



GEORGIA PUBLIC SERVICE COMMISSION

143rd ANNUAL REPORT

2021

Chairman Tricia Pridemore

Vice Chairman Tim Echols

Commissioner Chuck Eaton (Through August 11, 2021)

Commissioner Fitz Johnson (From August 26, 2021)

Commissioner Lauren “Bubba” McDonald

Commissioner Jason Shaw

2021 GEORGIA PUBLIC SERVICE COMMISSION



Public Service Commission January 2021 – August 2021:
(left to right) Chairman Chuck Eaton, Commissioners Jason Shaw, Tricia Pridemore, Vice Chairman Tim Echols and Commissioner Lauren “Bubba” McDonald



Public Service Commission August 2021 – December 2021: (left to right) Commissioner Fitz Johnson, Vice Chairman Tim Echols, Chairman Tricia Pridemore, Commissioners Lauren “Bubba” McDonald and Jason Shaw

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LETTER TO THE GOVERNOR

April 29, 2022

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

Dear Governor Kemp,

The Georgia Public Service Commission presents its 2021 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. In addition to duties traditionally handled by the Commission over the past several decades, recent years have seen additional duties that help promote broadband Internet service in rural Georgia and the introduction and expansion of electric vehicle charging stations.

This past year, as every department in Georgia is sure to report, was affected greatly by the COVID-19 pandemic. By mid-2021, the Commission offices turned to hybrid telework/in-office environment per your directives. I am proud to say, the PSC fulfilled its mission due in no small part to the dedication of its staff and my fellow elected Commissioners.

In 2021, the PSC once again proved a valuable asset to the state. For the fiscal year, the Commission returned \$2,013,968 to the state treasury in regulatory fees and assessed fines. This was \$442,662 more than returned to the state in FY2020.

The Commission itself changed in 2021 with the addition of Commissioner Fitz Johnson, whom you appointed in July to replace Commissioner Chuck Eaton, now a Fulton County Superior Court Judge. Commissioner Eaton's exit also resulted in my election by my fellow Commissioners to Chairman.

At the Commission, we do keep an eye to the future. In 2022, the Commission will be tasked with the Georgia Power IRP (the three-year update for the Company's 20-year resource plan) as well as a Georgia Power Rate Case. Continued monitoring of the Vogtle Nuclear Plant expansion will include prudency hearings to determine costs to ratepayers – a task that is sure to bring unprecedented workloads to Commissioners and staff.

In sum, the Commission continues to ensure Georgia consumers receive the best possible value in utility and telecommunication services, while enforcing natural gas pipeline safety and protecting utility infrastructure from damage.

Respectfully submitted,



Tricia Pridemore, Chairman
Tim G. Echols, Vice Chairman
Fitz Johnson, Commissioner
Lauren "Bubba" McDonald, Commissioner,
Jason Shaw, Commissioner

PUBLIC SERVICE COMMISSION PROFILES



Tricia Pridemore

Commissioner Since: February 21, 2018

Elected: November 2018

Serves Through: December 31, 2024

Republican, Marietta, Georgia

Chairman, 2021 Georgia Public Service Commission (elected Chair July 22, 2021)

Tricia Pridemore joined the Georgia Public Service Commission in 2018. She was unanimously elected chairman of the Commission by her fellow Commissioners in July 2021. Previously, she chaired the Telecommunications Committee that focuses on telecom matters, including rural broadband. In addition to her duties with the Commission, she serves as the Vice Chair of the Board of the Financial Research Institute at the University of Missouri, on the National Association of Regulatory Utility Commissioners (NARUC) as Vice Chair of Pipeline Safety and the NARUC Subcommittee on Education and Research. She is also a member of the Board of the New Mexico State University Center for Public Utilities and the NARUC liaison to the University of Wisconsin School of Public Utilities. In 2020, Pridemore was appointed to the U.S. Department of Energy and NARUC Natural Gas Partnership, a partnership designed to facilitate the exchange of information on emerging regulatory and technological solutions.

Pridemore is a businesswoman with a background in technology, consulting and workforce development. She has served on the Georgia World Congress Center Board of Governors, the 2019 Transition Team of Governor Brian Kemp, the 2011 Transition team of Governor Nathan Deal and co-chaired both of Governor Nathan 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. She was also a member of the Cobb Galleria Authority Board of Governors. Pridemore is a member of the Rotary Club of Marietta, established in 1919.

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, where she serves on the Women's Ministries Board.



Tim G. Echols

Commissioner Since: January 1, 2011

Elected: 2010, Re-elected: 2016

Serves Through: December 31, 2022

Republican, Hoschton, Georgia

Vice Chairman, 2021 Georgia Public Service Commission

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 office and gave him a set of motivational tapes. Echols said the tapes changed his life and as a result of listening to Zig Ziglar and his teaching, he set a goal to be a statewide elected official.

Shortly after graduating from UGA, Echols 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 all 50 states, having trained 60,000 students. After building TeenPact, Echols was elected to statewide office in 2010 serving as Public Service Commissioner.

The PSC's primary job is energy regulation. When Echols took office, Georgia was 34th in solar power. Now, the state is 9th in the nation for installed solar and will be 4th by 2024. In 2020, Conservatives for Clean Energy dubbed Echols the "Solar Architect of Georgia."

Echols also created the Clean Energy Roadshow that has traveled the state every summer for the past eleven years. This educational event helps commuters, businesses and municipal governments evaluate alternative fuel for their transportation and residential use.

Echols authored the December 2017 motion to continue the construction project at Plant Vogtle. He believes carbon-free nuclear energy, plus solar, is the way forward for Georgia. He has represented the United States at the World Nuclear Exhibition for the past eight years.

Echols has a weekly radio show, "Energy Matters," airing on Cox Media Group and in four other Georgia media markets.

Most recently, Echols finished a historical fiction book about the founding of the Jekyll Island Club entitled "Jean Marc of Jekyll." The book is about the power of remarkable friendships.

Tim and his wife, Windy, have been married 39 years and have seven children. He has 3 degrees from the University of Georgia and lives in Hoschton, Georgia.



Chuck Eaton

Commissioner Since: January 1, 2007

Elected: 2006, Re-elected: 2012, 2018

Served Through: August 11, 2021

Republican, Fulton County, Georgia

Chairman, 2021 Georgia Public Service Commission (Resigned August 11, 2021)

In 2018, Chuck Eaton was elected to his third term on the Georgia Public Service Commission. He was first elected in December 2006 and was one of only two statewide Republican candidates in the nation to beat an incumbent that year. In 2012, after Eaton was re-elected to a second term on the Commission, he was named PSC Chairman. In 2014, his fellow Commissioner's re-elected him to a second two-year term as Chairman. He also served as Chair in 2008. In 2021, Eaton left the Commission when Governor Brian Kemp appointed him as a judge on the Fulton County Supreme Court bench.

Prior to his service on the Commission, Eaton worked in real estate sales in Atlanta. Before that, he was an account executive for a packaging manufacturer in LaGrange, Georgia.

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 Representative Jeff Brown. He is a graduate of the Coverdell Leadership Institute – a statewide organization founded by late U.S. Senator Paul D. Coverdell to strengthen leadership and political skills.

He is the past President of the Buckhead Forest Civic Association and was 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.

Eaton earned a degree in accounting from the University of Alabama. During his first term as a PSC Commissioner, Eaton recognized the judicial nature of the Commission's work. In order to gain a better understanding of regulatory and administrative law proceedings, he enrolled in night classes for law school at Georgia State University where he earned his law degree.

Eaton lives in Atlanta with his wife Erika, their daughters Lydia and Lily and their two rescue dogs. When not working at the Public Service Commission he enjoys spending time with his family. The Eatons are members of Peachtree Road United Methodist Church.



Fitz Johnson

Commissioner Since: August 26, 2021

Serves Through: December 31, 2022

Republican, Atlanta, Georgia

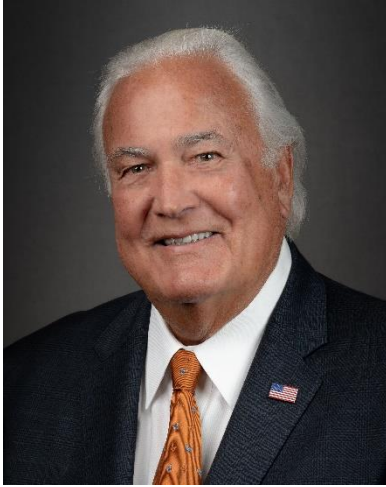
Commissioner, 2021 Georgia Public Service Commission (Sworn In August 26, 2021)

Fitz Johnson is a businessman, a 21-year veteran of the U.S. Army, and a long-time Georgia resident. He has vast experience in building and leading companies as well as non-profits, driving growth and producing positive results.

An active member in his community, Johnson has served on several boards, including Kennesaw State University Foundation Board of Trustees, the Cumberland Counseling Center, the Wellstar Health System Board of Trustees, as a Commissioner on the State Charter Schools Commission, and an active member of his local Chamber of Commerce.

A passionate sports fan, and former owner of the Atlanta Beat (Women's Professional Soccer), Johnson has served for over a decade as a community football, soccer, and wrestling coach helping to mentor, develop, and teach today's youth through sports.

Johnson is a graduate of The Citadel and holds a Master's degree in education from Troy University and a J.D. from the University of Kentucky College of Law. He is a member of Cumberland Community Church. He and his wife, Suzann Wilcox, have four wonderful children and five beautiful grandchildren.



Lauren “Bubba” McDonald

Commissioner Since: January 1, 2009

Elected: 1998, 2008; Re-elected: 2014, 2020

Serves Through: December 31, 2026

Republican, Clarkesville, Georgia

Commissioner, 2021 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, 2014 and 2020, Georgians again elected McDonald to serve on the Commission.

McDonald has a deep knowledge of the energy industry. He puts that knowledge to work as a member of the Electric Committee of the National Association of Regulatory Utility Commissioners and as an executive member of the Nuclear Waste Strategy Coalition.

During his time on the Commission McDonald has presided over the advent of solar power in Georgia resulting in the state becoming one of the top five fastest growing in the nation for solar energy. He has accomplished this through a conservative and thoughtful free-market approach without putting upward pressure on rates and without state-sponsored financial incentives. In 2013, Georgia had virtually no solar power on the grid. McDonald was able to garner support to add 525 megawatts of solar energy to the portfolio of the state's investor owned utility. Currently, utility companies are erecting solar power facilities that will provide a total of 4,610 megawatts of solar energy by 2022. McDonald has also supported the construction of solar facilities at six of Georgia's military bases, contributing to national security and helping to protect the bases from future base closure proposals.

McDonald is a graduate of the University of Georgia with a BBA in Business. He also served six years in the Georgia Air National Guard. He is an Elder in the Presbyterian church and a Shriner. He owns businesses in the private sector and is married to Shelley McDonald. He was married to the late Sunny Nivens McDonald for 45 years. He has a son, Lauren, three grandchildren, and four step-grandchildren.



Jason Shaw

Commissioner Since: January 3, 2019

Elected: November 2020

Serves Through: December 31, 2026

Republican, Lanier County, Georgia

Commissioner, 2021 Georgia Public Service Commission

James S. “Jason” Shaw Jr., a native of Lanier County, was appointed to the Public Service Commission by Governor Nathan Deal and sworn in on January 3, 2019. He won election to the commission in November 2020. Commissioner Shaw lives on a farm near Lakeland with his wife Katy Miller Shaw, from Valdosta, and their children, Slaton and Anne Harvey Shaw. He is the owner of Shaw Insurance Services Inc. and a founder of Georgia Olive Farms Inc., both of Lakeland. He and his family are members of Unity United Methodist Church where he serves as Finance Chairman.

Shaw earned a Bachelor’s degree in political science from the University of Georgia and is a graduate of the Leadership Georgia class of 2004, the Leadership Lanier class of 2003, and the J.W. Fanning Institute for Leadership class of 2000. In 2011, he was recognized as one of Georgia Trend magazine’s “40 under 40.” Commissioner Shaw maintains a dedication to community service. He served as the Lanier County Lions Club President in 2001 and as the Lakeland/Lanier County Chamber of Commerce President in 2006. In 2018, the Lanier County Lions Club named him “Flatlander of the Year” and the Lakeland/Lanier County Chamber of Commerce named him a member of its Board of Directors for life. He is also a past director of the Greater Valdosta Area United Way and a past trustee of the Valdosta Technical College Foundation.

Commissioner Shaw formally represented Georgia House District 176 (Atkinson, Lanier, Lowndes and Ware counties) for four terms since his election in 2010. In his tenure with the Georgia General Assembly he served four years as Chairman of the Georgia Legislative Rural Caucus, a bipartisan group that takes a leading role in issues and legislation that impact the state’s rural communities.

He also served as Chairman of the House Appropriations Transportation Committee, Chairman of the House Industry and Labor Committee, and as a member of the House Economic Development & Tourism Committee; House Game, Fish, and Parks Committee; House Insurance Committee; House Small Business Development Committee; and House Transportation Committee as well as the House Rural Development Council and the House Transit Commission.

In addition to his public service, professional, and civic responsibilities, Commissioner Shaw enjoys spending time with his wife and children. He also enjoys outdoor activities, including: hunting, fishing, and golfing.

PUBLIC SERVICE COMMISSION LEADERSHIP TEAM

DECEMBER 31, 2021

Commissioners

Tricia Pridemore, Chairman
Tim G. Echols, Vice Chairman
Fitz Johnson, Commissioner
Lauren “Bubba” McDonald, Commissioner
Jason Shaw, Commissioner

Administration Division

Reece McAlister, Executive Director
Sallie Tanner, Executive Secretary
Terry Pritchett, Chief Financial Officer
Lynn Page, Office of Human Resources Director
Max Stroeve, Office of Operations Support Director
Tom Krause, Public Information Officer and Legislative Liaison
Monique Andrews, Office of Consumer Affairs Manager

Utilities Division

Tom Bond, Director, Utilities Division
Robert Trokey, Director, Electric Unit
Nancy Tyer, Director, Natural Gas Unit
Leon Bowles, Director, Telecommunications Unit
Jamie Barber, Director, Energy Efficiency and Renewable Energy 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 consumers receive safe, reliable and reasonably priced telecommunications, electric and natural gas service 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.

