GEORGIA PUBLIC SERVICE COMMISSION

140TH ANNUAL REPORT

2018

Chairman Lauren “Bubba” McDonald
Vice Chairman Tim Echols
Commissioner Chuck Eaton
Commissioner Doug Everett
Commissioner Tricia Pridemore (from February 21, 2018)
Commissioner Stan Wise (through February 20, 2018)
Commissioners (left to right) through February 20, 2018:
Doug Everett, Vice-chair Tim Echols, Chairman Stan Wise, Chuck Eaton, Lauren “Bubba” McDonald

Commissioners (left to right) from February 21, 2018
Tricia Pridemore, Vice-chair Tim Echols, Chairman Lauren “Bubba” McDonald, Chuck Eaton, Doug Everett

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March 1, 2019

The Honorable Brian Kemp
Governor
203 State Capitol
Atlanta, Georgia 30334

Dear Governor Kemp,

The Georgia Public Service Commission presents its 2018 Annual Report, pursuant to O.C.G.A. §46-2-31, which highlights the agency’s major activities and achievements during the past year regarding the state’s regulated utilities, telecommunications and infrastructure protection.

2018 has been a year of change for the Commission. Long time Commissioner Stan Wise resigned in February, and Governor Deal appointed Tricia Pridemore in his place. In November Commissioner Doug Everett announced his retirement and Governor Deal named State Representative Jason Shaw to the Commission effective January 1, 2019. Commissioner Pridemore won election to a full six-year term while the voters re-elected Commissioner Chuck Eaton to his third term on the Commission.

The year 2019 will see continued activity at the Commission as we closely monitor the ongoing Plant Vogtle nuclear construction project and continue our statutory regulatory responsibilities. We also expect to handle a number of major rate cases and an integrated resource plan for the Georgia Power Company. The Commission will continue to ensure that Georgia consumers receive the best possible value in utility and telecommunication services, while enforcing natural gas pipeline safety and protecting the utility infrastructure from damage.

The Commission contributed over $1.1 million to the state’s treasury in fiscal year 2018 as a result of its enforcement activities and the statutory regulatory assessment fee.

As the Commission enters its 140th year, we eagerly look forward to serving Georgia’s citizens in 2019 and contributing to the state’s dynamic economic growth and development.

Respectfully submitted,

Lauren “Bubba” McDonald, Chairman
Tim G. Echols, Vice-chairman
Chuck Eaton, Commissioner,
Tricia Pridemore, Commissioner
Jason Shaw, Commissioner
Chuck Eaton

Commissioner Since: January 1, 2007
Elected: 2006, Re-elected: 2012, 2018
Serves Through: December 31, 2024
Republican, Fulton County, Georgia

Commissioner, 2018 Georgia Public Service Commission

Chuck Eaton was elected to his first term on the Public Service Commission in December of 2006, re-elected in November 2012 and re-elected in December 2018. He was one of only two statewide Republican candidates in the entire country to beat an incumbent in 2006. In November 2014 his colleagues re-elected him to his second two-year term as Chairman for 2015 and 2016. He was first elected Chair in November 2012.

Prior to moving to Atlanta, he was an Account Executive for a packaging manufacturer in LaGrange, Georgia. Commissioner Eaton has an Accounting Degree from the University of Alabama and a Law Degree from Georgia State University.

He is the past President of the Buckhead Forest Civic Association and was also a representative to the Atlanta Neighborhood Planning Unit “B,” a citizen group that makes recommendations on zoning, land use, public safety and community issues. In Troup County he served on the Board of Directors for Troup Haven House, a children’s shelter.

Commissioner Eaton has been involved in the political process for a long time. In 1992, he served as Congressman Phil Crane’s Deputy Campaign Manager. In Troup County he successfully managed multiple campaigns for former State Representative Jeff Brown. He is a graduate of the Coverdell Leadership Institute, a statewide organization founded by the late U.S. Senator Paul D. Coverdell to strengthen leadership and political skills.

Due to the judicial nature of the Commission, he enrolled at Georgia State Law School in 2009, taking night classes and paying for the education out of his own pocket. He is admitted to practice law in Georgia.

Chuck lives in Atlanta with his wife, Erika, their daughter, Lydia, and their rescued dog. The Eaton's are members of Peachtree Road United Methodist Church.
H. Doug Everett
Commissioner Since: January 1, 2003
Retired December 31, 2018
Republican, Albany, Georgia

Commissioner, 2018 Georgia Public Service Commission

A native of Cordele, Georgia, Commissioner Doug Everett is the first Republican elected to the Commission from Southwest Georgia. In 1996, he was elected to the Georgia House from Albany and served three terms before his election to the Commission in 2002. As a State Representative, he served on the House Industry Committee and the Subcommittee on Utilities.

Prior to serving as a state legislator, Everett served three terms on the Albany City Commission, including two years as Mayor Pro Tem.

Commissioner Everett is a past president of the Southeastern Association of Regulatory Utility Commissioners (SEARUC), a non-profit corporation for the advancement and education of commission regulation and the promotion of cooperation among the commissions of the 12 member states. He also served on the Board of Directors of the Georgia AgriRama Development Authority. He is also a past member of the Advisory Board of Directors of the Institute of Nuclear Power Operations.

Commissioner Everett was born in Cordele, Georgia but moved to Sylvester, Georgia where he graduated from high school. He entered Georgia Tech but later transferred to Georgia Teachers College (now Georgia Southern University) and majored in math.

Everett is married to Janice Perry Johnson of Montezuma. The couple has three grown children, Mitch, Mike and Denice Delk, five grandchildren and three great-grandchildren. Everett is a former member of the Albany Rotary Club, the Sylvester JAYCEES and the Sylvester Kiwanis Club.
A younger Tim Echols was selected by the Atlanta Airport Rotary Club as "Student of the Year" from his high school in 1978. While at the luncheon, he met Truett Cathy, a member of the Atlanta Airport Rotary Club. After the meeting, Truett invited Tim to come by his Hapeville office and there gave him a set of motivational tapes and a challenge. Echols said the tapes changed his life and as a result of listening to Zig Ziglar and his teaching, Tim set a goal to be a statewide elected official.

Shortly after graduating from the University of Georgia, Tim and his wife Windy founded TeenPact, a training experience for conservative high school students. The program began at the Georgia Capitol and now operates in 45 states having trained 50,000 students. After building TeenPact, Echols ran for and was elected to the Public Service Commission in 2010. When he took office, Georgia was 9th in solar power. Now, eight years later the state is 6th in the nation in approved solar.

Echols created the Clean Energy Roadshow that has traveled the state every summer for the last eight years. This educational event travels to cities around the state helping commuters, businesses and municipal governments evaluate alternative fuel for their transportation and residential use.

Tim has tried to lead by example. He added solar hot water heating to his Athens home just before being sworn-in. He has owned a natural gas car, a propane van and three electric cars. Tim also led the effort to provide the Salvation Army and two other agencies with $5 million to help low income seniors in Atlanta with heating assistance. That program continues today. Tim created a pilot program to provide specially equipped i-Pads to the hearing impaired to help them function more productively. That program continues today as well. Most recently, Tim led the PSC to increase the number of pediatric hearing aids in a program the PSC oversees.

Tim also has been at the forefront in fighting human sex trafficking. He created the "Unholy Tour" that helps policy makers see first-hand the harms of human trafficking.

Tim and his wife, Windy, have been married 35 years and they have seven children and one grandchild. He has three degrees from the University of Georgia and lives in Hoschton, Georgia.
Lauren “Bubba” McDonald
Commissioner Since: January 1, 2009
Serves Through: December 31, 2020
Republican, Clarkesville, Georgia

Chairman, 2018 Georgia Public Service Commission

McDonald, who served 20 years as a state Representative, was appointed to the Commission in June 1998 by Governor Zell Miller to fill a vacated post and then re-elected in a special mid-term election in November 1998. He held the seat until 2002. In 2008 and in 2014, Georgians again elected McDonald to serve on the Commission.

McDonald has a deep knowledge of the energy industry. Today he is a member of NARUC’s Electric Committee and Nuclear Waste Subcommittee. He has served as Vice-chair of that Subcommittee and is a member of the Nuclear Waste Services Coalition. He is a leader in the development of solar energy in Georgia.

McDonald has spent decades serving the residents of Georgia. As a State Representative, he chaired the Industry Committee for five years and the powerful Appropriations Committee for eight years. He also served as a commissioner in Jackson County, served on the Board of Managers of the Association County Commissioners of Georgia, and volunteered as a firefighter for the city of Commerce for 35 years.

A native of Commerce who now resides in Clarkesville, McDonald is a graduate of the University of Georgia with a B.B.A. in Business. He has long been a supporter of higher education, serving on the Board of Governors of Mercer Medical College and the Board of the Advanced Technology Center at the Georgia Institute of Technology. He was also a director of the Small Business Development Center at the University of Georgia. He also served six years in the Georgia Air National Guard.

McDonald has lived his entire life within District Four of the Commission. Currently, he is a partner in McDonald & Son Funeral homes in Cumming, Dahlonega and Cleveland with his son, Lauren III. He is married to Shelley McDonald. He was married to the late Sunny Nivens McDonald for 45 years. He is an elder in the Presbyterian Church and a private pilot.
Tricia Pridemore was appointed to the Commission in February 2018. She won election to a full six-year term in November 2018. She is a businesswoman with a background in technology, consulting and workforce development. Since the acquisition of Accucast, the software company she founded with her husband in 2006, she served on the Georgia World Congress Center Board of Governors, the 2011 Transition team of Governor Deal and co-chaired both of Governor Deal’s Inaugural Committees in 2011 and 2015.

Pridemore formerly served as the Executive Director of the Governor’s Office of Workforce Development and started Georgia’s skilled trade initiative aimed at encouraging careers in the energy, transportation and construction trades. Pridemore was a candidate for the United States House of Representatives in Georgia’s 11th Congressional District and a member of the Cobb Galleria Authority Board of Governors.

Pridemore earned a bachelor’s degree from Kennesaw State University. She and her high school sweetheart turned husband, Michael, reside in Marietta, Georgia and are members of Mount Paran Church in Atlanta.
Stan Wise
Commissioner Since: January 1, 1995
Resigned: February 20, 2018
Republican, Cobb County, Georgia

Chair, 2018 Georgia Public Service Commission (resigned February 20, 2018)

Stan Wise served on the Public Service Commission since January 1995 before stepping down on February 20, 2018. He was elected statewide four consecutive times and was reelected for his fourth term as Commissioner in November 2012. He first held elected public office in 1990 as a Cobb County Commissioner, serving through 1994. Prior to his time on the Cobb Commission he served the county as a member of the Cobb County Planning Commission and the Board of Zoning Appeals. Wise also served as a Board Member of the ten-county Atlanta Regional Commission from 1992 through 1994.

Wise served on the National Petroleum Council for 2016-2017 following his appointment by U.S. Energy Secretary Ernest Moniz. He was chairman of the Gas Committee of the National Association of Regulatory Utility Commissioners (NARUC) and also served on the International Relations Committee. He is on the Advisory Council for the New Mexico State University Center for Public Utilities. Commissioner Wise serves on the Friend of the Strand Board of Directors and is a member of the Action Ministries Board of Directors, a faith-based charity. In 2003 his regulatory peers elected him President of NARUC for 2003 and 2004, furthering his responsibilities and interaction with Congress, federal agencies, state officials, industry leaders, Wall Street, consumer groups and the news media. Wise has testified multiple times before Congress. Wise is also a past President of the Southeastern Association of Regulatory Utility Commissioners (SEARUC).

His alma mater, Charleston Southern University, named Wise the Outstanding Alumnus of the Year in 2006. In addition, he was named the Bonbright Center of the Terry College of Business Honoree of the Year in 2005.

