Savannah and Columbus, citizens expressed



Commissioner Earleen Sizemore chats with Catoosa Commission Chairman Winford Long following meeting in Ringgold

their concerns and raised questions.

Some of the concerns included whether their communities might be required to change area codes, underground utility protection, extension of broadband and DSL technology into rural

areas and keeping electricity rates low in order to attract businesses to the state. Commission staff members informed audiences about the role of the Commission in economic development, provided background on the Commission and described the decision making process in rate cases.

Citizens also asked about the challenges facing the Commission in the future and about the future

for natural gas deregulation. Rainy weather did keep attendance down in

Albany and Savannah but overall Commissioner Sizemore says, "I am pleased that the citizens came out to talk with us and express their views."



Commission Rulings



The Commission October 1 unanimously awarded AT&T a three-year renewal of its contract as the Telecommunications Relay Service (TRS) provider beginning April 1, 2003. The TRS allows deaf, hard of hearing or speech disabled Georgians to communicate by telephone using a text telephone (TDD/TTY). Commission Chairman David L. Burgess said, "AT&T has a good 12-year track record of providing this service to the citizens of Georgia. I am confident they will continue to

provide this essential service to the hearing and speech impaired citizens of our state." The Commission had considered bids from AT&T, Hamilton Telecommunications of Aurora, Nebraska, and Sprint. The current contract with AT&T expires on March 31, 2003. AT&T currently provides TRS services in 12 states.

The service is available 24 hours a day, seven days a week and enables people to place relay calls between Georgia and other locations anywhere in the United States and

internationally to English-speaking persons.

The Commission administers the TRS that became operational in 1991. Pursuant to a Commission order, local telephone companies in Georgia collect a surcharge from their customers to fund the service. Currently, the surcharge amount is \$0.15 per access line per month.

Callers with regular hearing abilities who wish to reach people who are deaf, hard of hearing or speech disabled may dial 1-800-255-0135 to use TRS.

Relay Equipment Hearing Held

The Commission held a public informational meeting October 28 to seek input and provide information on plans to implement House Bill 1003, the Telecommunications Equipment Distribution Act. The Commission is required to select a vendor to provide the



Bob Vaughan and Ken Ellison Conduct Meeting with Interpreter and Closed Caption Screen

TRS equipment to hearing impaired persons who meet federal income requirements.

Ken Ellison told the audience of about two dozen people that the Commission plans to have the equipment provider in place by the statutory deadline of March 31, 2003.

Commission Grants Marketer Certificate To Walton EMC Affiliate

The Commission on October 1 unanimously approved Walton Energy, Inc.'s application to be a natural gas marketer. Walton Energy, Inc. is a subsidiary of Walton Electric Membership Corporation

(EMC), a consumer-owned utility with 99,000 accounts in ten Northeast Georgia counties between Atlanta and Athens, with headquarters in Monroe, Georgia. Walton Energy, Inc. is the

first EMC affiliate to receive a natural gas marketer certificate of authority under legislation approved during the 2002 Georgia General Assembly.



Commission Rulings

Commission Adopts Consumer Rules For Natural Gas Billing and Service

Consumers will benefit from improved customer service standards and stricter billing requirements placed on their natural gas marketer under rules the Commission approved August 27. Commission Chairman David L. Burgess said, "These rules will provide additional protection for consumers in this state." The rules comply with the Natural Gas

Consumers Relief Act, passed during the 2002 General Assembly. Specifically, the approved rules include:

Service Quality Standards for Atlanta Gas Light Company, Natural Gas Marketers and the Regulated Provider: These rules set performance standards for call center operations, billing and collections, payment processing, switching of customers between marketers, complaint handling, customer satisfaction, meter reading accuracy and timeliness,

responsiveness to consumers and compliance with PSC requirements.

Natural Gas Marketer Billing Practices: The rules require enhanced standards for the content and accuracy of various components of gas bills, establish a reasonable period of time when a bill is due; place limits on when and how much of a late fee can be charged; require the use of the marketer's published price at the beginning of a consumer's billing cycle for assessing various charges.

Residential Natural Gas

Disconnections: Amendments to the existing rules include an extension to 15 days the required notice before a residential consumer can be disconnected, as well as other natural gas service disconnection protections. The PSC has worked diligently to implement rules to require all marketers and Atlanta Gas Light Company to deliver to consumers a more universally acceptable level of customer service in all aspects of the gas

business.