In 1970, the Commission began its gas pipeline safety program.

Legislation in 1991 required integrated resource planning by electric utilities.

The Natural Gas Competition and Deregulation Act of 1997 became effective on July 1, 1997.

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.

In 2002, Earleen Sizemore became the first woman to serve on the Commission following her appointment. 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. The two units under construction at Plant Vogtle are scheduled to enter commercial operation in 2022 and 2023.

Legislation in 2012 changed the method of selecting the Commission Chairman, allowing the Commission to elect its own chairman for a two-year term with the possibility of one additional two-year term.

In August 2015, Southern Company, the parent company of Georgia Power Company, announced plans to acquire AGLC 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 and unanimously elected by her fellow Commissioners as Chairman in July 2021.

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. Shaw was elected to the post in November 2020.

In 2019, the Georgia General Assembly passed Senate Bill 2 that gave the Commission compliance authority over EMCs that expand into broadband Internet service.

In 2021, Governor Brian Kemp appointed Chairman Chuck Eaton to the Fulton County Superior Court bench. The Governor appointed businessman Fitz Johnson to fill Eaton's seat at the Commission.

The Commission operates four committees, Energy, Telecommunications, Facilities Protection and Administrative Affairs. In December 2021, Commissioner Shaw chaired the Energy Committee, Commissioner Johnson chaired the Telecommunications Committee, Commissioner McDonald chaired the Facilities Protection Committee and Vice Chairman Echols chaired the Administrative Affairs Committee.

HIGHLIGHTS OF 2021

The highlights of the Commission's major activities and achievements during 2021 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

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 regulated utility industries in Georgia, the electric industry is the most universally utilized and most essential. The sole investor-owned electric utility, Georgia Power Company, is regulated by the Commission and serves approximately 2.7 million retail customers. The Commission has limited regulatory authority over the 41 Electric Membership Corporations (EMCs) and 49 municipally-owned electric systems in the state.

In 2021, the Electric Unit implemented the Georgia Power Rate Case as adopted in December 2019. Traditional Rates were not increased for 2020, although tariffs were revised. Rate updates were incorporated into approved tariffs in 2021. Staff also reviewed the update to rates filed in October 2021 with an effective date of January 2022.

The Electric Unit also reviewed applications to adjust rates related to certain Plant Vogtle costs and interim fuel costs, and monitored Georgia Power Company's ongoing coal ash pond closure strategy.

NATURAL GAS

Natural gas is vitally important to the economic prosperity of Georgia. Over 1.7 million consumers in Georgia benefit from natural gas delivered by the state's two investor-owned natural gas systems, Atlanta Gas Light Company (AGL) and Liberty Utilities Georgia Corporation (Liberty). At the end of 2021, Georgia had 14 natural gas marketers with a Commission approved Certificate of Authority, 13 of which were actively serving customers on the AGL distribution system.

On October 1, 2021, Liberty filed with the Commission its 2022 Annual Georgia Rate Adjustment Mechanism (GRAM) pursuant to the stipulated agreement resulting from the Liberty 2020 Rate Case. Among the requests in the Company's initial GRAM filing was a rate increase to meet revenue requirements and capital spending for automated meter reading technology.

Also in 2021, the Commission worked with gas marketers and suppliers in the aftermath of the 2020 Health State of Emergency, where Shut Offs for Non-Payment were suspended. Due to many factors regarding possible uncollectibles, the Commission approved a Stipulated Agreement on a Partial Payment Methodology to be used by the Marketers in order to receive a credit for unrecovered bad debt due to the moratorium on gas shut offs.

TELECOMMUNICATIONS

The Commission Telecommunication Unit is in charge of several programs that directly benefit Georgians on a daily basis.

The Commission also provides specialized telecommunications equipment to Georgians who, because of physical impairments (particularly hearing and speech), cannot otherwise communicate over the telephone. To date, approximately 8,571 equipment items have been distributed to hearing or speech-impaired applicants. The Commission contracts with the Georgia Center of the Deaf and Hard of Hearing to be the distribution agency. The cost of this service for 2021 was \$876,399.

In 2006, the Legislature created a statewide Audible Universal Information Access Service to provide blind and print-disabled citizens of Georgia with telephonic access to print media publications. Currently, there are over 2,900 subscribers to this service. The cost of this service in 2021 was \$223,410.

Likewise, the Commission runs the Hearing Aid Distribution Program under contract 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 \$945,081 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 1,698 hearing aids to 644 applicants in 2021.

In 2019, Senate Bill 2 allowed Electric Membership Corporations to provide broadband Internet service to their customer. The Commission was tasked with approval of the EMCs' cost allocation manuals. In 2021, the PSC approved four new cost allocation manuals and one revised cost allocation manual.

FACILITIES PROTECTION

The Facilities Protection Unit of the Georgia Public Service Commission is composed of two distinct areas: Pipeline Safety and enforcement of the Georgia Utility Facility Protection Act (GUFPA) also known as the Call Before You Dig law.

Facilities Protection is one of the few areas where Commission jurisdiction extends beyond the electric, telephone and natural gas industries. The Commission is responsible for enforcing Call Before You Dig laws for all utility facilities, including water and cable TV. In 2021, system owners and operators reported 4,273 incidents where facilities were damaged. Over 50% of the damages were to natural gas lines, while the remaining damages were to non-gas facilities.

In 2021, staff investigated 2,587 incidents for alleged violations of the Call Before You Dig law. The enforcement actions in 2021 included mailing 115 hearing notices, 483 consent agreements, and 361 final orders. The Commission's Hearing Officer heard 79 cases in 2021. Of the 1,900 cases closed, 1,269 related to damaged natural gas lines. These cases concluded with the Commission's levying \$6,808,025 in civil penalties, of which \$3,995,748 was mitigated with training.

In 2021, Pipeline Safety Inspectors performed nine Anti-Drug and Alcohol Inspections to ensure the sobriety of facility operators and their staff. The Facilities Protection Unit utilized nine inspectors for a total of 889 inspection days evaluating integrity management, operator qualification, incidents or accidents, compliance follow ups, damage prevention, and pipeline design, testing and construction.

ENERGY EFFICIENCY AND RENEWABLE ENERGY

In June 2020, the Commission created a new utilities unit, the Energy Efficiency and Renewable Energy (EERE) Unit, previously a division of Internal Consultants.

In 2021, EERE oversaw multiple renewable project procurements that were ordered in Georgia Power's 2019 Integrated Resource Plan (IRP), including Georgia Power's Renewable Cost Benefit Framework (which is used in the valuation of adding Renewable resources to the grid), expanding biomass facilities, and a pilot program of net metering, where up to 5,000 households with solar panels were able to sell excess generated electricity back to Georgia Power. The 5,000-household level was reached in July 2021.

EERE Staff also oversaw Georgia Power's Demand Side Management (DSM) and Energy Efficiency programs that were approved during the 2019 IRP and DSM Certification. In 2021, EERE Staff worked with Georgia Power to design contingencies related to the Covid-19 pandemic with several DSM programs being affected. While most restrictions had been lifted and marketing resumed by mid-spring 2021, executing the programs remained challenging for the first half of the year and most programs faced a steep challenge to achieve the 2019 Commission approved energy savings goals. The Residential DSM portfolio reached over 100% of its projected 2021 savings goal that was aided by shifts in the approved DSM program goals. The Commercial DSM portfolio reached 60% of the approved 2021 savings goal, despite best efforts made by the Company, mainly due to uncertainty by Commercial customers to invest during the economic downturn following the pandemic.

ADMINISTRATION DIVISION

In 2021 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, the Fiscal and Budget Office, the Human Resources Office, the Operations Support Office, the Public Information/Legislative Liaison and the Consumer Affairs Office.

In 2021, the Budget and Fiscal Office accurately monitored and effectively managed a budget with revenues and expenses of \$10.8 million dollars which was \$600,000 less than 2020.

The Commission also opened 504 new case dockets; processed 4,342 filed documents; and filed 816 orders prepared for the Chairman's and Executive Secretary's signature. The number of dockets has grown tremendously over the past two decades.

The Commission's Operations Support staff designed, planned and fully implemented a hybrid solution for conducting proceedings in a mixed format – in-person and digital remote. The mixed format allows participation by attendees otherwise unable to contribute due to health risks and other considerations. The office also continued to improve cybersecurity defenses and procedures, and efficiency.

The Public Information Officer/Legislative Liaison fielded numerous calls from local, state and national media regarding continued monitoring of the Vogtle 3 and Vogtle 4 expansion project, continued efforts to ensure Georgia Power successfully, safely, and economically stores coal ash and the expansion of broadband internet service to Georgia's rural areas through the approval of Electric Membership Cooperatives introduction as broadband providers. The office

also monitored the General Assembly's bills relevant to the Commission mission including bills pertaining to pipeline safety, coal ash storage and rural broadband expansion.

In 2021, the Commission lost nine staff members: six retired, two left for other opportunities and one staff member, unfortunately, passed away. Four staff members were hired. At the end of 2021, the Commission employed 72 staff members. In 2021, the Commission continued to operate with significant unfilled positions and worked with the General Assembly and the Governor's Office of Planning and Budget to increase staff.

The Consumer Affairs Unit handled 9,551 telephone calls (this includes Spanish and Asian-language calls) addressed concerns in 2,825 emails, and responded to 2,235 online cases in 2021. In addition, the Unit received 170 letters or faxes. Due to Covid-19 restrictions, the Consumer Affairs Unit did not receive walk-in consumers in 2021. In all, Consumer Affairs representatives processed 14,781 inquiries, complaints, and opinions from the general public in 2021. Many contacts to Consumer Affairs in 2021 were concerns about financial obligations for utilities following the moratorium on shut offs during the COVID-19 state of emergency. Staff provided direct information and also directed consumers to agencies able to help them during this unprecedented time.

UTILITIES DIVISION

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 competition 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 13 Commission-certified marketers sell gas commodity service to customers in the Atlanta Gas Light Company (AGL) territory. Marketers set their own prices, but the Commission sets the rates charged by AGL for distributing the natural gas for the marketers.

In 2021 the Commission continued to monitor the Plant Vogtle nuclear construction project in east Georgia where Georgia Power Company is building Units 3 and 4. This is the largest construction project in the Southeastern United States and possibly the United States. The Commission also continued to implement a significant increase in Georgia's renewable energy portfolio and implemented aspects of the 2019 rate cases for Georgia Power Company and Atlanta Gas Light Company.

In 2019, the Georgia General Assembly passed Senate Bill 2 that allowed Electric Membership Corporations (EMCs) to provide high-speed broadband Internet service to their customers. The Commission was tasked with the approval of the EMCs' cost allocation manuals.

In spite of changes in the regulatory environment, the Commission's mission remains the same: to ensure consumers receive the best possible value in telecommunications, electricity 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 2021.

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 regulated utility industries, the electric industry is the most universally utilized and the most essential. The sole investor-owned electric utility, Georgia Power Company, is fully regulated by the Commission and serves approximately 2.7 million retail customers. The Commission has limited regulatory authority over the 41 Electric Membership Corporations (EMCs) and 49 municipally-owned electric systems in the state.

SIGNIFICANT MATTERS IN THE PSC's REGULATION OF THE ELECTRIC UTILITY INDUSTRY IN 2021

2022 Rate Update

On October 1, 2021, Georgia Power Company (the Company) filed a request for approval of updated tariffs in compliance with the Commission's 2019 Rate Case Order and Settlement Agreement in Docket No. 42516. The overall revenue-requirement increase requested for calendar year 2022 was approximately \$157 million.

Traditional Base Tariffs

The Electric Unit reviewed the request to ensure tariffs were calculated in accordance with the principles established in prior Commission orders – specifically, that the Company utilized the most current Coal Combustion Residuals (CCR)/Asset Retirement Obligations (ARO) for purposes of calculating the Environmental Compliance Cost Recovery (ECCR) tariff, the most recent projections for Demand Side Management (DSM) costs for the DSM tariffs, adjusted the Municipal Franchise Fee (MFF) rate to reflect the addition of new municipalities and, importantly, were based on the most current kilowatt hour (kWh) sales forecast.

At the November 18, 2021, Administrative Session, the Electric Unit's recommendation was approved by the Commission. The Commission approved the Company's tariff updates in accordance with O.C.G.A. § 46-2-25.

2019 Integrated Resource Planning Issues

Georgia Power Company's 2022-2028 Capacity Request for Proposals (RFP)

The Commission's Final Order in Georgia Power's 2019 Integrated Resource Plan (IRP) directed the issuance of a Request for Proposals to assure a reliable and economic supply of capacity and energy for the Company's customers during the 2022-2028 timeframe. Commission Staff worked with an Independent Evaluator (Accion Group) and Georgia Power Company in the development of the Request for Proposal (RFP). The RFP was designed to procure approximately 1,000 to 3,000 megawatts (MW) of capacity and energy resources from facilities between 100 and 1,200 MW in size and is governed by the Commission's RFP Rule.

A robust response to the capacity RFP was received from the market. The Commission received 87 bids from 14 bidders; a total of 70 bids from 11 Bidders representing 25,868 MW were evaluated.

In Georgia Power Company's 2022 IRP, the Commission will determine whether the future retirement of any remaining steam units is in the public interest. A decision to retire certain units would create a need for capacity from the proposed power purchase agreements.

Coal Combustion Residuals Asset Retirement Obligations

In accordance with the Commission's Final Order in the 2019 Integrated Resource Plan, Georgia Power Company provides semi-annual reports regarding its Asset Retirement Obligations (ARO) for its Coal Combustion Residuals (CCR) compliance strategy activities.