He has also served on the U.S. Department of Energy State Energy Advisory Board, the Cobb County Public Schools Educational Foundation, Inc., and the Board of Directors of the Cobb YMCA, the Boys Club of Cobb County and the Advisory Board of the North Georgia Law Enforcement Academy. He owned and operated an insurance business in Cobb County for twenty years. Wise was awarded his B.S. in Business Management from Charleston Southern University in 1974. He also served in the U.S. Air Force Reserve for six years. He and his wife Denise have two grown children and one grandchild.
Commissioners
Lauren “Bubba” McDonald, Chairman
Tim G. Echols, Vice-Chairman
H. Doug Everett, Commissioner (retired December 31, 2018)
Chuck Eaton, Commissioner
Tricia Pridemore, Commissioner (since February 21, 2018)
Stan Wise, Chairman (through February 20, 2018)

Administration Division
Deborah Flannagan, Executive Director
Reece McAlister, Executive Secretary
Terry Pritchett, Chief Financial Officer
Cheryl Vinson, Human Resources Officer
Jada Brock, Director, Office of Operations Support
Bill Edge, Public Information Officer and Legislative Liaison

Utilities Division
Tom Bond, Director, Utilities Division
Leon Bowles, Director, Telecommunications Unit
Pandora Epps, Director, Internal Consultants Unit
Claudette Willingham, Manager, Consumer Affairs Unit
Sheree Kernizan, Director, Electric Unit
Nancy Tyer, Director, Natural Gas Unit
Michelle Thebert, Director, Facilities Protection Unit
MISSION AND HISTORY OF THE COMMISSION

MISSION

The Commission is a quasi-legislative, quasi-judicial agency comprised of five Commissioners elected statewide. The Commission’s mission is to exercise its authority and influence to ensure that consumers receive safe, reliable and reasonably priced telecommunications, electric and natural gas services from financially viable and technically competent companies. The Commission’s regulatory activities are primarily focused on investor-owned natural gas and electric power utilities. The Commission has the authority to set rates, require long-range energy plans, provide for the safety of natural gas pipelines and protect underground utility systems from damage.

Over the past three decades, growth, competition and technological advances have significantly changed the Commission’s role. With some retail market segments of the telecommunications and natural gas industries open to competition, the Commission facilitates market development, educates consumers, arbitrates complaints among competitors and monitors the effectiveness of the competitive markets.

HISTORY

On October 14, 1879, Georgia became one of the first states to establish a regulatory body to resolve complications resulting from railroad expansion and competition. Created as the Railroad Commission of Georgia, the Governor originally appointed the three members of this body for the purpose of regulating railway freight and passenger rates.

As electricity, natural gas and telecommunications evolved from novelties into major necessities for our modern society so did the roles and responsibilities of the Commission. Major expansions of the Commission’s jurisdiction took place between 1890 and 1935. In 1891, legislation added telegraph and express companies to the Commission’s jurisdiction. The years 1906 and 1907 saw two major changes to the Commission’s make-up. In 1906 the Legislature allowed the voters to elect the Commissioners for six-year terms and in 1907 lawmakers expanded the Commission to five members. Also in 1906 the Legislature gave the Commission authority over docks and wharves, as well as telephone, natural gas and electric companies. Cognizant of the changing role of this regulatory body, the General Assembly in 1922 changed the name of the Railroad Commission of Georgia to the Georgia Public Service Commission. The Legislature further expanded the Commission’s jurisdiction in 1931 when it authorized the Commission to regulate the trucking industry.

In 1943, the Commission became a constitutional body (Article 4, Section 1, 1983 Georgia Constitution). Its powers and duties are established by legislation and described in Title 46 of the Official Code of Georgia. The Legislature in 1998 required the five Commissioners to reside in separate districts though they remain elected by the voters statewide. This change was effective for the 2000 elections.

The years between 2001 and 2012 saw the legislature approve major changes in the Commission’s jurisdiction over transportation. In 2001, legislation transferred the Commission’s Transportation Division to the new Department of Motor Vehicle Safety. In 2005, the Commission resumed regulatory jurisdiction over household goods movers, limousines for hire,
passenger carriers and nonconsensual towing following passage of House Bill 501. In 2012, the Legislature passed House Bill 865 which transferred Commission jurisdiction over household good movers, passenger buses, limousines and non-consensual towing to the Department of Public Safety’s Motor Carrier Compliance Division.

In 2002, Earleen Sizemore became the first woman to serve on the Commission following her appointment to the Commission after the death of longtime Commissioner Bob Durden on May 2, 2002. Later that year in the general election, Angela Speir became the first woman elected to the Commission.

In 2009, the Commission approved the construction of Georgia’s, and the nation’s, first new nuclear-powered generation facilities since the 1970’s. Both of the two units under construction at Plant Vogtle are scheduled to enter commercial operation in 2019 and 2020. In 2017, the Commission continued to monitor this multi-billion-dollar nuclear construction project.

Legislation in 2012 changed the method of selecting the Commission Chairman. Senate Bill 483 allowed the Commission to elect its own chairman for a two-year term with the possibility of one additional two-year term. In 2013 Commissioner Chuck Eaton was then elected Chairman in 2013. He was re-elected Chair in 2015 and served through 2017.

In June 2014, the Environmental Protection Agency (EPA) released for comment the agency’s draft of its Clean Power Plan rules under section 111 (d) of the Clean Air Act of 1970. The Commission went on record opposing this rule. In August 2015, the EPA released the final rule which accorded more favorable treatment of two new nuclear units at Plant Vogtle in meeting Georgia’s required reduction in carbon dioxide emissions.

In August 2015, Southern Company, the parent company of Georgia Power Company, announced plans to acquire AGL Resources, the parent company of Atlanta Gas Light Company. The Commission approved the acquisition in April 2016.

The Commission on December 21, 2017 approved the continued construction of Georgia Power’s Plant Vogtle Nuclear Power Plant Construction Project. The Commission accepted the Company’s revised schedule and forecasted costs.

In 2018 longtime Commissioner and Chairman Stan Wise resigned effective February 20, 2018 and Governor Nathan Deal appointed Tricia Pridemore to fill the vacancy. Pridemore was elected to a full six-year term in November 2018. Also in November 2018 veteran Commissioner Doug Everett announced his retirement from the Commission effective December 31, 2018. Governor Deal appointed State Representative Jason Shaw to fill the remainder of Everett’s term through December 31, 2020.
HIGHLIGHTS OF 2018

The highlights of the Commission’s major activities and achievements during 2018 regarding its Utility Regulation, Facilities Protection and Administration Programs are set forth below. A more detailed report from each Commission organizational unit follows this summary.

ELECTRIC

In 2018, the Commission continued to actively monitor the construction of the two new nuclear units at Georgia Power Company’s Plant Vogtle near Waynesboro, Georgia. The Commission approved $448 million in expenditures on the Georgia Power Plant Vogtle Construction Project for the reporting period of July 1, 2017 through December 31, 2017. This decision is not a ruling on whether the expenditures are prudent but only acknowledges that the Company has spent the funds on the project and closes out the 18th Semi-annual Vogtle Construction Monitoring (VCM) Report in Docket 29849.

In 2018 following the Commission Staff’s review and recommendation regarding the Tax Cuts and Jobs Act effect on Georgia Power’s financials, the Commission unanimously approved $330 million in refunds to Georgia Power’s customers over the next three years. The refunds will total approximately $70 over the three-year period for a residential customer using 1000 kilowatt hours per month. An additional $700 million in benefits for Georgia Power customers is being held for the Commission to allocate during the upcoming Georgia Power base rate case in 2019.

NATURAL GAS

At the end of 2018, Georgia had 16 Commission-certified natural gas marketers actively serving firm customers in the Atlanta Gas Light Company (AGLC) delivery area. Also during this time both AGLC and Liberty expanded their service areas by purchasing other gas systems which had the impact of increasing their customer base throughout Georgia.

TELECOMMUNICATIONS

In 2018 the Commission granted certificates of authority to seven long-distance resellers, thirteen competitive local exchange providers and two inter-exchange service providers. The total number of active certificates in 2018 was 737, distributed among industry segments, as follows: 221 resellers, 41 alternative operator service providers, 225 competitive local exchange providers, 79 inter-exchange service providers, 112 payphone service providers, 23 institutional telecommunication service providers and over 36 incumbent local exchange service providers. On December 13 and 14, 2017 Tier II Independent Local Exchange Carriers (ILEC) filed requests for an aggregate disbursement of $30,828,943 for the 23rd UAF year covering the period July 1, 2016, through June 30, 2017. In 2018 the Commission approved total disbursements for the 23rd UAF year of $28,898,585 with the aggregate annual cap amount remaining at $1,000,000 each for Track 1 carriers.

FACILITIES PROTECTION

During 2018, the Pipeline Safety Inspectors of the Facilities Protection Unit monitored and inspected over 1,200 miles of transmission lines, nearly 44,000 miles of distribution pipeline, and more than 2 million service lines for transporting natural gas to Georgia customers within 147 counties. The pipeline safety inspectors evaluated operator compliance with state and
federal pipeline safety regulations by conducting 205 inspections, including 14 Anti-Drug & Alcohol inspections, over 1,012 inspection days.

Challenges in 2018 continued in Facilities Protection, as the group continued to enforce the Georgia Underground Facilities Protection Act, Federal, and State rules and regulations, as well as implementing continuing regulations, while facing staff turn-over and the loss of pipeline safety inspectors to the private sector.

During 2018, the Pipeline Safety Inspectors of the Facilities Protection Unit monitored and inspected over 1,200 miles of transmission lines, nearly 44,000 miles of distribution pipeline, and more than 2 million service lines for transporting natural gas to Georgia customers within 147 counties. The pipeline safety inspectors evaluated operator compliance with state and federal pipeline safety regulations by conducting 205 inspections, including 14 Anti-Drug & Alcohol inspections, over 1,012 inspection days.

INTERNAL CONSULTANTS

The Internal Consultants Unit of the Utilities Division provided expertise to all of the other units. During 2018, Internal Consultants served as Project Lead on several major cases which included the Plant Vogtle Units 3 and 4 Construction Monitoring, finalized Georgia Power’s Renewable Cost Benefit Framework, monitored construction of Georgia Power’s solar projects throughout Georgia, monitored Georgia Power’s Demand Side Management programs and facilitated the Demand Side Management Working Group meetings and the Renewable Energy Development Initiative. Internal Consultants also assisted the Telecommunications Unit with a generic proceeding to implement House Bill 168.

CONSUMER AFFAIRS

The Consumer Affairs Unit is the primary path for consumers to contact the Commission to make their concerns and issues known. In 2018 the Consumer Affairs Unit continued its Outreach activities by giving presentations to community groups and organizations. The main method that consumers use to contact the Commission is by telephone. The Consumer Affairs Unit has a total of six staff members that answer all calls coming through our Automated Call Distribution (ACD) system. Incoming Spanish calls are routed to bilingual staff members (one member is located in the Consumer Affairs Unit) for assistance. The total number of calls reported by the Commission’s Automated Call Distributor (ACD) for 2018 was 25,376 (this includes Spanish calls).

Telephone calls comprised the majority of all inbound contact methods to the Consumer Affairs Unit in 2018. Internet/e-mail contacts continued to be the second preferred method of contacting the Commission in 2018 with a total of 7,372 contacts. There were 5,715 internet contacts entered into the CRS system. The number of contacts entered into the CRS system does not include contacts that did not require referral to a utility company.

ADMINISTRATION DIVISION

During 2018 the Administration Division continued to efficiently maximize its task to support the Commission’s mission. The Executive Director heads the Division and oversees the Executive
Secretary, Budget and Fiscal Office, Human Resources Office, Public Information/Legislative Liaison Office and Operations Support Office.

In 2018, the Budget and Fiscal Office accurately monitored and effectively managed a budget with revenues and expenses of $11.8 million dollars.

In 2018, the Executive Secretary’s Office opened 593 new case dockets; processed 4,209 filed documents; and filed 849 orders prepared for the Chairman’s and Executive Secretary’s signature. The Commission also held 61 public hearings constituting either a quorum of the Commission or a hearing officer assigned by the Commission.

During 2018 the Public Information Officer coordinated the Commission’s public information and legislative activities, issuing 24 news releases and 62 media advisories.

The Human Resources Office reports that during 2018 the Commission added four new staff members: one Engineer to the Electric Unit; a Utilities Analyst to the Energy Efficiency and Renewable Energy unit; a Utilities Analyst for the Internal Consultants Unit; and an Administrative Assistant for the GUFPA Unit. During 2018 the Human Resources office will work with the Executive Director and other senior management to solidify a succession process.

The Office of Operations Support continued to improve the infrastructure and overall efficiency during 2018. Our team continued to focus on improving security, network data continuity, the new agency website and the multi-year development project known as the State Transparency and Regulatory System or STARS.
Since the early 20th century the Georgia Public Service Commission has been responsible for setting the rates charged by telecommunications, natural gas, and electric companies, ensuring the reliability and availability of utility services, and establishing and enforcing quality of service standards. The telecommunications, natural gas, and electric industries are natural monopolies, but some segments of these markets have been opened to retail competition that allow customers to choose among multiple providers for certain services and pay rates set by the provider. Other services, such as distribution of natural gas and electricity by investor-owned companies, remain regulated by the Commission, which sets the rates charged for these services.

The pace of the implementation of competition and deregulation varied among the regulated industries. In the telecommunications industry, long distance service has been competitive since the mid-1980s. In 1995 and 1996, authorities opened local telephone service to completion by federal and state legislation, respectively. Local telephone competition was redefined due to technological advances of broadband, Voice over Internet Protocol (VoIP) and wireless telephone. State legislators and federal agencies recognized that local telephone companies face intermodal competition from cable TV companies and wireless providers, not just intermodal competition from other telephone companies.