PSC Approves New Rules On Natural Gas Marketers Terms of Service; Denies Reconsideration of Savannah Electric Rate Case

The Commission August 6 approved new rules relating to

Natural Gas Marketers' Terms of Service. The primary purpose of the rules is to comply with provisions of the Natural Gas Consumers' Bill of Rights, legislation adopted by the 2002 Georgia Legislature in regards to terms of service offered or provided by marketers to customers. More specifically, the areas to be addressed in these new rules include: providing minimum standards for which terms of service are to be offered to customers; requiring

marketers' terms of service to be approved by the Commission; setting forth provisions that must be contained in a disclosure statement given to customers; recognizing a customer's three day right to rescind a new contract entered into with

a marketer; establishing one year as the period of time that a marketer must retain customer terms of service documentation; and stating penalties, as appropriate, for a marketer's failure to meet established requirements pertaining to terms of service.

In other issues, the Commission denied Savannah Electric and Power Company's motion for reconsideration of the Commission's May 31, 2002 rate case order. The Commission granted Savannah Electric a rate increase of \$7.8 million rather than the \$24 million increase the Company had requested.

Federal Appeals Court To Reconsider Ruling In BellSouth vs. MCI Case

The Federal Appeals Court in Atlanta heard oral arguments in a case that will have ramifications on the Commission's power to resolve interconnections agreements involving Internet traffic. The case stemmed from a complaint MCI filed with the Commission alleging that BellSouth was in violation of the Interconnection Agreement between the two companies because Bell would not pay reciprocal compensation for Internet Service Provider (ISP) traffic. The Commission ruled that BellSouth did have to pay. BellSouth appealed to the federal district court in Atlanta



which upheld the Commission's decision and also ruled that the Commission was not a proper party in the case. BellSouth appealed the district court's decision to the 11th Circuit Court of Appeals in Atlanta. A three judge panel at the 11th Circuit not only threw out the whole case but also stated that neither the Commission nor the federal

courts had jurisdiction over Interconnection complaint cases. Instead, they said that the suit should have been filed in state court. However, the full Court stayed the three judge panel's order and heard oral arguments on October 16, 2002 on the issue of whether the Commission has jurisdiction to hear complaint cases and whether appeals of Commission decisions should go to the federal courts or the state courts. The Court has not issued its order on this yet.

New Employees



Brandon Marzo joined the Commission August 5 as an attorney in the Utilities Section. He previously worked for the Consumers Utility Counsel. He has a law degree from Washington and Lee University. He graduated from Morehouse College in 1995 with a degree in pre-law. He is an Atlanta native and attended Lakeside High School.



John Kaduk joined the Commission full-time August 26 as a Telecommunications Engineer. John is a 2002 Georgia Tech graduate with a Bachelor of Science in Electric Engineering. He was a co-op here at the Commission for three semesters in the Electric and Telecom Sections. He is a native of Milledgeville, Georgia.



Shaun Rosemond joined the Commission as a Telecommunications Engineer July 1. Shaun is a 2002 graduate of Georgia Tech with a degree in Electrical Engineering. He was born in Illinois but moved to Roswell, Georgia at a young age. The thing Shaun enjoys the most about his job is the impact his job has on maintenance of welfare of Georgia consumers.

Charitable Contributions Program and Food Drive Underway

Commission employees can contribute to programs that strengthen the community by participating in the State Charitable Contributions Program. Please consider a contribution to this year's Program. If any unit would like to hold a fundraising activity with proceeds designated for specific charities, please contact our agency coordinators, Reece McAlister and Pat Welcome. Please return the forms distributed to all Commission employees no later than November 20.

During the month of November, the Commission will sponsor

its 5th Annual Food Drive. All non-perishable food collected will be distributed by the Atlanta Community Food Bank to over 700 community-based not-for-profit feeding agencies. These agencies include senior service centers, community kitchens, day care centers, food pantries, battered women shelters, brown bag lunches, food co-ops and meals-on-wheels programs. Each agency is a registered non-profit organization.

The Commission hopes that this year's drive will be as successful as those it has coordinated since 1998.

Commission Calendar

November

5-Administrative Session
6-8 Service Quality Workshops
11-Veterans Day Holiday
14-Committees, Coweta EMC Marketer hearing
19-Administrative Session
19,20-Georgia Power, SEPCO hearings
26-Special Administrative Session
27-Committees
28-29 Thanksgiving Holidays

December

3-Administrative Session
12-Committees

Commission Calendar

17-Administrative Session
25-26-Christmas Holidays

January

1-New Years Day Holiday
2-Committees
7-Administrative Session
16-Committees
20-M.L. King Holiday
21-Administrative Session
30-Committees

February

4-Administrative Session

NARUC

Annual Convention

November 10-13, 2002
Chicago, Illinois

Winter Meeting

February 21-24, 2003
Washington, D.C.

Summer Meeting

July 27-30, 2003
Denver, Colorado



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www.psc.state.ga.us



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