Georgia Power is required to comply with federal and state CCR rules at its ash ponds and CCR landfills. The Company has 29 ash ponds and 12 current CCR landfills at 12 sites across the state. Georgia Power's Environmental Compliance Strategy (ECS) to comply with these rules was reviewed and approved by the Commission in the Company's 2019 IRP. An annual update to the ECS was filed with the Commission in March 2021, with the next annual update to the ECS scheduled to be filed with the 2022 Integrated Resource Plan in Docket No. 44160.

The following table summarizes the Company's current PSC-approved closure strategy for its 29 ash ponds and 12 current CCR landfills.

| Georgia Power's Current Ash Ponds and CCR Landfills ("CCR Units") | | | | |
|--|-------------------------|------------------|-------|---------------|
| | Ash Pond Closure Method | | | CCR Landfills |
| | Closure by Removal | Closure in Place | Total | |
| Arkwright | | | | 3 |
| Bowen | | 1 | 1 | 1 |
| Branch | 5 | | 5 | |
| Hammond | 3 | 1 | 4 | 1 |
| Kraft | 1 | | 1 | 1 |
| McDonough | 1 | 3 | 4 | |
| McIntosh | 1 | | 1 | 2 |
| McManus | 1 | | 1 | |
| Mitchell | 3 | | 3 | |
| Scherer | | 1 | 1 | 1 |
| Wansley | | 1 | 1 | 1 |
| Yates | 4 | 3 | 7 | 2 |
| | 19 | 10 | 29 | 12 |

Fuel Cost Recovery

On May 28, 2020, the Commission approved a 17.2 percent fuel-rate reduction for Georgia Power customers. The lower fuel rates were expected to remain in place for a period of two years. In 2021, the cost of natural gas increased, resulting in an under-collection of fuel costs. On October 12, 2021 the Company filed an IFR plan and requested the Commission's approval of an increase in customers' fuel rates to be implemented through an Interim Fuel Rider (IFR-4). At its November 18, 2021, Administrative Session, the Commission adopted Staff's recommendation to approve an Interim Fuel Rider (IFR) Adjustment Mechanism. The proposed rate change was estimated to result in an increase of approximately 15% in fuel rates, roughly \$3.50 to \$4.00 per month, on the total monthly bill of a typical residential customer using 1,000 kilowatt-hours. The IFR-4 Tariff is effective from January 1, 2022 through May 31, 2023.

Ongoing investigations

The Commission Staff continues to investigate and monitor the following:

1. Performance and reliability of electricity generating units, transmission and distribution infrastructure
2. Reported earnings and excess revenues available for sharing, as defined in approved accounting orders
3. Transactions by and between affiliates of Georgia Power
4. Electric transportation Initiatives
5. Effectiveness of hedging programs used to mitigate high natural gas fuel costs

Commission Monitors Progress of Nuclear Plant Construction

On March 17, 2009, the Commission approved Georgia Power Company's (Company) request to certify the construction of the new nuclear power units at its Plant Vogtle Nuclear Power Plant (Project) 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.

The Commission Public Interest Advocacy Staff(PIA), the Construction Monitor, and other expert consultants continue to actively monitor the construction of the two new nuclear units. This monitoring includes, but is not limited to, an onsite construction expert attending daily, weekly, monthly, and ad hoc site and project oversight meetings; reviewing Southern Nuclear Company (SNC) project controls documentation; Company oversight documentation; and issuing requests for information (data requests) of the Company on an as needed basis. In addition, on a semi-annual basis in concert with the Vogtle Construction Monitoring (VCM) filings made by the Company, Staff continues to evaluate the forecast economic impacts to rate payers currently and once the units are complete. Staff's findings are presented to the Commission via the VCM filing hearing process on as close to a real time basis as is feasible.

Commission Verifies Expenses for Georgia Power's 24th Nuclear Plant Vogtle Construction Monitoring Report

On July 29, 2021, the PIA Staff and the Company filed a Stipulation designed to resolve the one issue identified in the procedural and scheduling order for VCM 24 and to address the issue of how the Commission should review costs in excess of the \$7.3 billion previously "deemed reasonable" in the Commission's Order on the Company's 17th VCM Report, which was raised by PIA Staff testimony. A brief in support of the Stipulation was filed by Georgia Power. Advisory Staff recommended that the Commission approve the Stipulation as filed by PIA Staff and the Company as a fair and reasonable resolution to this proceeding.

On August 24, 2021, the Commission issued its order in the 24th VCM adopting the stipulation filed by Staff and the Company on July 29, 2021. The order verified and approved the \$670 million in expenditures incurred by the Company during that reporting period. The Stipulation acknowledged that "Beginning with the VCM 25 reporting period (January 1, 2021 through June

30, 2021), the Project has exceeded the \$7.3 billion capital costs forecast previously 'deemed reasonable' by its VCM 17 Order."

The VCM 24 order states that for future VCM proceedings starting with VCM 25, the Company will continue reporting on the progress and cost of Plant Vogtle Units 3 and 4 and that the semi-annual construction monitoring process will continue through completion of the Project, however, "it is no longer appropriate for the Commission to verify and approve the dollars invested in the Project during the VCM 25 reporting period or in subsequent VCM reporting period prior to the conclusion of the prudence review contemplated by the VCM 17 Order" since the Company has exceeded the approved revised capital cost of \$7.3 billion. Further, it provided that the Commission will review costs above \$7.3 billion without making determinations as to reasonableness or prudence and the Company will not seek verification and approval of such costs prior to the prudence review contemplated by the VCM 17 Order. The parties also agreed that "Commission review of Project expenditures above \$7.3 billion does not in any way constitute verification of such costs as contemplated by O.C.G.A. § 46-3A-7(c)."

Company Files Its 25th Vogtle Construction Monitoring Report

In VCM 25, the Company incurred capital and construction costs of \$608 million during the reporting period of January 1, 2021, through June 30, 2021, but requested that the Commission verify and approve only \$67 million in capital and construction costs pursuant to the VCM 24 Order adopting the stipulation. VCM 25 was decided by the Commission on February 15, 2022, with the Commission verifying and approving \$67 million in expenses as requested by the Company.

During 2021, the Company announced another round of construction and schedule contingency funding for the Project by the Co-owners of \$565 million in the first two quarters of 2021. The Company's ownership share is 45.7%. These additional rounds of contingency funding bring, for the Company's share, the total to \$1.079 billion since the 17th VCM. The Company has taken a charge to income for the \$1.079 billion but has reserved the right to present these costs to the Commission for approval in rate base at some future date. The estimate to complete the Project for the Company's share in the 24th VCM was \$1.280 billion and in the 25th VCM was \$1.232 billion. As of the filing of the 25th VCM, the Company forecasts that the target in-service dates approved by the Commission in the 17th VCM order, of November 2021 and November 2022 for Units 3 and 4, respectively, will not be achieved. The risk adjusted, or target commercial operation dates, for Units 3 and 4, as of the end of 2021 were reported by the Company to be September 2022 and June 2023, respectively.

Docket No. 43838: Georgia Power Company's Application to Adjust Rates to Include Certain Plant Vogtle Unit 3 and Common Costs

In its January 11, 2018 Order in the 17th Vogtle Construction Monitoring (17th VCM Order) proceeding, Docket No. 29849, the Commission determined that upon reaching Commercial Operation of Unit 3, retail base rates would be adjusted to include the costs related to Unit 3 and common facilities which were deemed prudent in the January 3, 2017 Supplemental Information Review Stipulation. The Commission also determined that this rate adjustment would be effective the first month after Unit 3 is in Commercial Operation. The Company submitted its Application to adjust rates, including Minimum Filing Requirements (MFRs) on June 15, 2021.

On October 13, 2021, the day before the Commission was to hold a hearing on the direct testimony from all Company and Intervenors that had filed testimony, PIA Staff and the Company entered into a Stipulation that resolved, among other issues, the amount credited to Unit 3 that will go into rate base and further expansion of the definition of 'dispatchable on demand' as stipulated in the 17th VCM order. Other parties filed briefs expressing various recommendations and concerns. After careful consideration of the positions filed by the parties to this proceeding, Advisory Staff recommended that the Commission approve the Stipulation as filed by PIA Staff and Georgia Power Company, subject to Commission consideration of certain policy issues, as a fair and reasonable resolution to the issues specified in the Procedure and Scheduling Order (PSO). The Commission approved Advisory Staff's recommendation at its Administrative Session on November 2, 2021.

PSC Oversight over EMCs and Municipal Electricity Providers

The Commission oversees territorial matters for all electricity suppliers including Electric Membership Corporations, municipal electricity providers and one investor-owned utility (Georgia Power Company) pursuant to the Georgia Territorial Electric Service Act, O.C.G.A. § 46-3-1 et seq. The Commission and its Staff review and authorize requests for transfers of retail electric service, resolves disputes over service territories and maintains the electric supplier territorial maps for each of the 159 counties in Georgia. The Commission also approves request for financing authority for Georgia Power Company and EMCs. The Commission requires rate tariffs of all electricity providers to be on file at the Commission and publishes bi-annual (winter and summer) comparisons of residential electricity rates for all providers in the state.

The Commission Continues Its Involvement in State 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.

PSC Continues to Protect Ratepayer Interests by eliminating the collection of the Nuclear Waste Fee

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 dispose of the waste was halted in May 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 has four nuclear reactors with two more expected to come online in 2023 and 2024. Currently, the Company and all nuclear power companies in the U.S. store nuclear waste on site (this includes shut down reactors) pending resolution or direction from Congress. For the years 2015-2019, the cost of interim nuclear waste storage totaled just under \$140 million.

NATURAL GAS UNIT

Natural gas is important to the economic prosperity of Georgia. Over 1.7 million consumers in Georgia benefit from natural gas delivered by the State's two investor-owned natural gas systems, Atlanta Gas Light Company (AGL) and Liberty Utilities Georgia Corporation (Liberty). At the end of 2021, Georgia had 14 natural gas marketers with a Commission approved Certificate of Authority, 13 of which were actively serving customers on the AGL distribution system.

SIGNIFICANT MATTERS IN THE PSC's REGULATION OF THE NATURAL GAS UTILITY INDUSTRY IN 2021

Docket No. 42959: Liberty Utilities (Peach State Natural Gas) Corporation 2022 Annual GRAM filing

On October 1, 2021, Liberty filed with the Commission its 2022 Annual Georgia Rate Adjustment Mechanism (GRAM) pursuant to the stipulated agreement resulting from the Liberty 2020 Rate Case. In the initial GRAM filing, the Company requested the following:

- \$5.24 million rate increase to meet revenue requirement
- \$6.2 million in Capital Spending for Automated Meter Reading technology
- \$18.5 million in Capital Spending for an allocated portion of the parent company's IT infrastructure "Customer First Initiative" to be included in rate base
- General Inflation Factor of 9.08%
- Rate base of \$109,505,082

After review of the filing, Staff issued its 14th set of Data Requests on November 2, 2021, and received its responses from the Company on November 12, 2021, with supplemental responses related to the Customer First initiative on November 15, 2021, and December 15, 2021. Between the months of December and January, Staff met with the Company several times to negotiate the methodology the Company used regarding the Customer First corporate allocation into rate base. Through use of a weighted cost allocation method which incorporates plant, customer count, labor, and non-labor expenses, Peach State Natural Gas (PSNG) calculated Georgia's portion of the enterprise-wide cost of the Customer First Initiative to be 4.97% of the total cost of \$373 million.

The result of staff's negotiations with the Company resulted in lowering the requested revenue requirement by identifying and separating depreciable costs of retiring IT assets from the newly implemented Customer First IT costs, as well as lengthening the service life of the Customer First asset which will result in a lower revenue requirement. The Automated Meter Reading capital expenditure was determined to be prudent and would eventually reduce operations and maintenance expenses through reduced labor costs of manual meter reading from employees. The General Inflation Factor was left in place because it reflected similar economic inflationary trends for the 2020-2021 test period. Furthermore, Staff and the Company agreed to include language in the stipulation outlining a detailed customer growth methodology, included as

Attachment B to the revised GRAM filing, which was approved in the 2020 Rate Case to be used in filings going forward. Staff and the Company reached a stipulation on January 26, 2022, to include the following:

- Reduction of revenue deficiency by \$642,521, resulting in a revenue requirement of \$4,598,314.
- Reduction of proposed monthly rate increase by \$0.81, resulting in an overall rate increase of \$4.96 per month for residential customers, or an annual increase of \$59.52.
- Increase of ROE to 6.81%.
- Of the \$18.5 million in allocated Customer First assets, \$17.2 million would change from a ten-year depreciable life to a fifteen-year depreciable life and \$1.3 million would have a seven-year depreciable life.
- A detailed description of the customer growth methodology, thereby incorporating WP 4-1-3 and 4-1-3-1 in all GRAM filings and in the same format as the 2020 rate case filing going forward.

On January 27, 2022, the Commission approved the GRAM stipulated agreement along with Attachments A and B, which included the 2022 Revised GRAM model and Customer Growth methodology.

In addition, under Docket No. 42959, Liberty is to file quarterly reports that provide financial statements, customer numbers, full time employee numbers, affiliate transaction cost data, capital budget data, and a return on equity calculation. During 2021, Staff performed its due diligence analysis on the quarterly data to review financial trends, customer trends, and other relevant analysis. Staff also issued data requests to gather additional information.

Docket No. 42965: 2020-2021 Liberty Utilities Gas Supply Plan RNG Joint Task Force

In 2021, Staff continued to monitor monthly Purchased Gas Adjustment (PGA) and Performance Based Ratemaking (PBR) filings from Liberty Utilities, along with hedging reports, to ensure compliance with the stipulation approved in 2020. Under this docket, Liberty Utilities presented to Staff an exploratory initiative to research the economic and environmental viability of capturing and distributing Renewable Natural Gas (RNG). Liberty conducted market research on RNG options within their jurisdiction and presented their initial findings to Staff. The PSC's Energy Efficiency and Renewable Energy Unit and the Natural Gas Unit formed an RNG Joint Task Force to investigate this initiative. On March 15, 2021, the Joint Task Force sent a 4th set of Data Requests to receive information regarding RNG production, emissions, market environment, and statutory compliance. On April 5, 2021, the Company responded, and on May 3, 2021, Staff sent its 5th set of Data Request to the Company for follow up questions. The Company is still formulating a response as of the first quarter 2022.