In 1998, Georgia opened the natural gas commodity market to retail competition. Only one of the two investor-owned natural gas companies elected to open its territory to competition and now sixteen Commission-certified marketers sell gas commodity service to customers in the Atlanta Gas Light Company (AGLC) territory. Marketers set their own prices, but the Commission sets the rates charged by AGLC for distributing the natural gas for the marketers. There are 17 Commission certificated natural gas marketers operating in today’s deregulated Georgia market.

During 2018 the Commission continued to monitor the Plant Vogtle nuclear construction project in east Georgia where the Georgia Power Company is building Units 3 and 4. This is the largest construction project in the Southeastern United States and possibly in the United States.

In spite of these changes in the regulatory environment, the Commission’s mission remains the same: to ensure that consumers receive the best possible value in telecommunications, electric and natural gas services, to enforce natural gas pipeline safety laws and to protect utility infrastructure from damage. In the sections that follow are an overview of the role that the Commission has played and the key decisions in each of these utility industries in 2018.
ELECTRIC UNIT

Electricity is an energy form that is vital to the economy of the state and to the quality of life of Georgia’s citizens. Of the three utility industries, the electric industry is the most universally utilized and perhaps the most essential. The investor-owned electric utility, Georgia Power Company, is fully regulated by the Commission and serves approximately two million consumers. The Commission has limited regulatory authority over the 41 electric membership corporations (EMCs) and 52 municipally-owned electric systems in the state.

SIGNIFICANT MATTERS IN THE PSC’s REGULATION OF THE ELECTRIC UTILITY INDUSTRY IN 2018

Commission Monitors Georgia Power’s Base and Fuel Rates

As part of the Commission’s settlement in Southern Company’s acquisition of AGL Resources, the Company did not file a rate case in 2016. The Commission Staff reviews and analyzes and evaluates the Company’s annual Surveillance filings to ensure compliance with Commission orders and to determine whether excess revenues are available for sharing. Under the terms of the agreement in the Company’s 2013 Rate Case, the Commission approved an earnings band of 10.95 percent to 12 percent retail Return on Equity (ROE). Any earnings above 12 percent will be shared two-thirds with customers with the remaining one-third retained by the Company.

Commission Approves $43.6 million in Refunds for Georgia Power Customers; Orders Company to Show Impact of Tax Cuts on Rates

As a result of the Staff’s review of the Company’s 2016 earnings a settlement was reached by the Company and Staff, which was approved by the Commission for Georgia Power to refund its customers $43.6 million. The Commission also ordered the Company to file with the Commission by February 20, 2018 comments quantifying the effects of the Tax Cuts and Jobs Act signed into law by the President on December 22, 2017. The measure lowers the corporate tax cut from 35% to 21% effective January 1, 2018.

Commission Approves Additional Refunds for Georgia Power Customers: Refunds Will Total $330 Million over Next Three Years

Following the Commission Staff’s review and recommendation regarding the Tax Cuts and Jobs Act effect on Georgia Power’s financials, the Commission unanimously approved $330 million in refunds to Georgia Power’s customers over the next three years. The refunds will total approximately $70 over the three-year period for a residential customer using 1000 kilowatt hours per month. An additional $700 million in benefits for Georgia Power customers is being held for the Commission to allocate during the upcoming Georgia Power base rate case in 2019. These monies are deferred income taxes held as a regulatory liability by the Company. The first of the three refunds was issued in October 2018 and allocated to customers based on their actual base billings for the period January through August 2018. Of the $185 million refund for 2018, approximately $131 million was refunded in October. This resulted in a refund of approximately $27 for a 1,000 kWh residential customer. The second refund will be issued in June 2019 and allocated to customers based on their actual base billings for the period September 2018 through April 2019. Approximately $54 million of the $185 million refund for
2018 plus approximately $42 million of the $145 million refund for 2019 will be refunded at this time. This will result in a refund of approximately $20 for a 1,000 kWh residential customer. The third refund will be issued in February 2020 and allocated to customers based on their actual base billings for the period May 2019 through December 2019. Approximately $103 million of the $145 million refund for 2019 will be refunded at this time. This will result in a refund of approximately $22 for a 1,000 kWh residential customer.

The Commission’s action brings to more than $482.6 million in Commission approved refunds and reductions that Georgia Power customers will receive over the next three years as a result of the corporate tax cuts and the reduction in the Nuclear Construction Cost Recovery tariff.

Other Rate Programs

In 2016, the Commission approved Georgia Power’s implementation of an electric service pre-pay program. Special meters are being installed in residences where there have been several cut-offs for non-payment. This program especially benefits those customers whose electricity service has been disconnected for non-payment in that it eliminates the need for additional deposits to maintain vital electric utility service. In 2017, the Commission approved a pilot Pay by Day tariff to provide customers additional flexibility in payment options. In 2018, the Commission approved a Flat Bill First year pilot program which allows new customers to select more stable billing options such as flat bill and budget billing which typically are not available without 12 months of prior electricity usage history.

Stable Fuel Rates

In 2018, the Commission approved the Company’s transaction involving an approximately 20-mile, 30-inch pipeline that connects Plant McDonough with the natural gas pipeline system owned and operated by Southern Natural Gas. The proposed sale of the McDonough Lateral is one piece of a larger transaction in which the Company will be acquiring additional, long-term firm natural gas transportation (“FT”) that will enable Plant McDonough to continue to operate reliably into the future.

In December 2015, the Commission unanimously approved a decrease in the Fuel Cost Recovery (FCR) rate for Georgia Power Company customers that will save the average residential customer using 1,000 kilowatt hours about $5.00 a month for a total reduction of 14 percent on their monthly bill. Under state law Georgia Power’s cost of fuel used for electric generation is passed along to customers on a dollar for dollar basis but the Company is not allowed to make a profit on the cost of fuel.

Ongoing investigations

The Commission Staff also continues to investigate and monitor the following:
1. Performance and reliability of the utilities’ generating plants, transmission and distribution infrastructure; and,
2. Companies’ earnings for excess revenues available for sharing, as defined in the approved accounting orders.
3. Affiliate transactions
4. Electric transportation Initiative
5. Effectiveness of hedging programs of Georgia Power in mitigating potentially high natural gas fuel costs
Commission Monitors Progress of Nuclear Plant Construction

March 17, 2009, the Commission approved Georgia Power Company’s request to certify the construction of the new nuclear power units at its Plant Vogtle Nuclear Power Plant near Waynesboro, Georgia. Under the agreement approved by the Commission, the Company must file semi-annual monitoring and monthly status reports with the Commission. The semi-annual monitoring report includes any proposed revisions to the cost estimate, construction schedule, or project configuration, as well as a report on actual costs incurred during the period covered by the report and an updated comparison of the economics of the certified project. Georgia Power owns 45.7 per cent of Plant Vogtle with its partners, Oglethorpe Power Corporation, the Municipal Electric Authority of Georgia and the City of Dalton Utilities, who own the remaining 54.3 per cent. Page 2 Georgia Public Service Commission

Commission Verifies Expenses for Georgia Power’s 18th Nuclear Plant Vogtle Construction Monitoring Report

The Commission approved $448 million in expenditures on the Georgia Power Plant Vogtle Construction Project for the reporting period of July 1, 2017 through December 31, 2017. This decision is not a ruling on whether the expenditures are prudent but only acknowledges that the Company has spent the funds on the project and closed out the 18th Semi-annual Vogtle Construction Monitoring (VCM) Report in Docket 29849. As part of this decision, the Commission accepted both the Public Interest Advocacy Staff and Advisory Staff recommendations that Georgia Power file a more detailed discussion of project risks in their future VCM filings.

Commission Continues to Monitor Implementation of Georgia Power’s 2016 Integrated Resource Plan (IRP)

Georgia law (O.C.G.A. §46-3A-2) requires Georgia Power Company to file an updated IRP every three years which details how it will supply the state’s electric generation needs. The plan ensures that Georgia Power customers have an adequate and reliable electric supply, establishes measures to conserve energy, and promotes alternate energy supplies.

The Commission’s 2016 IRP order included decertifying uneconomic fossil resources, adding 1200 megawatt (MW) renewable resources, 100 MW distributed resources and $99 million to study additional nuclear resources in Stewart County, Ga. to resolve all issues in the Georgia Power Company 2016 IRP and Application for Certification of Its Demand Side Management (DSM) Plan.

In 2017, the Commission ordered Georgia Power to cease spending on the proposed new Stewart County nuclear facility. Although a number of uncertainties still remain, the most recent forecasted expansion plan indicates that suspending investigation activities now is unlikely to delay the ability to deploy new nuclear when needed by customers. Any resumption of the Stewart County Site Investigation activities will require Commission approval. The timing of when new nuclear may be needed to serve customers is a critical factor in proceeding with the investigation. Consistent with the position it took in the 2016 IRP proceeding, the Commission supports the Company’s decision to suspend work on the Stewart County Site Investigation, and no party of record in this proceeding has objected to the suspension. In addition, an evaluation of the need for new nuclear generation can be reassessed in a future IRP where all other generation resources will also be evaluated with updated assumptions.
Community Solar

The Commission approved a pilot solar project that would use Georgia Department of Transportation (GDOT) right of way to finalize a one megawatt project at Exit 14 along Interstate 85 at the U.S. Highway 27 interchange. This pilot is a partnership with GDOT, The Ray and Georgia Power that would provide general benefits to the state and the consumers of Georgia Power. Georgia Power would lease the GDOT right of way for 35 years but the pilot must be completed before the end of 2019. This pilot project is intended to demonstrate the feasibility of a solar energy facility in a highway right of way as a viable renewable energy solution that can complement an existing transportation system. Electricity produced by the project will serve all retail customers of Georgia Power.

Request for Proposal for Solar Resources

The Commission continues to monitor other aspects of the 2016 IRP and prepare for the 2019 IRP:

- the closure and decertification of 16 coal-fired electric generation units
- dismantlement costs, modeling issues, research projects
- the conversion of two coal-fired units to burn natural gas
- the addition of environmental regarding coal ash remediation

- the Demand-side Management (DSM) Working Group, a diverse stakeholder group facilitated by the Commission Staff, continues to work on energy efficiency issues in preparation for the Company’s 2019 IRP filing.

PSC Oversight over EMCs and Municipal Electricity Providers

The Commission oversees territorial matters for all electricity suppliers- EMCs, IOU (Georgia Power), municipal electricity providers- pursuant to the Georgia Territorial Electric Service Act, O.C.G.A. § 46-3-1 et seq., by reviewing and authorizing requests for transfers of retail electric service, resolving disputes over service territories and maintaining the electric supplier territorial maps for each of the 159 counties in Georgia. The Commission also approves Georgia Power’s and electric membership corporations’ requests for financing authority and publishes bi-annual (winter and summer) residential electricity rate comparison for all electricity providers in the state.

The Commission Continues Its Involvement in Regional and Federal Activities That Impact the Electric Utility Industry

The Georgia Public Service Commission continues its involvement in the Southeastern Association of Regulatory Utility Commissioners (SEARUC), as well as the National Association of Regulatory Utility Commissioners (NARUC) to learn from other state regulators and share its knowledge for the benefit of Georgia utility consumers. Commissioners and staff serve on the committees of several national and local groups including NARUC, SEARUC, Southeast Electric Reliability Council (SERC), North American Electric Reliability Corporation (NERC), Eastern Interconnection States’ Planning Council and the National Council on Electricity Policy.
Natural gas is considered important to the economic prosperity of Georgia. Approximately 1,600,000 customers in Georgia use natural gas, delivered by the state's two investor-owned natural gas systems, Atlanta Gas Light Company (AGLC) and Liberty Utilities Georgia Corporation (Liberty). Each year, the Georgia Public Service Commission Gas Staff works collaboratively with these two companies, marketers, and other gas utilities throughout Georgia. At the end of 2018, Georgia had 16 Commission-certified natural gas marketers actively serving firm customers in the Atlanta Gas Light Company (AGLC) delivery area. Also during this time both AGLC and Liberty expanded their service areas by purchasing other gas systems which has the impact of increasing their customer base throughout Georgia.

**ACTIVITIES IN NATURAL GAS REGULATION IN 2018**

**Certificates of Public Convenience and Necessity and County-Wide Safety Plans**

The Natural Gas Staff continues to work in conjunction with the Pipeline Safety Staff on the County-Wide Natural Gas Safety Plans (“CWSP”) (Commission Rule 515-9-7-.01) and granting/amending Certificates of Public Convenience and Necessity (Commission Rule 515-7-1, et seq,) to ensure that the safety-based boundaries conform to the Certificate of Public Convenience and Necessity. The rules establish that natural gas providers within each county develop a County-Wide Safety Plan (CWSP) delineating procedures for safety and emergency response to natural gas emergencies and are qualified to operate natural gas distribution systems in the state. In counties where multiple natural gas operators provide natural gas, they must develop a County-Wide Natural Gas Safety Plan outlining the safety and emergency response procedures for use during natural gas emergencies and be qualified to operate natural gas distribution systems. From 2009 through the end of 2018, the Commission had either granted or amended one hundred five (105) Certificates of Public Convenience and Necessity that were associated with the County-Wide Safety Plans (CWSP) and approved over 50 plans.

**Universal Service Fund (“USF” or “Fund”)**

Commission Rule 515-7-5-.02 states that, consistent with O.C.G.A. §46-4-161, the Commission is authorized to create and establish regulations to administer a universal service fund for each gas company that elects to become subject to the provisions of Article 5 of Chapter 4 of Title 46 of the Official Code of Georgia Annotated, and which satisfies the requirements of O.C.G.A. §46-4-154. With respect to each such gas company, which is also termed an "electing distribution company" ("EDC") under the Natural Gas Competition and Deregulation Act, the Commission is charged with making a determination prior to the commencement of the electing distribution company's fiscal year as to the amount of funding that is appropriate for that year. Commission Rule 515-7-5-.03 states that, a universal service fund shall be created for each electing distribution company for the purposes set forth in O.C.G.A. §464-161(a). These purposes include assuring that gas is available for sale by marketers to firm retail customers within a territory certificated to each such marketer; enabling the electing distribution company to extend and expand its facilities and service in the public interest; assisting low-income residential consumers in times of emergency as determined by the Commission; and consumers of the regulated provider of natural gas in accordance with Code Section 46-4-166.
Commission Rule 515-7-5-.07 outlines procedures related to applications for disbursement from the Universal Service Fund for an electing distribution company. The Commission administers the USF, which includes the review and final decision on all disbursement requests.

As a routine matter, the Commission reconciles the monthly bank statements, provides monthly reporting, reviews requests for USF funding, and provides annual reporting to the State Accounting Office (“SAO”). As seen in the tables below, the USF had a beginning a January 1, 2018 beginning balance of $42.1 million. During the year, the USF had deposits totaling $16.9 million and Expenditures totaling $26.7 million. The ending December 31, 2018 balance was $32.3 million.

### USF Activity: Year 2018

<table>
<thead>
<tr>
<th></th>
<th>$</th>
<th>2018 USF Beginning Balance</th>
<th>$42,108,450</th>
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<tbody>
<tr>
<td>Deposits</td>
<td></td>
<td></td>
<td>$16,949,201</td>
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<tr>
<td>Expenditures</td>
<td></td>
<td></td>
<td>($26,733,528)</td>
</tr>
<tr>
<td>2017 Ending Balance</td>
<td></td>
<td></td>
<td>$32,324,122</td>
</tr>
</tbody>
</table>

The Commission approved the USF for AGLC in 1998. From December 1, 1998 through December 31, 2018, the USF had deposits in the amount of $325.7 million and expenditures in the amount of $293.4 million to arrive at the ending December 2018 balance of $32.3 million.

### USF Historic Activity: 1998-2018

<table>
<thead>
<tr>
<th></th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits</td>
<td>$325,786,539</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$293,462,417</td>
</tr>
<tr>
<td>2018 Ending Balance</td>
<td>$32,324,122</td>
</tr>
</tbody>
</table>

Annually, the Commission provides reporting to the State Accounting Office (“SAO”) on the activity and position of the Fund. On August 3, 2017, the Commission emailed the following completed forms to the SAO for fiscal year 2017.

### USF FY 2018 SAO Reporting File List

1. USF FY 2018 470 Trial Balance Sheet-Fair Value-REVISED
2. USF FY 2018 Investments Form
3. FY 2018 SAO Custodial Credit Risk
4. June 2018 USF Escrow Account Bank Statement
5. 470 USF FY 2018 Flux Analysis 9-6-2018

**Docket No. 42115: Atlanta Gas Light Company’s 2019 Universal Service Fund (“USF”) Facility Expansion Plans**

On September 4, 2018, Atlanta Gas Light Company (“AGLC”) filed its Year 2019 Universal Service Fund Facilities Expansion Plan (“2019 Plan”). The petition included proposals for three line-extension projects that included the Toombs County Project, the Floyd County Project, and the Tattnall County Project. As part of the filing, the Staff reviewed AGLC’s seven required minimum filing requirements (“MFR”). The Staff reviewed AGLC’s 5% budget cap and found it to be $16.9 million. The Staff reviewed the available USF funds. Though the ending balance for December 2018 USF was $32.3 million, the USF had encumbrances totaling $14.1 million. The USF unencumbered balance available for USF projects was $18.2 million. By law, AGLC cannot receive USF funding beyond its 5% capital budget for 2019.
During the January 15, 2019 Administrative Session, the Commission approved the Toombs County Project with an estimated USF disbursement of $4.6 million. Additionally, the Commission approved the Floyd County Project with a USF disbursement of $10.7 million. The Tattnall County Project was postponed due to the constraints to AGLC’s 5% capital budget.

**Docket No. 34734 Liberty Utilities Corporation (Liberty) (Peach State Natural Gas) 2019 Georgia Rate Adjustment Mechanism (“2019 GRAM”)**

On December 27, 2011, the Commission approved the Final Order Adopting the Stipulation (“GRAM Stipulation”) between the Staff and Atmos Energy for an alternative form of ratemaking in accordance with O.C.G.A. 46-2-23.1. The process is called the Georgia Rate Adjustment Mechanism (“GRAM”). On April 1, 2013, in Docket No. 36278, the Commission approved the Liberty Utilities Corporation purchase of the Atmos Energy assets in Georgia, and Liberty assumed the GRAM ratemaking process. The GRAM Stipulation was updated in May 2016.

On October 17, 2018, Liberty filed its 2019 GRAM filing with an Excel model containing eleven (11) schedules and forty-eight (48) supporting worksheets. With a June 30, 2018 customer count of 54,553, Liberty requested a base rate increase of $749,753 after ratemaking adjustments. The Staff reviewed the model and found it to be whole and complete with the required twenty (20) day deadline. As the Staff analyzed the rate request, an issues list was developed. During January 2019, the Staff and Liberty will meet to discuss issues and seek resolutions.

**Docket No. 40828 Atlanta Gas Light Company’s 2018 Georgia Rate Adjustment Mechanism (“2018 GRAM”)/Tax Issue**

On December 1, 2017, Atlanta Gas Light Company (“AGL”) filed its 2018 GRAM. AGL’s requested a $22,131,824 rate increase with a Return on Equity (“ROE”) of 9.54% adjusted upward to 10.55%. The 2018 GRAM contained twelve (12) schedules with forty-six (46) supporting work papers. Staff reviewed the Plant additions for total plant in service and how it related to CWIP and capital budget. Staff also met with AGL’s personnel that work to develop the capital budget to understand capital projections for 2018 GRAM. Staff reviewed the historical data within the GRAM model reflected in the Quarterly filing (Income statement, Balance sheet). Staff also reviewed the methodology in the GRAM 2018 to determine if it conforms the decisions made in the last AGL rate case.

By the end of 2017, the Staff continued to review the filing. On December 22, 2017, the President signed the Tax Cuts and Jobs Act (TCJA), which changed the corporate tax rate from 35% to 21%. As a result of the TCJA, the Staff asked AGL to refile an Annual GRAM filing with tax revisions. The 2018 Revised GRAM reflected TCJA’s lower federal tax rate, accounted for changes to the rate base associated with the elimination of bonus depreciation and lower accumulated deferred income tax, and established excess accumulated deferred income tax (“EDIT”). Staff analyzed and reviewed twelve schedules and forty-six work papers, and particularly Staff conducted a detailed review of WP 2-1-1 Plant Details, WP 2-6 ADIT and Schedule 2 and 11. Staff analyzed whether changes to the model were in accordance with the TCJA. After Staff’s analysis, Staff met with AGL to discuss the issue list. On May 8, 2018, an updated 2018 GRAM Annual filing (“Revised GRAM”) was filed with agreed upon revisions by Staff and AGL. The Revised GRAM had a Rate of Return on Equity of 11.77%, which was
higher than 9.54% in the initial filing. This led to a $16 million credit to rate payers. Staff and AGL also agreed to the following provisions:

1. Provide Ratepayers with 100% of tax benefits.
2. Increase the equity portion of the capital structure from 51% to 55% until the next rate case.
3. Amortize the Protected EDIT through ARAM method.
4. Implement a Rate freeze at 2017 levels through the end of 2019. (Rates that were approved as a part of March 2017 GRAM order).
5. AGLC will file for a rate case on June 1, 2019, with a proposed rate effective date of August 1, 2019, for rates that become effective January 1, 2020.
7. Use the excess deferred Liability of PRP $13.8 million to pay off the under collected PRP regulatory balance.

Staff presented the stipulated agreement to the Commission on Energy Committee. On May 9, 2018, Commission approved Staff's and AGL's stipulated agreement.

On October 2, 2018, the Staff issued a Request for Proposal (“RFP”) for consultant assistance required during a rate case for the following areas:

1. Atlanta Gas Light Company 2019 Affiliate Transaction Audit:
   Phase I to focus on affiliate transaction allocated costs and methodology and Phase II to focus on Merger Report.
2. Atlanta Gas Light Company June 2019 Rate Case: which contains four major areas:
   a. Revenue Requirement
      i. Plant in Service Adjustments
      ii. Accumulated Depreciation Adjustments
      iii. CWIP Adjustments
      iv. ADIT
      v. Service Company Rate Base Adjustments
      vi. Customer Deposits
      vii. Capital Structure Inclusion
      viii. Rate Base Calculation
      ix. Operating Income Attributed to Equity
   b. Depreciation and Amortization
   c. Income Tax Issues
   d. Cost of Capital and Return on Equity
   e. Rate Design

On November 7, 2018, Bids were received in response to the RFP. Each Staff member evaluated the bids. References were checked, and all Staff members ranked the bidders. On February 5, 2019, Staff will present the bid winners for each category and the Commission will vote on it.

**Docket No. 41870 2018-2019 Liberty Utilities Gas Supply Plan**

On September 29, 2018, the Commission approved Liberty’s 2018-2019 Gas Supply Plan in Docket 41870. The plan identified the interstate storage and peaking assets needed to meet the company’s forecasted peak demand for its approximately 54,300 customers in the Gainesville, Columbus, and Manchester service areas. The 2018-2019 Gas Supply Plan
included the methodology used to forecast peak day design, the capacity reserve margin and the associated turn back of capacity. This gas supply plan is in effect until September 30, 2019. The Company will file the next gas supply plan by July 1, 2019.

**Active Natural Gas Marketer Update**

At the end of December 2018, there were sixteen (16) certified natural gas marketers and one Regulated Provider, providing service on Atlanta Gas Light Company’s distribution system. (see Table-1 below)

On January 23, 2018, the Commission approved North American Power & Gas LLC’s request for a change of ownership at the holding company level where its parent company, Calpine Corporation, was acquired by Energy Capital Partners Control Co, LLC.

On March 22, 2018 in Docket No. 9536, the Commission approved SCANA Energy Marketing, Inc.’s (“SCANA”) request for a change in ownership at the holding company level. SCANA’s parent company, SCANA Corporation, was acquired by Dominion Energy, Inc.

On April 25, 2018 in Docket No. 25425, the Commission approved Constellation NewEnergy Gas Division, LLC’s (“CNEG”) request for a Certificate of Authority. CNEG, wholly owned by Constellation Energy Resources, LLC, wanted to absorb an existing affiliate company that was an existing natural gas marketer, Constellation Energy Gas Choice, LLC (“CEGC”). On November 29, 2018 in Docket No. 22253, the Commission approved CEGC’s request to have its certificate withdrawn since its customers were transferred and its operations absorbed into its affiliate company CNEG.

On June 4, 2018 in Docket No. 40611, the Commission approved Everyday Energy GA, LLC’s request to have its Certificate of Authority withdrawn due to not serving any customers for twelve (12) consecutive months.

On June 4, 2018 in Docket No. 40797, the Commission approved XOOM Energy Georgia, LLC’s (“XOOM”) request for a change in ownership at the holding company level. XOOM’s parent company, XOOM Energy Global Holdings, LLC was acquired by NRG Energy, Inc.

On July 5, 2018 in Docket No. 40100, the Commission approved Peninsula Energy Services Company, Inc.’s (“PESCO”) request to have its Certificate of Authority withdrawn due to not serving customers for twelve (12) consecutive months.