Docket No. 43811: 2021-2022 Liberty Utilities Gas Supply Plan

On April 23, 2021, Staff filed with the Commission a Procedural and Scheduling Order outlining the filing dates of the 2021-2022 Liberty Gas Supply Plan

Liberty filed its Design Day Forecast on June 1, 2021, and the Gas Supply Plan on July 1, 2021. Staff reviewed both documents and ensured that they met the Commission's Minimum Filing Requirements. Immediately after receiving the Gas Supply Plan, Staff began its analysis, and

in doing so, issued one set of data requests which was filed on July 9. The Company responded to the data requests and Staff met with representatives of Liberty Utilities to clarify any further outstanding items. On September 2021, Staff and the Company agreed to enter into a stipulation, and to request a waiver of a hearing on the Gas Supply Plan.

On September 21, 2021, the Commission voted to approve the 2021-2022 Gas Supply Plan for Liberty Utilities. The Plan identifies the interstate storage and peaking assets needed to meet the Company's forecasted peak demand for its approximately 55,084 customers in the Gainesville and Columbus service areas. The 2021-2022 Gas Supply Plan includes the methodology used to forecast peak day firm load requirements, the appropriate capacity reserve margin, any associated turn back of capacity, and the hedging program. Staff and Liberty Utilities will continue to meet throughout the Plan year in order to discuss any new proposals related to gas supply, if necessary, and other ongoing issues such as hedging, asset management, and PGA filings. This Gas Supply Plan is in effect until September 30, 2022.

Docket No. 43115: SONP Moratorium due to COVID-19

On March 13, 2020, Governor Kemp declared a Health State of Emergency due to the COVID-19 Pandemic. On March 14, 2020, and after considering the health and economic implications of disconnecting a customer due to the pandemic, Atlanta Gas Light (AGL), per the Commission-approved Tariff, decided to suspend all Shut Offs for Non-Payment (SONP), effective immediately. Due to many factors regarding possible uncollectibles, during its October 20, 2020, Administrative Session, the Commission voted to approve the Stipulated Agreement on the Partial Payment Methodology to be used by the Marketers in order to receive a credit for unrecovered bad debt due to the moratorium.

On January 8, 2021, Staff issued data requests to the Marketers to gather information on the dollar amounts and customer numbers related to base charge credits. Also, Staff issued data requests to AGL to gather similar information to ensure the Marketers' numbers were consistent. In November and December 2021, Staff confirmed the final customer numbers and base charge credit dollar amounts with AGL. The base charge credits were issued in December 2021. The total of all base charge credits were included on AGL's 2021 Revenue True Up filing, to be filed on March 1, 2022. This dollar amount will reduce any revenue over-collections.

Active Natural Gas Marketer Update Staff's Ongoing Analysis of Marketer Financial & Technical Capability

Pursuant to O.C.G.A. § 46-4-153(f) and Commission Rule 515-7-3-.07(10), Staff issues quarterly data requests to gather financial and technical information from the marketers to determine if they continue to meet the financial and technical capability requirements to serve in the Georgia natural gas market. This information includes income statements, balance sheets, customer counts, number of therms sold, penalties incurred, credit information, ongoing employee training, legal issues, operations in other states, and mergers. Through a review of parent company financial data, including SEC filings, Staff can ensure any multistate operations or parent company operations are not negatively impacting operations in Georgia. Once Staff receives responses from the Marketers, the financial team of the Natural Gas Unit analyzes the data. If additional information is needed by Staff, follow-up data requests are sent to the Marketers. Due to the moratorium on SONPs, Staff issued supplemental data requests in addition to the quarterly marketer reports to better understand each marketer's bad debt policy, collection policy for current customers in arrears, and credit requirements for future customers.

After the SONP moratorium was lifted, Staff began its review of the Marketers' accrued bad debt. This review continued in 2021.

During 2021, Staff found no material issues in the review of each marketer's financial and technical capability. The table below shows a list of active and inactive marketers in the Georgia Market as of December 31, 2021. At the end of 2021, the deregulated natural gas market in Georgia, in the Atlanta Gas Light Company's distribution system, had thirteen (13) active certificated natural gas marketers actively serving customers.

Certificated Natural Gas Marketers

| # | Docket No. | Certificate of Authority Approved | Marketer | Active |
|----------|-------------------|--|-------------------------|---------------|
| 1 | 9536 | 10/6/1998 | SCANA | Active |
| 2 | 9574 | 10/6/1998 | Georgia Natural Gas | Active |
| 3 | 15727 | 10/18/2002 | Walton EMC | Active |
| 4 | 15969 | 11/26/2002 | TRUE | Active |
| 5 | 21109 | 1/3/2006 | Gas South | Active |
| 6 | 24849 | 4/3/2008 | Stream | Active |
| 7 | 25425 | 4/25/2018 | Constellation | Active |
| 8 | 25471 | 10/19/2007 | Fireside | Active |
| 9 | 37369 | 5/6/2014 | Colonial | Active |
| 10 | 37735 | 3/7/2014 | Mansfield | Active |
| 11 | 40797 | 3/23/2017 | Xoom | Active |
| 12 | 42953 | 5/5/2020 | CENNAT dba Fuel Georgia | Active |
| 13 | 41840 | 4/7/2020 | Town Square | Active |
| 14 | 20504 | 7/12/2005 | Just Energy | Inactive |
| | | | | |

On September 10, 2020, North American Power and Gas, LLC, (NAPG) in Docket No. 36550 filed for random assignment of its customer base. On October 8, 2020, the Commission approved NAPG's request, and their remaining customers were randomly assigned. On January 27, 2021, NAPG filed for the cancellation of its Certificate of Authority. On February 22, 2021, the request was approved. NAPG is no longer a certificated natural gas marketer in Georgia.

On April 9, 2021, Infinite Energy, Inc. (Infinite), in Docket No. 9474, and Gas South, LLC, in Docket No. 21109, jointly filed to have the Infinite customer accounts transferred to Gas South. This was a result of the purchase of Infinite Energy by Gas South that was approved December 15, 2020. On April 26, 2021, the Commission approved the request, and subsequently, its customer accounts were transferred to Gas South. On November 24, 2021, Infinite filed a request for the cancellation of its Certificate of Authority. On February 1, 2022, the request was approved.

On April 20, 2021, United Energy Trading, Inc. (UET) in Docket No. 35857 filed for random assignment of its customer accounts. On May 19, 2021, the Commission approved UET's request, and its remaining customer accounts were randomly assigned by AGL. On December 1, 2021, UET filed for the cancellation of its Certificate of Authority. On January 11, 2022, the request was approved.

Docket 9574: GNG Waiver of the 45-day provision of the Commission disconnection rule in order to implement a Pre-Pay Guaranteed Bill Plan with a shortened disconnection timeframe.

On May 17, 2021, Georgia Natural Gas (GNG) filed a Petition seeking a waiver of the 45-day provision of the Commission disconnection rule in order to implement a Pre-Pay Guaranteed Bill Plan with a shortened disconnection timeframe. Along with the Petition, GNG filed for Commission approval, revised Terms and Conditions and Supplemental Disclosure Statement applicable to the plan.

After careful consideration of GNG's filing, Staff determined that GNG satisfied the requirements from the March 14, 2008, Commission Order in Docket No. 21109 for all marketers seeking a rule waiver for a shortened disconnection timeframe; and also satisfied the criteria set forth by the law for the granting of a waiver. Staff recommended that the Commission grant GNG a waiver of Commission Rule 515-3-3-.01(d) limited to those customers who select GNG's proposed Pre-Pay Guaranteed Bill Plan; and that the Commission approve the Terms and Conditions and Supplemental Disclosure Statement applicable to the Pre-Pay Guaranteed Bill Plan, as proposed.

At its July 15, 2021 Administrative Session, the Commission granted the waiver to GNG and approved the revised Terms and Condition of Service and Supplemental Disclosure Statement.

Docket No. 15296: GNG Waiver of the Call Center Service Level Standard for August, September and October of 2021

On November 1, 2021, Georgia Natural Gas (GNG) filed a Petition requesting a waiver of the Call Center Service Level Standard for August, September and October of 2021, pursuant to Commission Rule 515-7-8-.09. GNG's third party call center service provider suffered a ransomware attack that indirectly affected GNG's Call Center operations, causing them to fail to meet the benchmarks for the Call Center Service Level. GNG filed a detailed description of the steps taken by the Company to mitigate the deficiency. GNG also filed under Trade Secret the information concerning the Call Center Service Level for those three months.

Staff thoroughly reviewed GNG's Petition and had several phone calls with the Company to ensure that the steps necessary to mitigate the deficiency were being taken. Staff also reviewed Rule 12 of Atlanta Gas Light's (AGL) Tariff, which provides the definition of force majeure and the statute regarding the requirements for the granting of a waiver.

After careful consideration of GNG's Petition, Commission rules, the statute and AGL's Tariff, Staff determined that the extraordinary event that GNG experienced qualified as force majeure pursuant to Rule 12 of AGL's Tariff and that GNG satisfied the criteria set forth by the law for the granting of a waiver.

The Commission granted GNG the requested waiver as a one-time exception due to the special circumstances that GNG endured. Outside the waiver timeframe, GNG remains subject to remediation actions and penalties pursuant to the Commission's Order in Docket 15296.

Docket No. 43404: 2021-2023 Regulated Provider

The 2018-2021 Regulated Provider term ended on August 31, 2021. Pursuant to the March 18, 2021, Order Selecting Scana Energy as the 2021-2023 Regulated Provider of Natural Gas, Staff and Scana negotiated in good faith and agreed to a proposed Consent Agreement that details the terms and conditions under which SCANA Energy should serve as the Regulated Provider beginning on September 1, 2021, and ending on August 31, 2023. The Commission approved the Consent Agreement at its July 1, 2021, Administrative Session.

As of December 1, 2021, the Regulated Provider reported a total of 31,694 customers compared to 33,881 reported on December 1, 2020. The Regulated provider stated that from the 31,694 customers, 12,476 were Group 1. The Department of Human Services (DHS) 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.

By the end of 2021, the 1st, 2nd, 3rd and 4th USF Disbursements had been approved. In 2021, for the 2021-2023 term, the Commission approved a total of \$237,101; and for the 2018-2021 term, the Commission approved a total of \$492,698.50. The total amount that the Commission approved for USF Disbursements for the year 2021 was \$729,799.50. These funds provide assistance to the Regulated Provider (SCANA) for bad debt recovery for Group 1 customers. The Regulated Provider is not entitled to funds for Group 2 customers' bad debt recovery.

Docket No. 4167: Audit of AGLC's Manufactured Gas Plant

In 1992, AGL requested an Environmental Response Cost Recovery Rider as a mechanism for recovering costs associated with the cleanup of Manufactured Gas Plant (MGP) sites, three 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 12 MGP sites where AGL had previously manufactured natural gas from coal. The production process created by-products that contaminated the soil and groundwater.

AGL ratepayers pay a surcharge for the recovery of costs associated with this cleanup. 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 the costs for each fiscal year. During the 2021 fiscal year, Staff audited the costs. The 2020 rider amount was \$2.31 per Dekatherms (Dth) per DDDC (Dedicated Design Day Capacity) per year and was set to be recovered during 2021. All costs that were audited were found to be reasonable.

Docket No. 43506: Implementation of O.C.G.A. § 46-4-161 (c)(1) regarding refunds issued by Interstate Pipeline suppliers

An investigation was conducted in 2020 by the Commission to determine how to disburse a refund that resulted from a Settlement case at the Federal Energy Regulatory Commission (FERC) with the Transco pipeline company. The Commission approved a disbursement allocation methodology.

During the first quarter of 2021, the Company filed proposed Tariff revisions to document what should happen in the event another refund is issued by an interstate pipeline company. On February 3, 2021, AGL filed an Amended Compliance Filing of the Tariff Revisions. Staff in the course of its due diligence issued data requests to ensure clarity of the proposed revisions.

On April 22, 2021, AGL filed a request to modify Section 3.23 of the General Terms and Conditions of AGL's Tariff and the Bundled Pipeline Peaking Sales Service (BPPSS) and the Firm and Interruptible Nominated Sales Service (FINSS) rate schedules. AGL filed a Petition to Modify its Tariff. The modifications related to clarity in their tariff regarding refunds from interstate pipelines. AGL proposed the changes be effective on May 5, 2021. The Commission approved the request May 4, 2021.

Docket No. 41559: Atlanta Gas Light's Petition to Approve Econ-1 Tariff

On October 10, 2017, the Commission approved AGL's Economic Development Tariff (ECON-1 Tariff) as part of efficiency changes to AGL's customer growth initiatives. The ECON-1 Tariff was approved for large economic development projects with parameters based on customer class, capital investment, new jobs created, and new gas load. The approved tariff allows for funding of up to \$15 million per year for Econ-1 projects. The Company is required to file any proposed projects with the Commission for approval. In addition, the Commission reserves the right to bring projects forward that are outside of the parameters of the tariff and that are beyond the \$15 million per year limit. In the table below, it shows the three ECON-1 projects that were approved during 2021.

Year 2021 Approved ECON-1 Projects

| Date Approved | Project | Approved Cost |
|-------------------------------|------------------------|----------------------|
| 7/13/2021 | Chatham County Project | \$7,570,000 |
| 7/13/2021 | Lowndes County Project | \$440,000 |
| 7/13/2021 | Wheeler County Project | \$2,650,000 |
| Total Approved in 2021 | | \$10,660,000 |

Since the approval of the ECON-1 tariff, the Commission has approved eight projects with an estimated customer investment of \$870 million, an estimated increase in local tax base totaling \$17.3 million, the creation of over 2,057 jobs, and an increase in annual natural gas load totaling 17.7 million therms per year. The estimated cost of these projects to ratepayers totaled \$34 million.