On August 2, 2018 in Docket No. 41840, Thermo Choice LP was granted a Certificate of Authority to participate as a certified natural gas marketer.

**Table-1: Georgia Deregulated Marketers**

<table>
<thead>
<tr>
<th></th>
<th>Georgia Deregulated Marketers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Georgia Natural Gas</td>
</tr>
<tr>
<td>2</td>
<td>SCANA</td>
</tr>
<tr>
<td>3</td>
<td>Gas South</td>
</tr>
<tr>
<td>4</td>
<td>TRUE</td>
</tr>
<tr>
<td>5</td>
<td>Constellation</td>
</tr>
<tr>
<td>6</td>
<td>Infinite</td>
</tr>
<tr>
<td>7</td>
<td>Walton EMC</td>
</tr>
</tbody>
</table>
As required by O.C.G.A. § 46-4-153(f) and Commission Rule 515-7-3-.07(10) Natural gas marketers’ financial statements are filed at the Commission for an ongoing review of financial and technical capability. The marketers provide financial information that the Staff utilizes to conduct monthly, quarterly, and annual analyses in addition to calculating financial ratios. The Staff examines the financial analyses to monitor their financial health. The ultimate goal of examining the financial statements is to identify financial trends over a period for each particular natural gas marketer and to monitor each company’s financial viability. In addition, Staff analyzes all natural gas marketers’ parent company financial statements to determine their financial impact on the Georgia natural gas market. Staff utilizes the same analysis methodology for all natural gas marketers. Staff communicates to the natural gas marketers any discrepancies that are identified during the financial analysis process for resolution.

**Docket No. 41533 Regulated Provider**

In October 2017, the Commission approved a Request for Proposal (RFP) for a new Regulated Provider term. A provider was approved during the 1st quarter of 2018 with the new term beginning September 1, 2018.

As of December 31, 2018, the Regulated Provider (SCANA) had a total of 40,767 customers, approximately 5,466 less than December 31, 2017. Of these customers, 15,419 were designated as Group 1 and 25,348 were designated as Group 2. The Department of Human Resources (DHR) uses the same guidelines to qualify Group 1 customers as those established for the Federal Low-Income Housing Energy Assistance Program (LIHEAP). Group 2 customers are those who cannot obtain service from other marketers due to poor credit or no credit. During 2018, the Commission approved approximately $919,248.50 for Group 1 customer assistance to be used to help with customers’ monthly bills. No such funds are available for Group 2 customers.

**Certificates of Public Convenience and Necessity**

The Commission’s Natural Gas Unit and Facilities Protection Unit continue to work jointly on the County-Wide Natural Gas Safety Plans (CWSP) (Commission Rule 515-9-7-.01) to ensure that the plans possess safety-based boundaries that conform to the corresponding Certificates of Public Convenience and Necessity which govern where natural gas providers may install and operate their facilities. In counties where multiple natural gas providers serve, the providers must develop a CWSP delineating safety and emergency response procedures for use during natural gas emergencies and must be qualified to operate natural gas distribution systems. In addition, where necessary, either new certificates are granted or existing certificates are amended (Commission Rule 515-7-1, et.seq.) to natural gas operators. Commission staff has
periodically engaged with the stakeholders during 2018. By the end of 2018, the Commission had either granted or amended eighteen (15) additional Certificates effected by this process, bringing the total to one hundred five (105) Certificates of Public Convenience and Necessity that were affected by the CWSPs.

Docket No. 4167 Audit of AGLC’s Manufactured Gas Plant (MGP)

In 1992, Atlanta Gas Light Company (AGLC) requested an Environmental Response Cost Recovery Rider as a mechanism for recovering costs associated with the cleanup of MGP sites, three (3) of which are in Florida. After holding hearings, the Commission adopted a settlement. Commencing in 1992, the Commission has conducted audits of capital expenditures related to the cleanup of twelve (12) MGP sites where AGLC used to manufacture natural gas from coal. The production process created by-products that contaminated the soil and groundwater.

AGLC ratepayers pay a surcharge to assist with the costs associated with this cleanup. The Commission Staff audits the expenditures for accuracy and financial prudence. The program fiscal year runs from July 1 to June 30, and Staff files an audit report for costs for each fiscal year. During the 2018 fiscal year, the Staff submitted audit report of the costs associated with Year 26. The last audit was conducted in January of 2018. All costs that were audited were found to be prudent. The 2018 rider amount is $1.64 per Dekatherm per DDDC per year. Since the inception of the MGP program, the total amounts allocated to be recoverable expenses are $274,949,357.00. To date, the ratepayers have paid $260,179,615.61 in recovery costs for the MGP cleanup.

Docket No. 12509 Liberty Utilities Georgia Corporation’s (Liberty) Cast Iron and Bare Steel Retirement Program

In April 2001, the Commission approved an accelerated pipe replacement program to replace 184 miles of cast iron pipe in Liberty’s (formerly Atmos Energy) territory in Columbus over a 15-year period and 46 miles of bare steel pipe in Gainesville over a 20-year period. To date the Company has replaced a combined total of 230 miles of pipe and appurtenances in the Columbus and Gainesville areas. However, in Columbus, the cast iron pipe replacement was completed in 2013.

During 2018, Staff audited this cast iron and bare steel retirement program for the year ending September 30, 2017. The Commission approved a monthly surcharge of $8.22 for residential, $24.65 for commercial and $205.44 for industrial customers, effective October 1, 2018. From October 1, 2016 to September 2017, Liberty retired 7.48 miles of bare steel pipe and installed 7.53 miles in the Gainesville area. Replacing the pipe also resulted in the company not spending $26,734 in operations and maintenance expenses.

Docket 41465, 41466 and 41468: Notices of Proposed Rulemaking

The Natural Gas Competition and Deregulation Act of 1997 gives the Commission jurisdiction and authority to promulgate and amend utility rules for carrying out its statutory duties. Staff and a marketer’s working group which included Walton EMC, Gas South and Scana carefully reviewed each chapter of the Marketer rules. The working group brought suggestions from different marketers that Staff evaluated and either accepted or rejected. The goal for this project was to make the marketer rules more efficient and updated. Notices of Proposed Rulemakings (NOPRs) were issued on October 17, 2017. On February 20, 2018, comments and oral arguments were held. As of March 2018, the Commission has approved all NOPRs.
Docket 31647: Senior Citizen Discount Audit

In 2018, as a result of the 2017 AGL Senior Citizen Discount Audit ("Audit"), Liberty Utilities conducted their own audit. The outcome of this audit led to approximately 1160 customers being removed from the discount in the Liberty territory. Also in 2018, AGL and Liberty revised their tariffs to reflect that the income threshold for the Senior Citizen Discount would be 200% based on the Federal Poverty guidelines. Annually, the income revenue amount will change.

Docket 40287 Atlanta Gas Light Company’s Petition to Amend Its 2016-2019 Capacity Supply Plan:

Under the current approved Plan, the Commission ordered AGL to release capacity above the 5% reserve margin at the highest possible price in Year 2 and 3 of the Plan. Due to the terms of the releases, AGL’s compliance reduced the total amount of available interstate assets to below the 5% reserve margin threshold in Year 3 of the Plan. AGL filed a petition to obtain 15,000 dekatherms of additional Bundled Pipeline Peaking Sales Service ("BPPSS") capacity for the remainder of the current plan period to maintain the Commission ordered 5% reserve margin during the 2018-19 heating season. The Commission approved AGL’s petition to amend its 2016-2019 Capacity Supply Plan to authorize the change in the array by 15,000 dekatherms.

Docket 27738: Atlanta Gas Light Company’s Request for Approval of a Special Contract with the Metropolitan Atlanta Rapid Transit Authority

The Commission granted AGL’s request for approval of a proposed Amendment to the Special Contract (Docket No. 27738) which was approved by this Commission on August 18, 2009 between AGL and the Metropolitan Atlanta Rapid Transit Authority ("MARTA"). AGL also requested the extension of the same Special Contract under the above referenced docket. The Commission approved the proposed amendment and extension of the Special Contract under the same Docket No. 27738 with the ongoing requirement of annual reporting.

The petition is comprised of a request for an amendment to the Special Contract (Docket No. 27738) with MARTA to include the new Hamilton Boulevard refueling facility and the extension of the Special Contract under the same docket number. The Special Contract was originally approved by this Commission on August 18, 2009. The Special Contract required AGL to construct a compressed natural gas ("CNG") refueling station for MARTA at its Perry Boulevard bus refueling facility ("Perry") and Laredo Drive bus refueling facility ("Laredo") and to maintain MARTA's headquarters facility on Piedmont Road ("Headquarters"). AGL has continued to maintain and deliver natural gas to the Perry and Laredo facilities and maintain the Headquarters. The Special Contract was initially developed to enable MARTA to add CNG buses to their fleet in time for the 1996 Olympics and reduce the negative environment impact on air quality from diesel fuel emissions in Docket 5723-U (currently a closed docket) and was approved in 1995. This Special Contract in Docket 27738 replaced the Special Contract in Docket 5723-U. Service has been provided at a negotiated rate which covers recovery of the Company’s capital investment to build the CNG refueling station and comprehensive maintenance of the CNG refueling station; and (3) AGL intrastate delivery charges.

MARTA’s CNG fleet is currently over 460 buses. MARTA constructed a third CNG refueling facility located at 3385 Hamilton Boulevard, S.W., Atlanta, Georgia 30354 ("Hamilton"). Per
Section 7.3 of the Statement of Work in the Special Contract, Hamilton was contemplated to be an Amendment to the Special Contract. The rates to maintain and deliver natural gas to Hamilton are kept according to the Special contract approved in 2009 under docket No. 27738 and all other terms and conditions will have remained the same. The Special Contract automatically renews with the next renewal being July 1, 2021.

**Docket 40828 Atlanta Gas Light Company’s Liquefied Natural Gas Delivery to Tanker Service Rate (LDTS)**

On October 24, 2108, AGL filed to modify section 21.4.4 of its Commission approved Tariff under Liquefied Natural Gas Delivery to Tanker Service Rate (LDTS). AGL requested approval to modify the term of service in order for the Tariff to reflect recent FERC actions on LNG jurisdictional issues. AGL based their petition on several FERC declaratory orders removing prohibitions against the export of LNG coming from facilities of regulated Utilities, and the use of LNG in other natural gas distribution systems across state lines, but maintaining the prohibition of the injection of LNG derived from facilities of regulated Utilities into interstate pipelines. AGL did not request a change in rates for the service, which is and will remain available to all poolers on the AGL system that desire to participate in the LDTS open seasons currently authorized under the terms of the Tariff.

**Infinite Penalty Docket 947: Petition of Infinite Energy, Inc. For Refund of DSR Incentive Penalty Imposed by Atlanta Gas Light Company**

On October 17, 2018 Infinite Energy, Inc. (“Infinite”) filed a petition with the PSC regarding a penalty levied against Infinite by Atlanta Gas Light Company (“AGL”), per the Commission approved AGL Tariff. The penalty was a result of Infinite not complying with a pipeline-specific daily supply requirement (“DSR”) order issued on the Electronic Bulletin Board (“EBB”) by AGL. Across a five-day period in April 2018, Infinite nominated gas volumes on pipelines other than the Southern Natural Gas (“SNG”) pipeline to the Atlanta pool group; AGL explicitly notified marketers to nominate gas volumes to the AGL pool group on the SNG pipeline at this time. This lack of response to the DSR ordered by AGL resulted in a $30.00 per dekatherm penalty, as outlined in the Commission approved AGL Tariff.

Following a thorough Staff investigation and review the Commission on December 18, 2018 denied Infinite’s request for relief from the DSR penalty.
The telecommunications industry is indispensable to the economy of the state. Over the past 20 plus years, the Georgia’s Telecommunications and Competition Development Act of 1995 and the Federal Telecommunications Act of 1996 have had a great impact on the Commission’s role in this vital industry. The primary goal of these statutes was to replace traditional regulated monopoly service with a competitive market. For competitive segments of the industry, the Commission does not set rates, but facilitates market development, certifies providers, arbitrates interconnection agreements, and resolves complaints among competitors.

SIGNIFICANT DEVELOPMENTS IN THE TELECOMMUNICATIONS INDUSTRY IN 2018

In 2018 the Commission granted certificates of authority to seven long-distance resellers, thirteen competitive local exchange providers and two inter-exchange service providers. The total number of active certificates in 2018 was 737, distributed among industry segments, as follows: 221 resellers, 41 alternative operator service providers, 225 competitive local exchange providers, 79 inter-exchange service providers, 112 payphone service providers, 23 institutional telecommunication service providers and over 36 incumbent local exchange service providers.

On December 13 and 14, 2017 Tier II Independent Local Exchange Carriers (ILEC) filed requests for an aggregate disbursement of $30,828,943 for the 23rd UAF year covering the period July 1, 2016, through June 30, 2017. All applicants were audited by Victor Hurlbert, CPA. Under a Commission-approved process, an ILEC applicant can choose to have its application considered on one of two “tracks.” Under Track 1, the applicant voluntarily limits its request to no more than $1,000,000 in a streamlined process that does not ordinarily require a hearing. Under Track 2, the applicant can request a disbursement exceeding $1,000,000 but would undergo a mandatory hearing during which any party could raise concerns regarding any aspect of the application.

In 2018 the Commission approved total disbursements for the 23rd UAF year of $28,898,585 with the aggregate annual cap amount remaining at $1,000,000 each for Track 1 carriers. The approved disbursements are listed below.

<table>
<thead>
<tr>
<th>Company</th>
<th>Approved Disbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alma Telephone Company</td>
<td>$184,517.00</td>
</tr>
<tr>
<td>Blue Ridge Telephone Company</td>
<td>$2,857,884.00</td>
</tr>
<tr>
<td>Brantley Telephone Company, Inc.</td>
<td>$1,801,268.00</td>
</tr>
<tr>
<td>Bulloch Telephone Cooperative</td>
<td>$1,823,377.00</td>
</tr>
<tr>
<td>Camden Telephone &amp; Telegraph Co., Inc.</td>
<td>$1,000,000.00</td>
</tr>
<tr>
<td>Chickamauga Telephone Corporation</td>
<td>$709,168.00</td>
</tr>
<tr>
<td>Darien Telephone Co., Inc.</td>
<td>$2,003,485.00</td>
</tr>
</tbody>
</table>
House Bill 168, which took effect on June 4, 2010, phased out intrastate access charges and allowed the lost revenue to be offset by higher basic service rates. Pursuant to the statute, the Commission first determined a benchmark local service rate by calculating 110% of the July 1, 2009 residential statewide average rate for basic local exchange service. Next, the Commission set a schedule by which local rates would be increased to the benchmark rate. The approved schedule required basic local exchange service rates to increase by an amount not to exceed $1.61 per month per year for a period of nine years with a true-up in the tenth year. For 2019, the statewide benchmark was increased to $21.03, after adjusting for inflation.

**Institutional Telecommunication Service (ITS)**

Institutional Telecommunication Service (ITS) is telephone service provided to inmates incarcerated in jails and prisons in Georgia which allows them to communicate with their families and loved ones. Providers of ITS must obtain a Certificate of Authority from the Commission. In 2016, the Commission approved a new rate structure for local ITS calls of $0.18 per minute with a cap of $2.70 per call. In 2017, the Commission approved new maximum rates for long distance ITS phone service in order to align intrastate rates with the interstate rates adopted by the FCC. Like the Federal Communications Commission (FCC), the Commission prohibited the imposition of ancillary fees on ITS service. The new long distance ITS rates vary based on the type of facility as well as the Average Daily Population (“ADP”) as shown in the graph below:

<table>
<thead>
<tr>
<th>Facility Type</th>
<th>ADP</th>
<th>ICS Vendor Rate</th>
<th>Explicit Cost Recovery Additive</th>
<th>Total Consumer Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jail</td>
<td>0-349</td>
<td>$.22</td>
<td>$.09</td>
<td>$.31</td>
</tr>
<tr>
<td>Jail</td>
<td>350-999</td>
<td>$.16</td>
<td>$.05</td>
<td>$.21</td>
</tr>
<tr>
<td>Jail</td>
<td>1000+</td>
<td>$.14</td>
<td>$.05</td>
<td>$.19</td>
</tr>
<tr>
<td>Prison</td>
<td>ALL</td>
<td>$.11</td>
<td>$.05</td>
<td>$.16</td>
</tr>
</tbody>
</table>
After adoption of the new rates, the Commission held hearings to consider the following two issues:

(1) Should the Commission adopt caps on site commissions as part of the rates for institutional telecommunications services?
(2) If the Commission adopts site commissions as part of the rates on institutional telecommunications services, should the caps be applied to existing contracts? The determination of this issue may involve consideration of (a) whether and how the current term of an existing contract should be treated differently than a renewal term of a contract for purposes of applying caps on site commissions, and (b) whether and how facilities of different size or type should be treated differently for purposes of applying caps on site commissions. Part (b) may include what the amount of any site commission cap should be for each size or type of facility, whether there is any basis for differentiating between the sizes and types of facilities for purposes of applying any site commission cap to an existing contract and any other basis for applying a site commission cap differently based on the size or type of facility.

In 2018, the Commission declined to adopt caps on site commission rates because of the practical problems with effective enforcement of such caps.

### Telecommunications Relay Service (TRS)

Hamilton Telecommunications has been the Georgia TRS provider since April 2006. Headquartered in Nebraska, Hamilton currently provides relay service in 17 states. Hamilton, known here as Georgia Relay, operates a call center in Albany, Georgia, seven days a week, 18 hours a day, employing over 1,800 communications assistants. In 2018, the Relay Center in Albany processed an average of almost 50,000 relay calls per month. The total cost paid from the TRS fund was $913,590 for 2018. The TRS portion was $184,255.

With Commission approval, Hamilton implemented Captioned Telephone Service (CapTel®) in Georgia in January 2008. An enhanced form of relay service, CapTel® allows individuals with hearing loss to view word-for-word captions of their telephone conversations. Over 1,300 subscribers now use the system, averaging approximately 30,000 calls a month. The cost of this service for 2018 was $729,335.

### Telecommunications Equipment Distribution Program (TEDP)

The Commission established the Georgia TEDP in March 2003 pursuant to the provisions of House Bill 1003. This program provides specialized telecommunications equipment to Georgians who, because of physical impairments (particularly hearing and speech), cannot otherwise communicate over the telephone. Receipt of free equipment under this program is subject to medical and financial eligibility requirements. To date, approximately 8,571 equipment items, which includes approximately 1,100 CapTel® phones, have been distributed to hearing or speech-impaired applicants. The Commission contracts with the Georgia Council for the Hearing Impaired (GACHI) to be the distribution agency for the Georgia TEDP. The cost of this service for 2018 was $791,306.

### Audible Universal Information Access Service (AUIAS)

In 2006 the Legislature created a statewide AUIAS to provide blind and print-disabled citizens of Georgia with telephonic access to print media publications. The law gave the Commission oversight of the service. Following a competitive bidding process, the Commission selected the National Federation of the Blind to administer the service. Since June 2006, the AUIAS has
provided continuous audible universal access to all Georgia telephone exchanges, 24 hours a day, seven days a week and 52 weeks a year. The system is accessible by dialing a toll-free or local number anywhere in the state and has the capacity to serve an unlimited number of subscribers. Currently, there are over 2,700 subscribers to this service. The total number of Georgia citizens that could potentially benefit from this service exceeds 25,000, as demonstrated by the number of current subscribers to the Georgia Library for Accessible Services. The cost of this service in 2018 was $203,100.

**Hearing Aid Distribution Program**

In August 2007, the Commission approved the Hearing Aid Distribution Program according to the provisions of House Bill 655, which authorized use of TRS funds for the distribution of hearing aids. The Commission contracted with the Georgia Lions Lighthouse Foundation, a nonprofit organization that has provided hearing aids to low-income Georgians for over 30 years. Under the current contract, the Foundation receives $715,646 each year and $3,497 for each child under the age of 20 who qualifies for this program. The Foundation partners with two hearing aid manufacturers and maintains a network of over 180 audiologists throughout the state. The program distributed 1,772 hearing aids to 933 applicants in 2018.
CONSUMER AFFAIRS UNIT

The Consumer Affairs Unit is the primary contact for consumers that want to make their concerns and issues known to the Commission. Consumers convey these concerns and issues in the form of complaints, inquiries, or opinions, collectively referred to as “contacts.” Consumers file contacts and opinions in person, via telephone, fax, regular mail, email, and internet.

The Consumer Affairs Staff interacts with representatives from the utility industries to resolve consumer complaints, discuss complaint trends and possible courses of action to address problematic trends, and ensure mutual understanding of respective business processes and policies.

Consumer Affairs Staff has direct involvement with both the general public and industry representatives. This direct involvement gives the Consumer Affairs Unit a unique perspective that makes it a source of valuable information for other work groups within the Commission. In addition to complaint resolution, the Consumer Affairs Unit is responsible for consumer education and community outreach.

Consumer Affairs Community Outreach

In 2018 the Consumer Affairs Unit continued our Outreach activities by giving presentations to community groups and organizations. Staff from Consumer Affairs participated in the Service Providers Network sponsored by the Atlanta Housing Authority and updated our information with the Atlanta Regional Commission. In 2018 the Consumer Affairs Staff was able to attend and give a presentation at the annual H.E.A.T (Heating Energy Assistance Team, Inc.) meeting. Consumer Affairs staff also participated in the Senior Wellness and Resource fair hosted by the Atlanta Housing Authority (AHA), in conjunction with Quality Living Services (QLS) Senior.

Our office gave a two-hour question and answer presentation at the QLS Haven senior citizen complex. The Office of Consumer Affairs continued our relationship with the Atlanta Housing Authority by participating in the monthly Service Providers Workshop. Consumer Affairs staff attended the annual H.E.A.T (Heating Energy Assistance Team, Inc.) meeting. Our office updated our contact information with the Atlanta Regional Commission. The Consumer Affairs Unit will continue our efforts to increase public awareness of the mission of the Georgia Public Service Commission.

Inbound Contacts

The main method that consumers use to contact the Commission is by telephone. The Consumer Affairs Unit has a total of six (6) staff members that answer all calls coming through our Automated Call Distribution (ACD) system. Incoming Spanish calls are routed to bilingual staff members (one member is located in the Consumer Affairs Unit) for assistance. The total number of calls reported by the Commission’s Automated Call Distributor (ACD) for 2018 was 25,376 (this includes Spanish calls).

Telephone calls comprised the majority of all inbound contact methods to the Consumer Affairs Unit in 2018. Internet/E-mail contacts continued to be the second preferred method of
contacting the Commission in 2018 with a total of 7,372 contacts. There were 5,715 internet contacts entered into the CRS system. The number of contacts entered into the CRS system does not include contacts that did not require referral to a utility company.

Regular mail and faxes were the next popular methods consumers used for communicating with the Commission. The total paper correspondence in 2018 (letters and faxes) was 644. The Office of Consumer Affairs also takes complaints from consumers that visit the Georgia Public Service Commission in person. In 2018 the Office of Consumer Affairs met with approximately 14 consumers to discuss issues with their bills, deposits, and to share information on energy assistance and Lifeline. In all, Consumer Affairs representatives received 39,119 inquiries, complaints, and opinions from the general public in 2018.

Some of the contacts received from consumers will require referral or follow-up by a Consumer Affairs staff member. Contacts requiring referral or follow-up are recorded in the Consumer Response System (CRS) database. Referrals are the contacts that our staff send via e-mail to the utility company for a response. Follow-Ups include making calls or sending e-mails to the representatives of the utility as well as contacts to and from consumers.
Electric Consumer Issues

Electric contacts increased from 1132 in 2017 to 1,715 in 2018.

The major Electric issue for 2018 was disconnections. There was also an increase in billing related issues in 2018.

Natural Gas Consumer Issues
Natural Gas contacts decreased from 1066 in 2017 to 1040 in 2018.

The major Natural Gas issues for 2018 were calls concerning billing issues/charges, payments/payment arrangements, connections/reconnections, and disconnections.
Telecommunications Consumer Issues

Telecommunications contacts decreased from 3742 in 2017 to 2709 in 2018. There were 282 wireless complaints, 82 DSL complaints, and 3 ITS complaints for 2018.

![Telecom Contacts](image)

The major telecom issues for 2018 were calls concerning repair/outage, customer service and billing. The main complaints from consumers were repairs and safety issues. Most of these concerns related to outages from inclement weather.

![Telecom Top 5 Issues](image)

In 2018 Independent Local Exchange Carrier and Competitive Local Exchanges Carrier (ILEC) contacts made up largest number of the telecommunications calls to the Consumer Affairs Unit.
Telecom Industry

- ILEC, 1683, 62%
- CLEC, 660, 24%
- Wireless, 282, 11%
- ITS, 30%
- DSL, 82, 3%

Breakdown by Percentages
The Internal Consultants Unit of the Utilities Division provided expertise to all of the other units. During 2018, Internal Consultants served as Project Lead on several major cases which included the Plant Vogtle Units 3 and 4 Construction Monitoring, finalized Georgia Power’s Renewable Cost Benefit Framework, monitored construction of Georgia Power’s solar projects throughout Georgia, monitored Georgia Power’s DSM programs and facilitated the Demand Side Management Working Group meetings and the Renewable Energy Development Imitative. IC also assisted Telecommunications Unit with a generic proceeding to implement House Bill 168.