Docket No. 42315: Atlanta Gas Light Company Quarterly Reporting and GRAM

In Docket No. 42315, AGL files quarterly reports that provide financial statements, customer numbers, Full Time Employee numbers, Affiliate Transaction cost data, capital budget data, and ROE calculation. Staff performs a due diligence analysis on the data to review financial trends, customer trends, and other relevant analysis. As a routine matter, the Staff issues data

requests to gather additional information. Annually, AGL files for a rate adjustment under the Georgia Rate Adjustment Mechanism (GRAM). The quarterly reporting reviewed by the Staff team aids in the review of the annual filing. As part of the Staff's quarterly review, no material issues were found.

On July 1, 2021, Staff had a meeting with AGL on the 2022 Annual GRAM filing. AGL presented the 2022 GRAM filing, which included the System Reinforcement Rider (SRR), Liquid Natural Gas (LNG) capital spending and GRAM capital budget. Staff requested that the 2022 GRAM filing include only the GRAM capital expenditure and exclude the SRR and LNG Capital spending. On July 21, 2021, AGL filed with the Commission the 2022 Annual GRAM filing.

Staff thoroughly reviewed the Original Filing's 13 schedules, 53 workpapers, and nine supporting spreadsheets/documents. The first part of the Staff's review addressed AGL's rate base calculation provided in the Original Filing revenue requirement model Schedule-2. This review included Plant in Service with ratemaking adjustments from Accumulated Depreciation, Construction Work in Progress, Allocated AGL Service Company Plant, Accumulated Deferred Income Tax, Working Capital Required, and Accumulated Customer Deposits. Staff reviewed the Workpaper 2 group of workpapers for these areas and other supporting schedules and workpapers. This provided AGL's rate base dollar amount, after the ratemaking adjustments were applied. When AGL's 56% common equity was multiplied to rate base, this provided the rate base attributed to common equity for ratemaking purposes.

The second part of Staff's review focused on AGL's operating income calculation provided in the 2022 GRAM Schedule-2. This required the Staff to review the historic and projected revenues related to the Workpaper 4 group of workpapers. The Staff also reviewed the historic and projected Operations & Maintenance (O&M) expenses provided in the Workpaper 5 group of workpapers. The operating income dollar amount on Schedule-3 was transferred to Schedule-2.

In the third part of the review, using the rate base attributed to equity and operating income dollar amounts, the Staff was able to confirm the ROE calculated on Schedule-2. In Schedule-11, AGL calculated the revenue requirement rate adjustment. The Staff developed an issues list and it was emailed to AGL for review. Additionally, the Staff issued its 30th Set of Data Requests to gather additional information.

Staff and AGL had numerous meetings, phone calls, and emails to address issues. All issues were resolved. On November 9, 2021, AGL filed a revised 2022 GRAM (Revised Filing). The Revised Filing updated any estimated numbers with actual numbers that had become available. As found in the Revised GRAM revenue requirement model and as a result of resolving issues and including updated estimates and actual numbers, the rate base attributed to equity had a revised amount of \$2.16 billion, or a \$3 million increase from the July 21, 2021, filing. This was mainly driven by an increase in Construction Work in Progress (CWIP).

Additionally, operating income was revised to \$184,602,664 million, or a \$1.9 million increase. These revisions resulted in an increase in ROE from 8.43% to 8.51%. The revenue requirement rate deficiency increase was adjusted to \$37,813,422, or a \$1.6 million decrease from the Original Filing before income taxes. The revised revenue requirement rate deficiency after income taxes was \$50,617,334, or a \$2.1 million decrease from the Original Filing. AGL applied the 2019 rate case revenue-true-up credit in the amount of \$3,158,818 and a 2021 Carry Forward Credit of \$693,022. This reduced AGL's revised revenue deficiency to \$46,795,494.

As a result of the Staff and AGL stipulated agreement in Docket No. 43820 Integrated Capacity and Delivery Plan (i-CDP) filing, AGL reduced its Revised Filing revenue requirement rate deficiency adjustment on Schedule-11 by 10%, and the Company included an additional 10% reduction from its 2022 revenue requirement for the i-CDP's System Reinforcement Rider (SRR) in the Revised Filing on Schedule-11. The combined 10% reductions on Schedule-11 totaled \$5,093,158. The final revenue requirement rate adjustment was \$41,672,336. This dollar amount was allocated to all rate Classes in Workpaper 4-3 to calculate the new rates. The new rates also appeared in Workpaper 4-2 and Workpaper 4-5.

As part of the Revised Filing, AGL provided a GRAM 2022 capital budget totaling \$350,470,842. The O&M budget was revised to \$311,808,046, or a \$1,963,608 decrease. The projected Revenue True Up (RTU) tracking revenues over the 2022 Rate Effective Period (REP) January - December was revised to \$825,529,354, or a \$7,216,175 decrease, as a result of the reduced final adjusted revenue requirement in Schedule-11. AGL's 2022 RTU will be filed on March 1, 2023.

Certificates of Public Convenience and Necessity

Natural gas operators have the legal requirement to obtain a Certificate of Public Convenience and Necessity before they can construct or operate in intrastate commerce within Georgia. Specifically, pursuant to O.C.G.A. § 46-4-21 et. seq. and Commission Rule 515-7-1-.01 et. seq., a natural gas operator is required to obtain a Certificate of Public Convenience and Necessity for any pipeline or distribution system, or any extension thereof, for transportation, distribution or sale of natural or manufactured gas without first obtaining from the commission a certificate that the public convenience and necessity require such construction or operation.

The Commission also implements the Countywide Natural Gas Safety Plan Rule (CWSP) (Commission Rule 515-9-7-.01). The rule was created to require natural gas operators to establish, in consultation with all other natural gas operators in a particular county, a safety-based boundary and emergency response procedures. The Natural Gas Unit and Facilities Protection Unit work jointly on CWSPs. A plan is required in every county that has more than one natural gas operator and must be approved by the Commission after being reviewed by the Natural Gas Unit and the Facilities Protection Unit.

The CWSP identifies the location of all natural gas facilities and safety-based boundaries in that particular county so that whenever a natural gas emergency arises, confusion, delay and unnecessary danger for the public and first responders can be avoided. An operator must inform and train its emergency response personnel and the city or municipal emergency response personnel within such county of the boundaries and plan.

The CWSP should conform to the corresponding Certificates of Public Convenience. In the event that a CWSP affects the boundaries of a corresponding certificate of an operator, the certificate boundaries are amended to conform to the CWSPs of that county.

By the close of 2021, the Commission amended four certificates and granted one new certificate. The Commission has approved a total of 106 certificates affected by the CWSPs. The Commission granted one CWSP and amended one CWSP for a total of 57 approved CWSPs.

Commission staff periodically engages with the stakeholders as necessary. The stakeholders are the Gas Unit, the Facilities Protection Unit, the Commission attorneys, the natural gas operators and their representatives. The certificates and CWSPs are revised and updated as natural gas providers continue to develop and maintain their facilities and address their boundaries in order to meet the needs of their systems.

Docket No. 43820: AGL'S 2022 – 2031 Integrated Capacity and Delivery Plan

The Commission, in its December 19, 2019, Administrative Session, voted to approve a motion to resolve the issues of the fully litigated general rate case in (Docket No. 42315) filed by Atlanta Gas Light (AGL) on June 3, 2019. As a result, the Commission directed AGL to propose a long-range planning tool by January 31, 2020, to establish a proceeding open to all interested parties where the Commission will examine and approve parameters for capital budgets and related Operation and Maintenance spending associated with multi-year forecasts. In response to such order, AGL filed a proposed process that the Commission Staff fully considered. Thereafter, Staff and AGL worked together to create a governance document that would implement a planning process while preserving the established process and methodologies within the existing Capacity Supply Plan (CSP) and the Georgia Rate Adjustment Mechanism (GRAM) filings. As part of the agreement, AGL will seek to stay within the approved capital budgets. If they are exceeded, AGL must show the exceeded costs were reasonable and prudent.

On January 28, 2021, AGL and Staff filed a Joint Stipulation establishing a Long-Range Comprehensive Planning Process that is in compliance with Commission Orders (the Stipulation Governance Document). The Commission approved the Stipulation Governance Document during the February 16, 2021, Administrative Session. Pursuant to the approved Stipulation Governance Document, AGL must develop and file at least once every three years an Integrated Capacity and Delivery Plan (i-CDP) that will provide a single, comprehensive planning and review process in which parameters for subsequent CSPs, GRAMs, and the new System Reinforcement Rider (SRR) can be established. AGL will endeavor to complete such projects so as to not exceed the overall approved budget for the initial three years of the Planning Period. If actual costs exceed the approved budget, the burden will be on AGL to show that the additional costs were reasonable and prudent. If the actual project costs are at or below the approved budget and are challenged, then the burden will be on the party challenging the costs to show that such costs are unreasonable or imprudent.

In accordance with the Commission-approved Stipulation Governance Document, AGL filed the Integrated Capacity and Delivery Plan ("i-CDP") on April 28, 2021. In addition to the i-CDP, AGL's filing included Minimum Filing Requirements and the Pre-filed Direct Testimony of Bryan Batson, Michael J. Morley, Steven Murphy and Jennifer Rose, Carl Garofalo, and Gregory Becker. On May 19, 2021, the Commission issued its Procedural and Scheduling Order (PSO) in this Docket setting forth the dates for filing of testimony and briefs, as well as the dates for the hearings in this matter. This proceeding was deemed complex litigation pursuant to O.C.G.A. § 9-11-33(a). The proceeding was assigned Docket Number 43820.

The following parties each filed individual Applications for Leave to Intervene: EMC Natural Gas, Inc. d/b/a True Natural Gas; Gas South, LLC; Fireside Natural Gas, LLC; SCANA Energy Marketing, LLC; Mansfield Power & Gas, LLC; Walton Energy, Inc. d/b/a Walton EMC Natural Gas; and SouthStar Energy Services LLC d/b/a Georgia Natural Gas (collectively, the "Named Marketers") and the Georgia Association of Manufacturers. The Commission issued an Order

Revising the Hearing Dates and Filing Dates on July 14, 2021, to extend the filing deadline for intervenor testimony and to postpone the hearing dates.

On September 7, 2021, the Commission again issued an order to extend the filing deadline for intervenor testimony. AGL filed an Amended i-CDP and Minimum Filing Requirements on September 14, 2021. The Staff and AGL reached an agreement for a 10% reduction to the final 2022 – 2024 revenue adjustments for both the SRR and GRAM. AGL could decide on how the portion of the 10% reduction could be applied between the SRR and GRAM. AGL applied the full reduction to the 2022 – 2024 GRAM's.

In Schedule-11 of the 2022 GRAM in Docket No. 42315, the 10% reduction was calculated in the amount of \$5,093,158. For the 2023 and 2024 GRAM filings, the 10% reduction will be applied at the time of those filings as a reduction to future rates. In addition, the Staff and AGL agreed to the following rates for SRR:

- The monthly rate for customer classes R-1, G-10, AG-1 and S-51 will be \$0.32 per month.
- The monthly rate for customer class G-11 will be \$0.96 per month.
- The monthly rate for customer rate class G-12 will be \$8.00 per month.

AGL and Staff entered into negotiations intended to reach a workable compromise that would meet the Commission's and the Company's goals while protecting the public interest. AGL and the Commission Staff then entered into a Joint Stipulation between Staff of the Georgia Public Service Commission and Atlanta Gas Light Company regarding the 2022-2031 Integrated Capacity and Delivery Plan and Annual GRAM Filings (the Stipulation) on October 8, 2021. On October 14, 2021, the Company and Commission Staff jointly filed the Pre-filed Testimony of Nancy Tyer, Tony Wackerly, and Michael J. Morley in Support of the Stipulation. AGL, Staff, and the Named Marketers, excluding True Natural Gas, subsequently reached a settlement and executed the Addendum to the Stipulation of Staff of the Georgia Public Service Commission and Atlanta Gas Light Company Regarding the 2022-2031 Integrated Capacity and Delivery Plan and Annual GRAM Filings (the Addendum). As a result, AGL, Staff, and the Named Marketers, with the exception of True Natural Gas, supported the adoption of the Stipulation and the Addendum. On October 22, 2021, AGL and Staff filed the Amended Pre-filed Testimony of Nancy Tyer, Tony Wackerly, and Michael J. Morley in Support of the Stipulation and Addendum.

The Commission held hearings in this docket on October 26, 2021. At the hearing, the Commission heard the testimony of AGL's direct witness panel of Bryan Batson, Gregory Becker, Carl Garofalo, Michael J. Morley, Steven Murphy, and Jennifer Rose. The Commission also heard the testimony of Nancy Tyer, Tony Wackerly, and Michael J. Morley (the Staff and AGL Panel) in support of the Stipulation and Addendum. All pre-filed exhibits were also admitted into the evidentiary record. Parties were provided an opportunity to be heard and to cross-examine the witnesses in this docket.

As part of this docket AGL was authorized to expand the Cherokee Liquified Natural Gas (LNG) capabilities. AGL currently has LNG facilities that provide up to 940,000 dekatherms per day (Dth/day) of gas to serve firm demand on a Design Day. Because of the current LNG storage tank size, the LNG plants can only provide this peak level of gas supply or send out for five days. AGL proposed to increase the capability of its LNG assets to address not only the increasing firm design day load requirements, but also to meet near-term customer needs in a

durationally cold winter. The current plant has a single tank capable of storing two billion cubic feet (2 Bcf) of natural gas with a send out capacity of 400,000 Dth/day. The proposed expansion would add a second 2 Bcf tank and the necessary facilities to add an additional 400,000 Dth per day of send-out capacity.

AGL was also authorized to implement the LNG Tracker. AGL and the Staff agreed to additional reporting Requirements.

The Commission voted to approve the Amended 2022-2031 i-CDP as further modified by the Stipulation and Addendum at the November 18, 2021, Administrative Session.

Universal Service Fund

In Docket No. 15326, the docket number for the administration of the Universal Service Fund (USF), 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. 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. § 46-4-161(a). The Commission administers the USF to include the review and final decision on all disbursement requests. Atlanta Gas Light Company (AGL) is the only regulated natural gas company that has a USF. Currently, the USF is held at Truist Bank, and the account belongs to AGL, but the Commission administers the fund.

The State of Georgia considers the USF a Custodial Fund for reporting in the State's Annual Comprehensive Financial Report. On July 12, 2021, for the State's 2021 fiscal year ending June 30, 2021, annual reporting was sent to the State Accounting Office that included the June 2021 bank statement, the Form 470 Trial Balance Shell, and the Form 21 Investments. The Cash and Deposits form was completed and submitted to the Commission's fiscal office.

As seen in the table below, since the inception of the USF to the year ending December 21, 2021, the USF had deposits totaling \$357,877,182, expenditures totaling \$314,231,005, and an ending balance of \$43,656,177 that confirms to the ending balance in the USF's December 2021 bank statement from Truist Bank.

USF Historic Activity:1998 to December 31, 2021

| | |
|----------------------------|---------------------|
| Deposits | \$357,877,182 |
| Expenditures | \$314,231,005 |
| 2021 Ending Balance | \$43,646,177 |

As seen in the table below for the year ending December 31, 2021, the USF had a number of encumbrances totaling \$35,874,219 with an unencumbered and available balance of \$7,771,958.

| USF Encumbrance Analysis | | |
|--|---------------------------|------------------------|
| USF Ending Balance: December 31, 2021 | | \$43,646,176.77 |
| Encumbered Projects/Programs | Encumbrance Totals | Balance |
| DN 12897: USF Low-Income Assistance: HopeWorks | \$1,400,020.74 | \$42,246,156.03 |
| DN 12897: USF Low-Income Assistance: Salvation Army | \$0.00 | \$42,246,156.03 |
| DN 12897: USF Low-Income Assistance: H.E.A.T. | \$600,000.00 | \$41,646,156.03 |
| DN 41533: Regulated Provider: Rolling 3-Month Obligation | \$192,338.94 | \$41,453,817.09 |
| DN 41560: AGLC USF Floyd County Project Application-2 | \$10,739,395.00 | \$30,714,422.09 |
| DN 42864: AGLC USF 2020 Plan - Banks County Project | \$7,791,663.00 | \$22,922,759.09 |
| DN 43510: USF 2021 Plan - Lumpkin County Project | \$2,842,312.00 | \$20,080,447.09 |
| DN 41560: Hall County Project-Kubota Corporation | \$1,246,492.68 | \$18,833,954.41 |
| DN 41560: Floyd County Project-Floyd County Schools | \$123,147.63 | \$18,710,806.78 |
| DN 43510: 2022 Plan: Wheeler County Project | \$10,938,849.00 | \$7,771,957.78 |
| Total Encumbrances: December 31, 2021 | \$35,874,218.99 | 82.19% |
| | | |
| Total Unencumbered Balance: December 31, 2021 | \$7,771,957.78 | 17.81% |

Docket No. 41560, is the docket for the filing of USF application projects based on AGL's Tariff Rule 7 for Residential line-extensions and Rule 8 Commercial line-extensions. For Rule 7 and 8 if the calculations for the cost of the line-extension has a shortfall that the customer would need to pay, the USF can be used to cover that cost for the customer. During 2021, there were two applications approved. First, the Hall County Application was approved for the Kubota Manufacturing of America Corporation for a USF disbursement of \$1,246,492.69. Second, the Floyd County Project No. 2 was approved for the Floyd County Board of Education with a USF disbursement of \$123,147.63.

In Docket No. 45310 on September 1, 2021, AGL filed its 2022 USF Facilities Expansion Plan. AGL had listed five projects for consideration. On October 7, 2021, the Commission approved the Wheeler County Project. The estimated cost of the project was \$10.5 million, and the project is a line-extension upgrade in Wheeler County.

Since the inception of the USF in December 1998, the Commission has approved over 558 projects at an estimated cost totaling \$142.5 million in support of extending AGL's pipe facilities to unserved and underserved areas of Georgia increasing economic development.

In Docket No. 12897, the Commission has approved grants for low-income assistance from the USF. Since the inception of the USF, the Commission has approved over \$81.3 million to low-income senior citizens and other low-income customers that are on AGL's natural gas distribution system. Currently, the Heating Energy Assistance Team (HEAT), HopeWorks, and the Salvation Army have USF funding to serve low-income natural gas customers. The Staff performs reconciliation on monthly reporting and tracks the success of each program.

Docket No: 42615 Atlanta Gas Light Company's Notice and Request for Approval of Sale and Purchase of Certain Land and Easement Authorization.

On April 21, 2021, AGL petitioned the Commission to approve the purchase of property at Rogers Bridge Road from Georgia Power. The Rogers Bridge Road property has been used by Georgia Power as an operating headquarters, and it was removed to non-utility property in January 2021. AGL intends to utilize the Rogers Bridge property as its Gwinnett Regional Business Center and Gwinnett Depot. Staff filed two sets of data requests to gather additional information on the property's utilization, condition, and its value. Staff also reviewed the Rogers Bridge Property's Appraisal report as well as the property's net book value. Staff analyzed and determined that this purchase will not cause cross-subsidization between AGL and Georgia Power. On September 7, 2021, the Commission approved the purchase of the Rogers Bridge property by AGL.

On March 6, 2020, AGL petitioned the Commission to approve AGL's purchase of property located at 1040 Lake Drive, Marietta, GA 30066 (Lake Drive) from Georgia Power. On May 19, 2020, the Commission approved AGL's petition for the purchase of Lake Drive property. However, on July 15 2021, AGL petitioned the Commission for the withdrawal of the approval of the sale and purchase of Lake Drive property. AGL was no longer interested in the purchase of the Lake Drive Property.

On June 21, 2021, AGL petitioned the Commission to approve the purchase of the Easement of East Paces Ferry Road from Georgia Power. According to the petition, Georgia Power did not have a designated use for the portion of the property at the East Paces Ferry Road. AGL plans to utilize the easement to provide AGL the rights to install, access and maintain pressure regulating facilities on the property. Staff filed one set of data requests to gather additional information on the property's utilization, condition and its value. Staff has reviewed the data request responses and the draft easement agreement. Staff also reviewed the appraisal of the property and the documentation regarding the property's net book value. Staff concluded that this easement will not cause cross-subsidization between AGL and Georgia Power, since the Appraised value did not exceed the net book value. The Commission approved the Easement of East Paces Ferry Road on January 18, 2022.

Docket No. 16193 and 42317: AGL's Asset Management Agreement and Audit Report Concerning AGL's Universal Service Fund (Sequent)

Pursuant to the Commission's May 12, 2016, Order Adopting Settlement Agreement in Docket No. 39971, AGL's former Asset Management Agreement (AMA) with Sequent expired on March 31, 2020. Staff and Atlanta Gas Light met over several months and agreed to a Stipulation filed on February 24, 2020, that, with modifications, extended the AMA until March 31, 2023. The stipulation increased the sharing mechanism percentage as well as the guaranteed minimum annual payment, which is paid in quarterly installments to the Universal Service Fund.

Staff audited Sequent's performance as Asset Manager for Years 2018-2021. The Audit included a review of the following:

- a. Reviewed Internal Audits Departments' process concerning Sequent's asset management activities;
- b. Reviewed roles and responsibilities of participating departments;
- c. Reviewed the process of how Sequent enters into transactions using AGL's assets, including both physical and financial transactions;
- d. Reviewed the pipeline storage and transportation costs that were allocated to Sequent for its use of the assets and verified that these costs are contained in quarterly filings;
- e. Reviewed the valuation of unrealized gains and losses, verifying that these transactions were not double counted;
- f. Reviewed the valuation of the storage inventories and verified that related transactions did not affect any of the storage pricing to marketers including the Marketer Accessible Retained Storage Weighted Average Cost of Gas;
- g. Reviewed whether any margins owed to the USF were deposited by Sequent in a timely manner;
- h. Reviewed the Risk Management process;
- i. Reviewed and reconciled the quarterly supporting data filed with the Georgia Public Service Commission;
- j. Reviewed the AGL Asset Optimization Management and Agency Agreement Internal Audit Report for 2018-2021;
- k. Reviewed prior audit reports and Commission Orders to verify recommendations were appropriately addressed by AGL and Sequent;
- l. Reviewed Concentric Energy Advisors Benchmark Study of AGL.

Staff reviewed the transactions made by Sequent on its storage and transportation assets. Staff also compared the Net Margin in the Book Value report to the Sequent Quarterly filing and the deposit made into USF Escrow Account Bank. Staff found that from Year 2018-2021, Sequent was in compliance with the Commission Order in Docket No. 16193, and the Asset Management Agreement.

In April 2021, the Staff was informed that Southern Company engaged to sell Sequent Energy Management (Sequent) to The Williams Companies, Inc. The Staff filed its 15th Set of Data Requests to gather further information on the sale of Sequent. Staff reviewed the data request responses. The 2018-2021 Audit Review also included reviewing Sequent for any changes related to the company being acquired by Williams. Staff verified that Sequent would not change the reporting style of the transactions. Staff also verified that the term of the AMA agreement would not be affected by the sale and the agreement would still expire on March 31, 2023. On July 1, 2021, the acquisition was completed, and The Williams Companies, Inc. owned 100 percent of Sequent. Total consideration for this acquisition was \$159 million, which included \$109 million related to working capital.

On a quarterly basis, Staff reviews the filings made by Sequent on the Net Margin Calculation. Staff also verifies that the Net Margin is deposited into the USF. In addition, staff reviews the monthly data regarding the storage and transportation transactions that are conducted by Sequent and the shared revenue generated. Staff also reviews the percent profit that is

allocated to USF and to Sequent through the revenue sharing process. For the Year 2021, Sequent has made the minimum deposit requirement to the USF.

Staff filed the Audit reports for Years 2015-2018 and 2018-2021 on December 1, 2021.

DN 10473: Apples to Apples Pricing

As part of Deregulation, Marketers' price offerings are not regulated by the Commission. Each Marketer determines a price per therm and a Customer Service Charge. Pursuant to Commission Rule 515-7-3-.04(14), Marketers file with the Commission their monthly prices every 5th of the month. Staff reviews, compiles and uploads this data onto the Commission website. The posted information gives consumers the ability to view and compare all Marketers' prices on an apples-to-apples basis. This proves helpful whether the consumer is looking to choose a Marketer or switch Marketers.

The posted information includes the Marketer's price per therm, the Marketer's customer service charge, the AGL base charge and any other Marketer charges that apply. The listed prices are based on a typical customer's usage on a monthly and annual basis. For 2021, the price of variable offerings increased compared to 2020; and the price of fixed offerings in 2021 were lower in comparison to variable. Therefore, consumers were encouraged to engage in fixed term agreements.

TELECOMMUNICATIONS UNIT

The telecommunications industry is indispensable to the economy of the state. Over the past 20 plus years, 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 instead facilitates market development by certifying new providers, arbitrating interconnection agreements, and resolving complaints among competitors.

In December 2020, 19 Tier II Independent Local Exchange Carriers (ILEC) filed requests for an aggregate disbursement of \$32,196,198 for the 26th Universal Access Fund (UAF) year covering the period July 1, 2019, through June 30, 2020. All applicants were audited by Hurlbert CPA, LLC.

On October 12, 2021, the Commission approved disbursements for the 26th UAF year totaling \$32,100,357. The approved disbursements are listed below.

| 26th UAF Year (7/1/2019-6/30/2020) | |
|---|------------------------------|
| Company | Approved Disbursement |
| Alma Telephone Company | \$ 1,542,931.00 |
| Blue Ridge Telephone Company | \$ 2,485,902.00 |
| Brantley Telephone Company, Inc. | \$ 828,477.00 |
| Bulloch Telephone Cooperative | \$ 2,769,296.00 |
| Camden Telephone & Telegraph Co., Inc. | \$ 1,860,095.00 |
| Chickamauga Telephone Corporation | \$ 768,509.00 |
| Darien Telephone Co., Inc. | \$ 1,974,865.00 |
| Glenwood Telephone Company | \$ 603,042.00 |
| Hart Telephone Company | \$ 1,265,677.00 |
| Nelson-Ball Ground Telephone Company | \$ 1,382,690.00 |
| Pembroke Telephone Company, Inc. | \$ 1,084,638.00 |
| Pineland Telephone Cooperative, Inc. | \$ 917,590.00 |
| Plant Telephone Company | \$ 1,503,007.00 |
| Planters Rural Telephone Cooperative | \$ 2,152,917.00 |
| Progressive Rural Telephone Co-op., Inc. | \$ 2,057,243.00 |
| Public Service Telephone Company | \$ 2,604,213.00 |
| Ringgold Telephone Company | \$ 2,516,739.00 |
| Trenton Telephone Company | \$ 3,374,954.00 |
| Waverly Hall Telephone, LLC | \$ 407,572.00 |
| Total | \$ 32,100,357.00 |

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 2021, the statewide benchmark was increased to \$22.18, after adjusting for inflation.

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 220 communications assistants. In 2021, the Relay Center in Albany processed an average of almost 50,000 relay calls per month. The total cost paid from the TRS fund for 2021 was \$483,782.44. The TRS portion was \$216,320.

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 2021 was \$267,462.

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 Center of the Deaf and Hard of Hearing to be the distribution agency for the Georgia TEDP. The cost of this service for 2021 was \$876,399.

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 2,900 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 2021 was \$223,410.

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 (Foundation), a nonprofit organization that has provided hearing aids to low-income Georgians for over 30 years. Under the current contract, the Foundation received \$898,137 in 2021 which includes \$4,109 for each child under the age of 20 who qualifies for this program. There were 873 adults and 36 children that qualified for this program in 2021. The Foundation partners with two hearing aid manufacturers and maintains a network of over 86 audiologists throughout the state. The program distributed an aggregate of 1,698 hearing aids to 909 applicants in 2021.