Throughout 2018, the Energy Efficiency and Renewable Energy (EERE) Group worked with Georgia Power in finalizing the details of Georgia Power’s Renewable Cost Benefit Framework (“RCB Framework”) which is used in the valuation of Renewable resources including behind the meter rooftop solar. EERE Staff also monitored Georgia Power’s construction of the military base solar project at the Marine Corps Logistics Base (“MCLB”) in Albany, GA, a right-of-way solar project in LaGrange, GA, and a 2 megawatt (“MW”) community solar facility located in Comer, GA. EERE Staff also worked with Georgia Power and other interested parties to finalize Requests for Proposal (“RFP”) documents and Pro Forma Power Purchase Agreements for Georgia Power’s Renewable Energy Development Initiative (“REDI”) Distributed Generation program which seeks to add 110 MW of distributed solar to Georgia Power’s portfolio and the REDI Utility Scale program which will add an additional 540 MW of renewable energy. The REDI Utility Scale RFP requested renewable energy projects that could either stand alone or combined with a battery storage facility. EERE Staff and Georgia Power are currently evaluating the proposals that were received for both the REDI DG and US RFP.

EERE Staff also monitored Georgia Power’s Demand Side Management (DSM) and Energy Efficiency (EE) programs, reviewed Georgia Power’s Annual DSM True-Up to verify program spending and cost recovery, and reviewed the Evaluation Measurement and Verification (EM&V) Reports. EERE Staff facilitated the DSM Working Group meetings which engaged with a variety of stakeholders, including the utility, in preparation for the 2019 Integrated Resource Plan and DSM Certification filings that were filed on January 31, 2019.

Finally, Internal Consultants continued to serve as point in monitoring Nuclear Waste issues. Georgia Ratepayers have invested over $1.7 billion dollars into the Nuclear Waste Fund (“NWF”) as of September 30, 2016, (this amount includes interest). This places Georgia among the top 10 states in terms of NWF contributions. The collection of funds from Ratepayers to disposed of the waste was halted in May of 2014 by the Department of Energy as mandated by the U.S. Court of Appeals for the D.C. Circuit. There have been several attempts in Congress to move forward with some implementation of Nuclear Waste Policy Act of 1982 but every effort has failed. Georgia Power Company (“GPC”) has four nuclear reactors with two more coming on line by 2022. As of today, GPC along with all nuclear power companies in the U.S. stores in nuclear waste on site (this includes shut down reactors) pending some resolution and/or direction from Congress.

Internal Consultants frequently served on various panels at national and international meetings as policy/regulatory subject matter experts during 2018.
FACILITIES PROTECTION UNIT
SUMMARY

During 2018, the Pipeline Safety Inspectors of the Facilities Protection Unit monitored and inspected over 1,200 miles of transmission lines, nearly 44,000 miles of distribution pipeline, and more than 2 million service lines for transporting natural gas to Georgia customers within 147 counties. The pipeline safety inspectors evaluated operator compliance with state and federal pipeline safety regulations by conducting 205 inspections, including 14 Anti-Drug & Alcohol inspections, over 1,012 inspection days.

Challenges in 2018 continued in Facilities Protection, as the group continued to enforce the Georgia Underground Facilities Protection Act, Federal, and State rules and regulations, as well as implementing continuing regulations, while facing staff turn-over and the loss of pipeline safety inspectors to the private sector.

During 2018, the Pipeline Safety Inspectors of the Facilities Protection Unit monitored and inspected over 1,200 miles of transmission lines, nearly 44,000 miles of distribution pipeline, and more than 2 million service lines for transporting natural gas to Georgia customers within 147 counties. The pipeline safety inspectors evaluated operator compliance with state and federal pipeline safety regulations by conducting 205 inspections, including 14 Anti-Drug & Alcohol inspections, over 1,012 inspection days.

The Commission continued its other damage prevention efforts in 2018 by delivering 14 presentations by GUFPA investigators to over 384 attendees. The GUFPA Staff's participation in these meetings continues to strengthened the Commission’s relationship with various groups across Georgia who are dedicated to damage prevention. These groups include, but are not limited to, Georgia Utility Contractor's Association, Plumbing Mechanical Contractors Association, Georgia Onsite Wastewater Association, and the Georgia Utility Coordinating Council.

Facilities Protection Unit

The Facilities Protection Unit (FPU) of the Georgia Public Service Commission is composed of two distinct areas: Pipeline Safety and GUFPA (Damage Prevention) enforcement.

The pipeline safety function is carried out under an agreement with the Pipeline and Hazards Materials Safety Administration (PHMSA) of the U.S. Department of Transportation (DOT). Pipeline safety inspectors are responsible for enforcing federal regulations for the safe installation and operation of natural gas pipelines. The year 2018 marked the 50th year of the Commission’s relationship with PHMSA.

The Commission assumed responsibility for damage prevention efforts in 2000, following passage of the Georgia Utility Facility Protection Act (“GUFPA”) Law. The goals of GUFPA are to prevent injury to Georgia citizens, and damage to buried utilities by requiring those who want to perform mechanized excavation to call 811 before digging, so facility owners can mark the location of buried utility facilities to avoid damage.
Pipeline Safety

Pipeline Safety inspected master meters, municipals, and private operators during 2018. This is no small task, given the number of operators and geography of the state. The Table below illustrates the various types of inspections that were performed in 2018.

<table>
<thead>
<tr>
<th>Inspection Type</th>
<th>Inspections</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard Comprehensive</td>
<td>28</td>
</tr>
<tr>
<td>Design, Testing, and Construction</td>
<td>27</td>
</tr>
<tr>
<td>Anti-Drug &amp; Alcohol</td>
<td>14</td>
</tr>
<tr>
<td>Integrity Management</td>
<td>30</td>
</tr>
<tr>
<td>Operator Qualification</td>
<td>35</td>
</tr>
<tr>
<td>Investigating Incidents or Accidents</td>
<td>19</td>
</tr>
<tr>
<td>Compliance Follow-up</td>
<td>48</td>
</tr>
<tr>
<td>Public Awareness</td>
<td>4</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>205</strong></td>
</tr>
</tbody>
</table>

These numbers vary each year depending on the type of inspection. Each inspector must conduct a compliance follow-up inspection if there are current or remaining violations. Oftentimes, the follow-up inspection can take as many days as the actual inspection.

**Georgia Utility Facility Protection Act (GUFPA) Enforcement**

Efforts to prevent damage to buried utilities in Georgia stem from the requirements of the Georgia Utility Facility Protection Act of 2000 which assigns responsibility for enforcement to the Georgia Public Service Commission.

Facilities Protection is one of the few areas where Commission jurisdiction extends beyond the electric, telephone and natural gas industries. The PSC is responsible for enforcing the Call Before You Dig laws for all utility facilities. During 2018 system owners and operators reported 5,380 incidents where facilities were damaged. Over 50% of the damages were to natural gas lines, while the remaining damages were to non-gas facilities.

<table>
<thead>
<tr>
<th>Reported Damages in 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Gas</td>
</tr>
<tr>
<td>Telephone</td>
</tr>
<tr>
<td>Electric</td>
</tr>
<tr>
<td>Cable TV</td>
</tr>
<tr>
<td>Water</td>
</tr>
<tr>
<td>Sewer</td>
</tr>
<tr>
<td>Total Incidents</td>
</tr>
<tr>
<td>Total Non-Gas Incidents</td>
</tr>
<tr>
<td>Total Damages Reported</td>
</tr>
</tbody>
</table>

Staff investigated 3,618 incidents for alleged violations of the GUFPA law. The enforcement actions during the year included mailing 290 hearings notices, 888 consent agreements, and 190 final orders. The Commission’s Hearing Officer heard 53 cases. Of the 1,135 cases closed,
769 related to damaged natural gas lines. These cases concluded with the Commission’s levying $6,158,400 in civil penalties, of which $5,000,500 was mitigated with training.

To prevent incidents due to excavators’ failure to appreciate the severity of possible damage when safety regulations are ignored or failure to understand the legal requirements, the PSC gives violators the option of attending safety training in lieu of paying the full civil penalty assessed. 1,003 locators, excavators, and facility owners and operators attended one of the 133 Commission-approved dig law training presentations in 2018.

The Commission continued its other damage prevention efforts in 2018 by delivering 14 presentations by GUFPAs to over 384 attendees. The GUFPAs participation in these meetings continues to strengthened the Commission’s relationship with various groups across Georgia who are dedicated to damage prevention. These groups include, but are not limited to, the Georgia Utility Contractor’s Association, Plumbing Mechanical Contractors Association, Georgia Onsite Wastewater Association, and the Georgia Utility Coordinating Council.

Training and Pipeline Safety Seminar

The FPU Director continually offers training opportunities to the operators, as well as the option of requesting a conference to discuss any probable violations of the Federal or State pipeline safety rules. The Commission has spent a great deal of effort traveling throughout Georgia to provide all natural gas municipals the opportunity to meet with the FPU Staff, to discuss issues or concerns, and to inquire about the Staff’s expectations for inspections. The goal is to ensure that the municipal operators located outside of Metro Atlanta have the same opportunities as the operators located in Metro Atlanta.

As in years past, the Staff worked closely with the Georgia Municipal Association (“GMA”) Gas Section in 2018 to further educate the municipal’s elected officials and city managers on the role of the PSC and State/Federal Regulations. The FPU Director attended the annual GMA conference to specifically discuss the roles and responsibilities for cities with natural gas systems. The annual Pipeline Safety Conference (Pipeline Safety Staff in conjunction with the GMA Gas Section) also provides additional learning and training opportunities for operators, contractors, consultants, etc. This working relationship will continue throughout 2019.

In October 2018, Hurricane Michael hit South Georgia. As a result, several smaller natural gas operators suffered damages and outages. While several inspectors were able to contact these operators, it brought to light the fact that a state-wide Pipeline Safety Emergency plan does not currently exist. The FPU Director will designate a safety-committee made up of public and private operators to develop a plan that will be in place for the future. The goal is to have statewide meetings throughout 2019, with a plan implementation in 2020.

For 2019, the FPU Staff will conduct regional workshops throughout Georgia. This will provide all municipal operators with the opportunity to meet with the Director and discuss issues, questions, etc. The goal of this task is to continue to build a strong and effective working relationship between the PSC and natural gas operators, in order to achieve the ultimate goal of pipeline safety.
In April 2018, several Staff members attended 2018 the National Association of Pipeline Safety Representatives (“NAPSR”) Southern Region conference, in Montgomery, Alabama. This annual meeting is held in different eight Southeastern states and serves to have regional pipeline safety departments meet and discuss regulations and other topics.

The NAPSR held its national meeting in October 2018 in Santa Fe, New Mexico. The FPU Director and two inspectors attended this meeting. During the 2018 National Meeting, Michelle Thebert was elected to the NAPSR Board as the Treasurer for a three-year term. Her responsibilities include ensuring the NAPSR Administrative Manager is compensated appropriately and balancing the books of the organization.

**Additional Facility Protection Program Activities**

Pipeline Safety Staff continued enforcing the federal public awareness regulations, including, Drug and Alcohol, Operator Qualifications, Construction, Comprehensive Inspections, Integrity Management, etc. during 2018. In addition, several Staff members participated in numerous on-site operator training classes to expose operators’ to more in-depth information on specific regulations, policies, procedures, etc. We hired one new Inspector in 2018, and he will begin his certification training in March 2019. Prior to completing certification, new inspectors are paired with seasoned inspectors. This allows the new employee to train under the more experienced employee, which is invaluable for this type of work, given the steep learning curve.

**Appointment to Federal Working Group**

As noted in previous Annual Reports, in December 2016, Michelle Thebert, Facilities Protection Director, was appointed by then-Transportation Secretary Anthony Foxx to the Pipeline Safety Voluntary Information-Sharing System Working Group. This group consists of 24 representatives throughout the U.S. from all areas of the pipeline industry, including, a PHMSA Representative, State Public Utility Commissioners/State Officials, State Pipeline Safety Inspectors, Safety Advocacy Groups, Labor Representatives, Industry Stakeholders, Research Institutions, and the Environmental Defense Fund.

This group met many times during 2018 either by teleconference or in person in Washington D.C. Ms. Thebert is a member of two subcommittees within the larger committee: Process Sharing and Training & Qualifications. The subcommittees allow for better individual participation, as well as being more structured. The committee’s term ended in December 2018, and the next steps will be to provide the Secretary of Transportation with advice and recommendations related to pipeline safety, including whether an information-sharing system for pipeline owners and operators is needed, ways to encourage the exchange of pipeline inspection information, and best practices for protecting proprietary and security-sensitive information.
ADMINISTRATION DIVISION

During 2018 the Commission continued to maintain the highest standards in performing those administrative functions that enable the Commission to better serve the public by making the most prudent use of its resources. The Commission worked within the constraints of its budget to promote efficiencies and make the maximum use of taxpayers’ monies to fulfill its mission.