Electric Membership Corporation Cost Allocation Manuals

Georgia Senate Bill 2 amended Chapter 3 of Title 46 relating to electrical service so as to allow electric membership corporations (“EMCs”) to engage in certain activities in order to facilitate the provision of broadband services. These activities include the authority to “form, fund, support, and operate a broadband affiliate, directly or indirectly” subject to certain conditions, pursuant to O.C.G.A. § 46-3-200(6). Also, Senate Bill 2 prohibits an EMC, broadband affiliate or gas affiliate from engaging in cross-subsidization between its electricity services activities, its broadband services activities or its gas activities, pursuant to O.C.G.A. § 46-3-200.2(a). Additionally, an EMC with a broadband affiliate that provides retail broadband services shall develop and maintain a cost allocation manual, and the Georgia Public Service Commission is charged with approving the manual pursuant to O.C.G.A. § 46-3-200.2(b)(5).

In 2021, the PSC approved four new cost allocation manuals and one revised cost allocation manual.

ENERGY EFFICIENCY AND RENEWABLE ENERGY UNIT

In 2021, the Energy Efficiency and Renewable Energy (EERE) Unit oversaw multiple renewable project procurements ordered in Georgia Power Company's (Georgia Power or Company) 2019 Integrated Resource Plan (IRP). The 2019 Final IRP Order required the procurement of 2,000 megawatts (MW) of Utility Scale renewable resources, 210 MW of Distributed Generation (DG) resources, and 50 MW of new biomass generation. The Final Order also included a 15% increase in Energy Efficiency (EE) kilowatt-hour (kWh) savings for both Residential and Commercial portfolios, six Residential Demand Side Management (DSM) programs, and five Commercial DSM programs.

The Public Utility Regulatory Policies Act (PURPA) review – which began in 2020 in Docket Nos. 4822, 16573, and 19279 – was decided by the Commission on March 11, 2021, following January 2021 hearings. The Commission's order adopted a stipulation agreement by Commission Staff and Georgia Power, which enacted substantial updates to the Company's avoided cost calculations and its standard offer Qualifying Facility contracts. The approved updates added Renewable Costs and Benefits (RCB) from the RCB Framework to the avoided cost calculation and removed the fuel cost multiplier. One RCB Framework component, Support Capacity, was not approved for the PURPA avoided cost calculations, until such time that the Company can show such costs are exhibited through actual system operating costs. The Commission Order further directed Commission Staff and Georgia Power to revise the interconnection agreements and procedures for Qualifying Facilities, both utility scale and DG. Commission Staff and the Company subsequently proposed and negotiated multiple revisions through the remainder of 2021; however, no agreement on updated interconnection procedures was reached prior to January 2022.

EERE Staff worked with Georgia Power and the Independent Evaluator (IE), Accion Group, in establishing the Company's 2023/2024 Utility Scale Request for Proposals (RFP). The 2022/2023 RFP resulted in procuring 970 MW of utility scale renewable resources. EERE Staff testified during the resource certification proceeding on June 15, 2021. Subsequently, the 2023/2024 Utility Scale RFP was issued on January 21, 2022. This RFP seeks renewable resources, with a total procurement of 1,030 MW, with in-service dates of 2023 or 2024. The procurement is comprised of 500 MW for all retail customers, 300 MW for subscription by existing Customer Renewable Supply Procurement (CRSP) Program-eligible C&I customers, and up to 230 MW for subscription by CRSP-eligible customers with qualifying new load additions. EERE Staff, Georgia Power and the IE are currently reviewing the bids received on February 23, 2022 and will continue to work toward the finalization of this procurement during 2022.

EERE Staff worked with Georgia Power and the IE in establishing the Company's Biomass RFP which was issued concurrently with the Company's 2022-2028 Capacity RFP. This RFP sought to procure 60 MW of new woody biomass generation. The RFP was structured to solely procure new woody biomass in conformance with the 2019 IRP Order to competitively procure new, geographically diverse, biomass resources, considering Hurricane Michael's impact on forestry in Georgia Power's territory. EERE Staff, Georgia Power and the IE reviewed the bids that were

received. Due to rising costs for building material commodities and other related supply chain issues (after bids were submitted), none of the short-listed Biomass projects were able to move forward.

EERE Staff worked with Georgia Power to establish the Company's 2020 DG RFP. This RFP seeks to procure 160 MW of DG solar resources (fixed-tilt or tracking) sized greater than 1 kW up to 3 MW (AC). EERE Staff and Georgia Power reviewed the bids that were received. EERE Staff reviewed the transmission and distribution studies associated with the bids and brought the winning bids that provided a net benefit before the Commission for certification as the power purchase agreements became finalized. As of March 2022, the total procurement consists of 31 projects totaling 74 MW.

EERE Staff worked with Georgia Power in establishing the Company's Renewable Energy Development Initiative (REDI) CS II DG Program and Customer-Connected Solar Program (CCSP). The Commission directed Georgia Power to procure 25 MW through CCSP as filed and to procure the remaining 25 MW using the prior REDI CS DG Program Guidelines and PPA with updated pricing. The application period for the REDI CS II DG Program concluded in 2021. The application period for CCSP is ongoing. As the PPAs become final, EERE Staff presents them to the Commission for certification.

EERE Staff monitored Georgia Power's construction of a Self-Build 128 MW solar project at the Warner Robins Air Force Base in Warner Robins, GA. This project reached commercial operation in 2021.

The Commission's Order in Georgia Power's 2019 Base Rate Case established that the behind the meter (BTM) netting period length for customers receiving service on the Renewable and Nonrenewable Resources (RNR) tariff should be changed from instantaneous to monthly for 5,000 customers or until new installed capacity reaches 32 MW, whichever occurs first. In the RNR-Monthly Netting program, excess energy generated by a participating customer's solar panels is summed on a monthly basis and used to reduce their total monthly energy consumption of purchases from the utility. Excess generation from the customer's rooftop system that exceeds a customer's total monthly energy usage will be credited at the annual Solar Avoided Energy Cost Rate. The RNR Tariff limits renewable energy resources to a maximum of 10 kilowatts (kW) for Residential projects and 250 kW for Commercial projects, as specified by the combined AC nameplate capacity rating of the inverter(s).

Georgia Power posted RNR program information on its website with an enrollment tracker for interested customers and rooftop solar installers. The monthly netting option met its 5,000-participant cap in July 2021, closing out the program to new RNR monthly-netting applicants. Customers are still able to apply to be on the RNR Instantaneous-netting tariff. The Company, in coordination with EERE Staff, established a process for customers to be moved to monthly netting as spots become available.

EERE Staff also oversaw Georgia Power's Demand Side Management (DSM) and Energy Efficiency (EE) programs that were approved during the 2019 IRP and DSM Certification. EERE Staff also reviewed Georgia Power's Annual DSM True-Up to verify program spending and cost recovery. The new Residential Investment for Saving Energy (RISE) pilot was launched with EERE Staff oversight after delays due to Covid-19 restrictions. The RISE pilot was approved as part of the 2019 IRP and will serve up to 500 homes in Athens and specific zip codes in the Atlanta area. RISE covers all of the upfront costs of energy efficiency

improvements and will allow the customer to pay for the investment as part of the customer's bill for up to 10 years or the average life of the energy efficiency measure that was installed.

EERE Staff reviewed plans and surveys that were utilized for the 2021 Evaluation Measurement & Verification (EM&V) Reports, which were completed in October 2021. EM&V is a critical component to understanding how the Company's demand side management and energy efficiency programs are performing and what steps can be made to improve the Company's offerings. The Technical Resource Manual and the Achievable Energy Efficiency Potential Assessment were filed in January 2021. These resources were reviewed by EERE Staff and used by the Company in the development of its proposed DSM case for the 2022 IRP.

Staff worked with Georgia Power to assist in the modeling of energy efficiency with supply side resources for the DSM Planning Scenario White Paper, which was completed in April 2021. EERE Staff continued to facilitate the DSM Working Group throughout the year and held meetings virtually with Georgia Power and many other consumer advocate groups. EERE Staff continued to provide oversight for Georgia Power's Prepay Program, which has continued to grow and provides an alternative to traditional payment structures in the event that a customer has been shut off for non-payment.

EERE Staff worked with Georgia Power to design contingencies related to the Covid-19 pandemic with several DSM programs being affected including the Residential Home Energy Improvement Program (HEIP) whole home portion, Refrigerator Recycling Program, Thermostat Demand Response and Small Commercial Direct Install. While most restrictions had been lifted and marketing resumed by mid-spring 2021, executing the programs remained challenging for the first half of the year and most programs faced a steep challenge to achieve the 2019 Commission approved energy savings goals. EERE Staff worked with GPC to shift budgets, targets and modify incentives where possible to maximize program effectiveness. By the end of 2021, all of the Company's DSM/EE programs were back to normal. The Residential DSM portfolio reached over 100% of its projected 2021 savings goal that was aided by shifts in the approved DSM program goals. The Commercial DSM portfolio only reached 60% of the approved 2021 savings goal, despite the best efforts made by the Company, mainly due to uncertainty by Commercial customers to invest during the economic downturn following the pandemic.

FACILITIES PROTECTION UNIT

The Facilities Protection Unit of the Georgia Public Service Commission is composed of two distinct areas: Pipeline Safety and enforcement of the Georgia Utility Facility Protection Act (GUFPA), or damage prevention.

The pipeline safety function is carried out under an agreement with the federal 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 2021, marked the 53rd year of the Commission's relationship with PHMSA.

The Commission assumed responsibility for damage prevention efforts in 2000, following passage of GUFPA. The goals of GUFPA are to prevent injury to Georgia citizens and to prevent 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 2021. This is no small task, given the number of operators and geography of the state. Of Georgia's 159 counties, intrastate natural gas is transported through 149 of them. The Table below illustrates the various types of inspections that were performed in 2021. Given that a majority of 2021 was under quarantine, many of these inspections were conducted virtually, a notable achievement.

| <u>Inspection Type</u> | <u>Inspection Days</u> |
|--------------------------------------|-------------------------------|
| Standard Comprehensive | 435 |
| Design, Testing, and Construction | 159 |
| Integrity Management | 78.5 |
| Operator Qualification | 49.5 |
| Investigating Incidents or Accidents | 49.5 |
| Compliance Follow-up | 117.5 |
| Damage Prevention | 3 |
| TOTAL Inspection Days | 889 |
| Anti-Drug & Alcohol | 9 Inspections |

The Commission has safety jurisdiction over the following different classifications of intrastate natural gas operators:

Private – 2

Municipal – 80

Master Meter – 107

Liquid Propane – 7

LNG – 1

Intrastate Transmission Operators – 14

Additionally, there are more than 2,146,200 services, with 46,100 miles of distribution main and 1,328 miles of transmission main. The total number of inspection units is 506.

Inspection numbers vary annually depending on inspection type. Each inspector must conduct a compliance follow-up inspection if there are current or remaining violations. Often, follow-up inspections 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 Commission is responsible for enforcing Call Before You Dig laws for all utility facilities. In 2021, system owners and operators reported 4,273 incidents where facilities were damaged. Over 50% of the damages were to natural gas lines.

| Reported Damages in 2021 | |
|---------------------------------|--------------|
| Natural Gas | 2,924 |
| Telephone | 487 |
| Electric | 277 |
| Cable TV | 408 |
| Water | 166 |
| Sewer | 11 |
| Total Non-Gas Incidents | 1,349 |
| Total Damages Reported | 4,273 |

Staff investigated 2,587 incidents for alleged violations of the GUFPA law. The enforcement actions in 2021 included mailing 115 hearing notices, 483 consent agreements, and 361 final orders. The Commission's Hearing Officer heard 79 cases in 2021. Of the 1,900 cases closed, 1,269 related to damaged natural gas lines. These cases concluded with the Commission levying \$6,808,025 in civil penalties, of which \$3,995,748 was mitigated with training.

To prevent incidents due to excavators' failure to call 811 before excavating, the Commission gives violators the option of attending safety training, in lieu of paying the full civil penalty assessed. The Commission-approved safety training classes explain the severity of possible damage when safety regulations are ignored, as well as provide education on the legal aspects of the damage prevention law. In 2021, 787 locators, excavators, and facility owners and operators attended one of the 135 Commission-approved dig law training presentations.

The Commission continued other damage prevention efforts in 2021. During the COVID-19 pandemic, staff participated in 65 video conferences and on-location presentations to over 503 attendees. The challenges included expressing the importance of safe social distancing at those locations and finding creative ways to deliver an effective message to others via video format. 2021 has changed the way GUFPA interacts with the community, facility owners and

the excavators in Georgia. The GUFPA Staff's participation in these meetings continues to strengthen the Commission's relationship with various groups across Georgia who are dedicated to damage prevention even during COVID-19.

Training and Pipeline Safety Seminar

The Facilities Protection Unit continually offers training opportunities to operators, as well as the option of requesting an informal conference to discuss any probable violations of the Federal or State pipeline safety rules. Pipeline Safety Staff has spent a great deal of effort traveling throughout Georgia to provide all natural gas municipalities the opportunity to meet with Facilities Protection Staff, to discuss issues or concerns, or to inquire about the Staff's expectations for inspections. The goal is to ensure the municipal operators located outside of Metro Atlanta have the same opportunities as the operators located in Metro Atlanta.

In 2021, continuing to social distance due to COVID-19, Staff was unable to hold an in-person Pipeline Safety Seminar, however, a few members of the Staff attended the annual Georgia Municipal Association meeting and provided regulatory updates to operators. This provided attending municipal operators the opportunity to meet the Director/Staff and discuss issues, ask questions, etc. Facilities Protection Staff strives to build strong and effective working relationships between the Commission and natural gas operators in order to achieve the ultimate goal of pipeline safety.

National Association of Pipeline Safety Representatives

Staff attended the National Association of Pipeline Safety Representatives (NAPSR) Annual conference in South Dakota, as well as the Regional Conference in South Carolina. The annual Regional Conference is held in one of eight Southeastern states and serves to have regional pipeline safety and damage prevention departments meet and discuss regulations and other topics. The Regional Conference for 2021 was postponed, however, the 2022 conference took place in April in Kentucky. The 2022 National Conference is scheduled for September 2022, and will be held in West Virginia.