The Commission’s Administration Division, headed by the Executive Director, is comprised of the Executive Secretary, Budget and Fiscal Office, Human Resource Office, Public Information and Legislative Liaison Office and the Office of Operations Support. An overview of the responsibilities and accomplishments of each of these is set forth below.

EXECUTIVE SECRETARY

The Executive Secretary’s Office is responsible for receiving all public documents filed at the Commission. The Executive Secretary’s responsibilities include scheduling Commission proceedings, assigning hearing officers, signing and certifying Official Orders, and preparing lists of interveners for docketed matters.

In 2018, this Office opened 593 new case dockets; processed 4,209 filed documents; and filed 849 orders prepared for the Chairman’s and Executive Secretary’s signature. The number of dockets has grown tremendously over the past two decades.

During 2018, the Commission held 61 public hearings constituting either a quorum of the Commission or a hearing officer assigned by the Commission. Matters docketed for public hearing are generally heard by the entire Commission in open session with a majority of the five-member Commission constituting a quorum.

Regular Commission Administrative Sessions are held on the first and third Tuesdays of each month. Committee meetings are held on the Thursdays prior to Administrative Sessions. The four standing Committees of the Commission are: Energy, Facilities Protection, Telecommunications and Administrative Affairs.

BUDGET AND FISCAL OFFICE

The primary role of the Budget and Fiscal Office is to develop the agency’s Annual Operating Budget and monitor expenditures to ensure the Commission’s compliance with all of its fiscal responsibilities. This task is accomplished, in conjunction with the Executive Director and the PSC Commissioners through interactions with the Governor’s Office of Planning and Budget (OPB) and the Legislative Budget Offices as well as other Commission staff. The Office manages the fiscal responsibilities of the Commission through recommendations and monitoring of requests for the agency’s State and Federal funding, purchasing, asset management and accurate financial reporting of results to Federal, State and other agencies as required or requested. In 2018, the Budget and Fiscal Office accurately monitored and effectively managed a budget with revenues and expenses of $11.8 million dollars.

The Office continued to support the State Leadership in meeting all directives to control and reduce the overall budget for the PSC. Enhanced analytical and modeling tools were implemented to monitor, control and forecast all expenses. Each budget item was analyzed in
great detail and reevaluated in order to submit Budgets for Amended Fiscal Year 2019 and Fiscal Year 2020.

In order to achieve its mission, the Office used the OPB Financial Management System to prepare and submit the Commission budget, including all amendments and scheduled allotments of funds. The Commission’s accounting functions (including Accounts Receivable, Accounts Payable, Payroll and General Ledger) are managed and performed using QuickBooks. The Commission’s Payroll Processing and Purchase Orders are managed using the Georgia Technology Authority administered PeopleSoft System, as well as using PeopleSoft’s Asset Management Module for items costing over $1,000.

**HUMAN RESOURCES OFFICE**

The Human Resources Office (HRO) strives to meet the Human Resource and payroll needs of the Commission. This office remains available to assist employees in many work-related and personal areas. Our office strives to enhance the work experience and lives of our employees by keeping them informed about upcoming programs and policy changes by the State. We continue to participate in the Employee Assistant Program. It has proven to be a beneficial tool to our employees.

During 2018 we added seven new staff members: two Utility Analysts for our Natural Gas unit; an Engineer for our Energy Efficiency and Renewable Energy unit; an Information Referral Specialist for our Consumer Affairs unit; a Utility Analyst for our Electric Unit; an attorney for the GUPFA unit; and one Inspector for our Pipeline Safety unit. This year our office will work with the Executive Director and other senior management to solidify a succession process.

As our Agency staff reaches retirement age and 30 or more years of service, we expect to lose several employees over the next few years. Human Resources plans to be a strategic partner in assisting our Agency replenish those with highly qualified individuals.

**OFFICE OF OPERATIONS SUPPORT**

The Office of Operations Support continued to improve the infrastructure and overall efficiency during 2018. Our team continued to focused on improving security, network data continuity, the new agency website and the multi-year development project State Transparency and Regulatory system or STARS.

STARS is an in development software project which will centralize Public Service Commission data and electronic resources. The project will utilize software and project management talent within the Covendis vendor management system provided by the Georgia Technology Authority (GTA). The STARS project mission is to provide data transparency, improved functionality and insight for regulatory matters pertaining to the Georgia Public Service Commission and stakeholders.

Our unit continues to strive to improve efficiency, productivity and to improve and monitor technology based operations and controls to provide security and data protection for the network. Our team also improved hearing broadcasts by adding video streaming functionality for Committee, Administrative and Docket hearings. Video archives are available for viewing on the Public Service Commission YouTube channel as well as the Livestream website. The team has also completed final touches on the new agency website see Figure 1.
The agency received 1,017,333 million page-views on its website. Of these page-views 68% were new visitors and 32% were recurring visits. The most popular page-views are the Natural Gas List of Certified Marketers, the Natural Gas Market price chart, and the File and Case Docket tracking search page.

During 2018, the objectives of the Operations Support office were to improve cybersecurity practices, enhance network continuity, expand Commission hearing broadcasts and increase functionality and dependability of our technical infrastructure and continue to enhance web and application functionality for improved efficiency and transparency.

PUBLIC INFORMATION AND LEGISLATIVE LIAISON OFFICE

The Public Information Office (per O.C.G.A. §46-2-7) coordinates official Commission news releases, media relations and maintains the Commission's public information files. The Office also supervises the Commission's website content and manages the agency's internal communications. As the Commission’s Legislative Liaison, the Office coordinates the Commission’s legislative agenda. In 2018 the Office responded to numerous legislator inquiries relating to constituent concerns, tracked numerous pieces of legislation that impact the agency and the utilities it regulates, provided daily legislative updates, and coordinated the Commission’s analysis and response to legislative proposals.

Local, state and national news media continued extensive coverage of Commission activities and proceedings, such as, the Plant Vogtle nuclear construction project hearings and the Clean Energy Road show. In 2018, the Public Information Office issued 24 news releases, 62 media advisories and responded to more than 100 local, state and national news media inquiries, conducted interviews with local, state and national media; coordinated Commissioner
interviews; and produced Commission publications for internal and external use. The PIO also provided public affairs support for Commissioner Echols annual Clean Energy Roadshow.

The Public Information Office continued to use social media by posting video news clips of Commission statements and news media coverage on its YouTube Channel and using Twitter to release timely information. The Office also produced four newsletters on a quarterly basis and updated its public information brochures.

In the 2018 session, legislators introduced a number of bills affecting state government, the Commission and utilities. The Commission monitored a number of bills which, along with their bill sponsors and status, is provided below:

**House Bills Acted on in 2018**

**House Bill 205** by Rep. John Meadows. Sets up state regulation of hydraulic fracking. **Passed by substitute and signed by the Governor.**

**House Bill 336** by Rep. Don Parsons. Creates “Broadband Ready Communities.” **Held in House Committee.**

**House Bill 388** by Rep. Jeff Jones. Creates state regulation of coal ash ponds. **Held in House Committee.**

**House Bill 431** by Rep. Buzz Brockway. Increases solar allowances for commercial solar installations. **Held in House Committee.**

**Senate Bills Acted on in 2018**

**Senate Bill 355** by Sen. Chuck Hufstetler. Sunsets the Nuclear Construction Cost Recovery fee. **Passed by substitute and signed by the Governor.**

**Senate Bill 402** by Sen. Steve Gooch. Authorizes grants to local governments to provide broadband services. **Passed by substitute and signed by the Governor.**

**Senate Bill 426** by Sen. Steve Gooch. Broadband Infrastructure Leads to Development Act. **Passed Senate and House. Put into S.B. 402.**

**Legislation Affecting Agency Operations and State Employees**

**House Bill 683** by Rep. David Ralston and others. Amends the State’s Fiscal Year 2018 spending plan. **Passed and signed by the Governor.**

**House Bill 684** by Rep. David Ralston and others. Sets the state budget for Fiscal Year 2019 beginning July 1, 2018. **Passed and signed by the Governor.**
NOTEWORTHY COMMISSION ACTIVITIES IN 2018

Dig Safely Month April 2018 Proclamation

Governor Nathan Deal (center) presents the Dig Safely Month Proclamation to (from left to right) Commissioners Lauren “Bubba” McDonald and Tricia Pridemore as well as Commission staff and representatives of utilities, excavators and contractors on April 10, 2018.

Commissioner Pridemore Takes Office

Governor Nathan Deal administers the Oath of Office to Commissioner Tricia Pridemore on February 21, 2018 as her spouse Michael Pridemore looks on.
Governor Nathan Deal (center) presents the Lifeline Awareness Week Proclamation to the Commission and Telecommunications Representatives. From left to right are: Terry Hobbs, Windstream Communications; Commissioner Tricia Pridemore; Governor Deal; Lynn Page, Executive Assistant to Chairman Lauren “Bubba” McDonald; Bill Edge, Public Information Officer and Sandra Deal, First Lady of Georgia.

Commission and Legislative Staff Tour Plant Vogtle Construction Site

Members of the Commission Staff and House Budget and Research Office (HBRO) toured the Plant Vogtle Nuclear Construction Site on December 3, 2018. Left to right: Sam Johnson, PSC Gas Staff; David Hartman, HBRO; Bill Edge, PSC Public Information Officer; Tara Boockholdt, HBRO; Morgan Hall, HBRO; John Gunnells, PSC Gas Staff
Commission Chairman McDonald (left) bids farewell to retiring Commissioner Doug Everett and his wife Janice on December 18, 2018.

Commission Staff Supports NARUC International Exchange Programs

PSC Public Information Officer Bill Edge (third from left) participated in the NARUC International Exchange Program with the Bangladesh Energy Regulatory Commission in Jakarta, Indonesia in October 2018.
Commission Staff Supports NARUC International Exchange Programs

# AGENCY BUDGET

## Fiscal Year 2019

### Budget

<table>
<thead>
<tr>
<th></th>
<th>Fiscal Year 2017</th>
<th>Fiscal Year 2018</th>
<th>Governor's Rec. (Jan. 2019)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Assembly Appropriations</td>
<td>$9,121,934</td>
<td>$9,436,759</td>
<td>$9,734,629</td>
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<tr>
<td>Federal and Other Funds</td>
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<td>$2,360,461</td>
<td>$1,343,100</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$10,949,060</strong></td>
<td><strong>$11,797,220</strong></td>
<td><strong>$11,077,729</strong></td>
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<tr>
<td><strong>Budgeted Expenditures</strong></td>
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<td></td>
<td></td>
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<tr>
<td>Personal Services</td>
<td>$9,140,610</td>
<td>$9,543,113</td>
<td>$9,886,231</td>
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<tr>
<td>Regular Operating Expenses</td>
<td>$450,872</td>
<td>$444,238</td>
<td>$334,736</td>
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<tr>
<td>Motor Vehicle Purchases</td>
<td>$0</td>
<td>$407,734</td>
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<tr>
<td>Equipment</td>
<td>$123,949</td>
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<td>$9,000</td>
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<tr>
<td>Computer Charges</td>
<td>$94,275</td>
<td>$160,874</td>
<td>$164,841</td>
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<td>Real Estate Rental</td>
<td>$670,073</td>
<td>$670,073</td>
<td>$484,171</td>
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<td>Telecommunications</td>
<td>$95,786</td>
<td>$95,636</td>
<td>$96,000</td>
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<td>Contractual Services</td>
<td>$372,834</td>
<td>$421,843</td>
<td>$102,750</td>
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<tr>
<td><strong>Total</strong></td>
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<td><strong>$11,797,220</strong></td>
<td><strong>$11,077,729</strong></td>
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<tr>
<td><strong>Associated Revenue</strong></td>
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<tr>
<td>Regulatory Assessment Fees</td>
<td>$1,050,000</td>
<td>$1,050,000</td>
<td>$1,050,000</td>
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<tr>
<td>Paid Directly to Dept. of Revenue</td>
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<tr>
<td><em>Penalties and Fees Collected and Remitted to State Treasury</em></td>
<td>$495,954</td>
<td>$529,873</td>
<td>$308,179</td>
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<tr>
<td><strong>Total</strong></td>
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<td><strong>$1,579,873</strong></td>
<td><strong>$1,358,179</strong></td>
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</tbody>
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*Note: Penalties and Fees Collected in FY 2019 through December 31, 2018*