Additional Facility Protection Program Activities

Pipeline Safety Staff continued enforcement of the federal public awareness regulations, including, Drug and Alcohol, Operator Qualifications, Construction, Comprehensive Inspections and Integrity Management, etc. In addition, several Staff members participated in numerous on-site operator training classes to expose operators to in-depth information on specific regulations, policies and procedures.

Facilities Protection had nine inspectors at the end of 2021, with one new Inspector hired in early 2022, bringing the total number of inspectors to 10. 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 work, given the steep learning curve.

ADMINISTRATION DIVISION

In 2021, the Commission maintained the highest standards in performing administrative functions, enabling the Commission to better serve the public through the most prudent use of its resources. The Commission worked within the constraints of its budget to promote efficiencies and maximize the use of taxpayers' monies to fulfill its mission.

The Commission's Administration Division, headed by the Executive Director, is comprised of the Executive Secretary, Fiscal and Budget Office, Human Resource Office, Public Information and Legislative Liaison, the Office of Operations Support and the Office of Consumer Affairs. 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.

Despite the pandemic, the Executive Secretary's Office utilized COVID protocols to maintain in-person staff for walk-in filings, in addition to available electronic filings, throughout 2021. In 2021, the Office opened 504 new case dockets; processed 4,342 filed documents; and filed 816 orders prepared for the Chairman's and Executive Secretary's signature. The number of dockets has grown tremendously over the past two decades.

During 2021, the Commission held, at the Public Service Commission or via zoom, 68 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 Facilities Protection, Telecommunications, Energy and Administrative Affairs.

Fiscal and Budget Office

The primary role of the Fiscal and Budget 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 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 FY2021, the Fiscal and Budget Office accurately monitored and effectively managed a budget with revenues and expenses of \$10.8 million dollars that was \$600,000 less than 2020.

A major step forward was taken when the Commission converted from QuickBooks to the Enterprise PeopleSoft Financials. The Agency's financial information is available for OPB, Legislative Budget Offices and SAO to view as needed.

The Fiscal and Budget Office continued to support State Leadership in meeting all directives to control and reduce the overall budget for the Commission. It also continued to enhance analytical and modeling tools implemented to monitor, control and forecast all expenses. Each budget item was analyzed in great detail and reevaluated in order to submit Budgets for AFY 2022 and FY 2023. 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.

Human Resources Office

The Human Resources Office is responsible for planning, organizing and directing a comprehensive human resource services program for the Commission. This includes personnel and position management, labor relations, staff development, equal opportunity, recruitment and placement, succession planning, HR system administration, compliance reporting, employee benefits and services, and personnel and leave transactions.

The Commission continued to be fully operational despite a majority of personnel continuing to work remotely as the COVID-19 pandemic persisted. Staff began returning to the office mid-year using a hybrid work model consistent with the Governor's updates on COVID-19 restrictions. An analysis of Commission work shows productivity holding steady, if not improving with the hybrid work model.

In 2021, the Commission lost nine staff members: six retired, two left for other opportunities and one staff member, unfortunately, passed away. Four new staff members were hired. There were four vacancies. At the end of 2021, the Commission employed 72 staff members.

The demographics of staff as of December 31, 2021:

| Years of Service | Percentage |
|-------------------------|-------------------|
| 30 years + | 3% |
| 20 years + | 22% |
| 10 years + | 33% |
| 5 years + | 21% |
| Less than 5 years | 21% |

| Ethnicity | Percentage |
|------------------------|-------------------|
| Black/African American | 39% |
| Hispanic or other | 4% |
| White | 57% |

| Gender | Percentage |
|---------------|-------------------|
| Female | 44% |
| Male | 56% |

In summary, recruitment of qualified candidates continues to present a challenge. The Commission continues to explore all options. Human Resources is a strategic partner in replenishing open positions with highly qualified individuals. Overall, the Commission is proud of its retention rate.

Office of Operations Support

In 2021, the Office of Operations Support continued its work on increasing the efficiency of delivering the Commission's services to the people of Georgia. To accomplish this, Operations Support designed, planned and fully implemented a hybrid solution for conducting proceedings in a mixed format – in-person and digital remote. The mixed format allows participation by attendees otherwise unable to contribute due to health risks and other considerations. It provides a dynamic, multi-viewing-angle environment and user engaging atmosphere.

























The Commission, with a telework policy in place, held 68 in-person, remote, and hybrid proceedings that were publicly broadcasted utilizing the new web-conferencing technology. All meetings were recorded and are available on the Commission's YouTube channel via secure link: <https://www.youtube.com/georgiapublicservicecommission>

The Office of Operations Support completed the State Transparency and Regulatory System (STARS) project that focused on providing data transparency, efficiency, improved functionality of applications, system stability, and resilience. This brought the Commission's information technology infrastructure to a new level.

In 2021, the agency's Website received 1,095,184 pageviews, with 309,448 from new users. Traffic can be broken down into two sources: 66.54% from desktops, 33.46% from mobile devices. The Commission continues to develop its Website using responsive web design to support the growing use of mobile devices.

After the Commission's homepage, the most viewed pages were the Gas Marketer's Pricing Comparison page followed by the Georgia Power Company's Vogtle Units 3 and 4 Construction Monitoring Docket, Docket No. 29849.

| Page | | Pageviews | % Pageviews |
|--|--|-----------|--|
| 1. / |  | 171,983 |  15.70% |
| 2. /utilities/natural-gas/marketers-pricing-index/ |  | 163,171 |  14.90% |
| 3. /search/facts-docket/?docketId=29849 |  | 104,961 |  9.58% |
| 4. /utilities/natural-gas/list-of-certified-marketers-and-contact-information/ |  | 86,872 |  7.93% |
| 5. /about-the-psc/consumer-corner/consumer-advisories/utility-assistance-programs/ |  | 22,939 |  2.09% |
| 6. /utilities/natural-gas/marketers-pricing-index/october-2021/ |  | 17,868 |  1.63% |
| 7. /utilities/natural-gas/ |  | 16,969 |  1.55% |
| 8. /utilities/natural-gas/marketers-pricing-index/september-2021/ |  | 16,917 |  1.54% |
| 9. /utilities/electric/georgia-power-bill-calculator/ |  | 12,576 |  1.15% |
| 10. /utilities/electric/ |  | 10,518 |  0.96% |

Cybersecurity continued as a large focus for Operations Support in 2021, with continued end-user awareness training, and web-security testing execution of STARS. The methodology, based on the Open Web Application Security Project (OWASP) Web Security Testing Guide. This allowed for the discovery of potential vulnerabilities and the successful remediation of those vulnerabilities.

Public Information and Legislative Liaison Office

The Public Information Office (per O.C.G.A. §46-2-7) coordinates official Commission news releases, media contacts and, along with the Executive Secretary, maintains Commission public information files. The Office also helps produce much of 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 and acts as the contact for legislators' needs within the Commission. In 2021, 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 during the General Assembly session, and coordinated the Commission's analysis of and response to legislative proposals.

Local, state and national news media continued extensive coverage of Commission activities and proceedings including:

- Actions taken by the PSC to continue holding virtual as well as in-person hearings in response to the COVID-19 pandemic;
- Continued monitoring of the Vogtle 3 and Vogtle 4 expansion projects;
- Continued efforts to ensure Georgia Power successfully, safely, and economically stores coal ash;
- The expansion of broadband internet service to Georgia's rural areas through the approval of Electric Membership Cooperatives introduction as broadband providers.

In the 2021 General Assembly, legislators introduced a number of bills affecting state government, the Commission and utilities. The Commission monitored several bills including those described below.

PSC Related Legislation in 2021

House Bill 76 by Rep. John Carson and others. Eliminates the cap on investments by EMC affiliates. Passed by House, held in Senate Committee.

House Bill 150 by Rep. Bruce Williamson and others. Prevents cities from banning new natural gas service in homes. Passed by substitute and signed by the Governor.

House Bill 449 by Rep. Vance Smith and others. “The Georgia Utility Facility Protection Act.” An update to Georgia’s “Call Before You Dig” law. Passed in the House, amended in the Senate. No Conference Committee appointed. Failed. (Note: A new version of this law passed both chambers in 2022).

House Bill 647 by Rep. Vance Smith and others. Would require permits to monitor closed coal ash impoundments for 50 years after they are closed. Passed House, held in Senate Committee.

Senate Bill 76 by Sen. Steve Gooch and others. Would require the Public Service Commission to attach fees to broadband providers and distribute grants from those funds to entities that would expand broadband service into rural areas. One hearing in Senate Committee, did not pass by Crossover Day.

Legislation Affecting Agency Operations and State Employees

House Bill 80 by Rep. David Ralston and others. Amends the State’s Fiscal Year 2021 spending plan. Passed by substitute and signed by the Governor.

House Bill 81 by Rep. David Ralston and others. Sets the state budget for Fiscal Year 2022 beginning July 1, 2021. Passed by substitute and signed by the Governor.

Office of Consumer Affairs

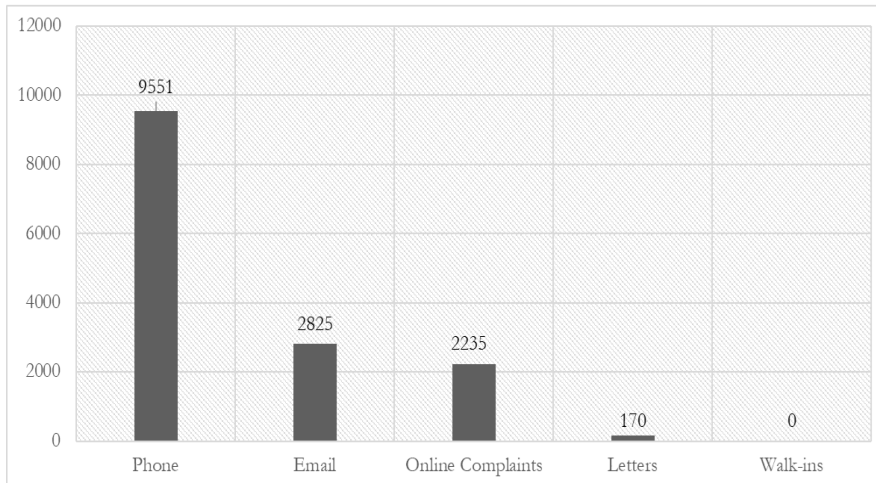
The Consumer Affairs Unit is the primary path for consumers to contact the Commission to make their concerns and issues known. Consumers convey these concerns and issues in the form of complaints, inquiries, or opinions, collectively referred to as “Consumer Response System – CRS Cases.”

The primary method consumers use to contact the Commission is telephone. The Consumer Affairs Unit has a total of six staff members that answer all calls coming through an Automated Call Distribution (ACD). Incoming Spanish calls are routed to a bilingual staff member (Lisa Jensen) for assistance. The Commission also has access to an Asian descendant translator. Asian consumers are routed through a conference call with Mr. Brian Kim, a volunteer with the Asian-American Resource Center.

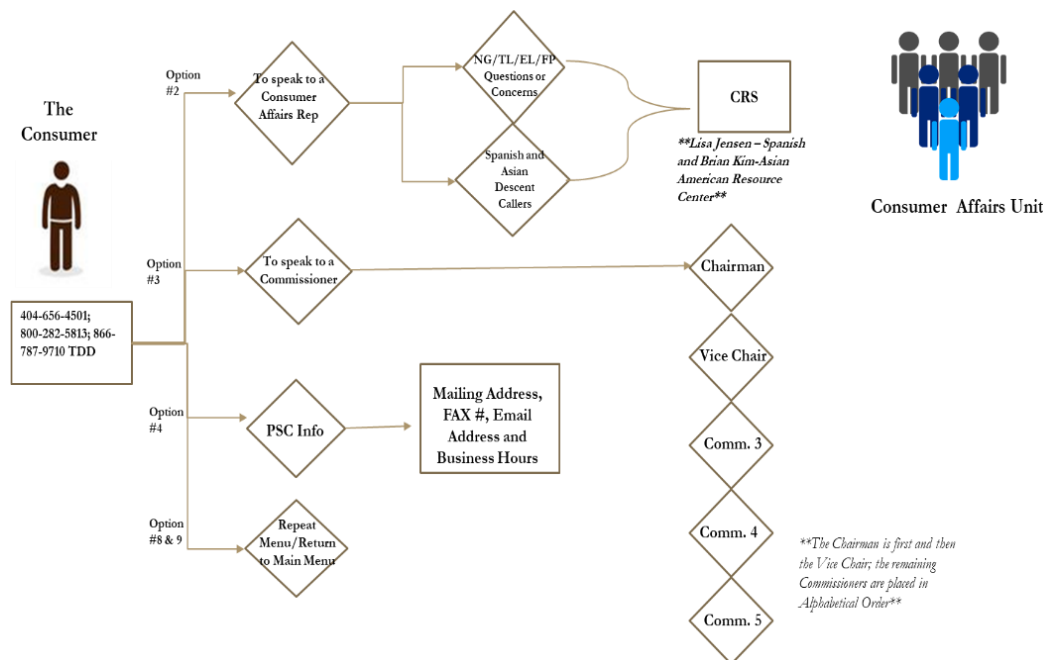
Inbound Contacts

The total number of calls reported by the ACD for 2021 was 9,551 (this includes Spanish and Asian-language calls). E-mail contacts remained the second preferred method of reaching the Commission in 2021 with a total of 2,825. Online CRS Cases of 2,235 mark the third most common contact method. The total paper correspondence in 2021 (letters and faxes) increased to 170. Due to Covid-19 restrictions, the Consumer Affairs Unit did not receive walk-in Consumers in 2021. In all, Consumer Affairs representatives processed 14,781 inquiries, complaints, and opinions from the general public in 2021.

YR 2021

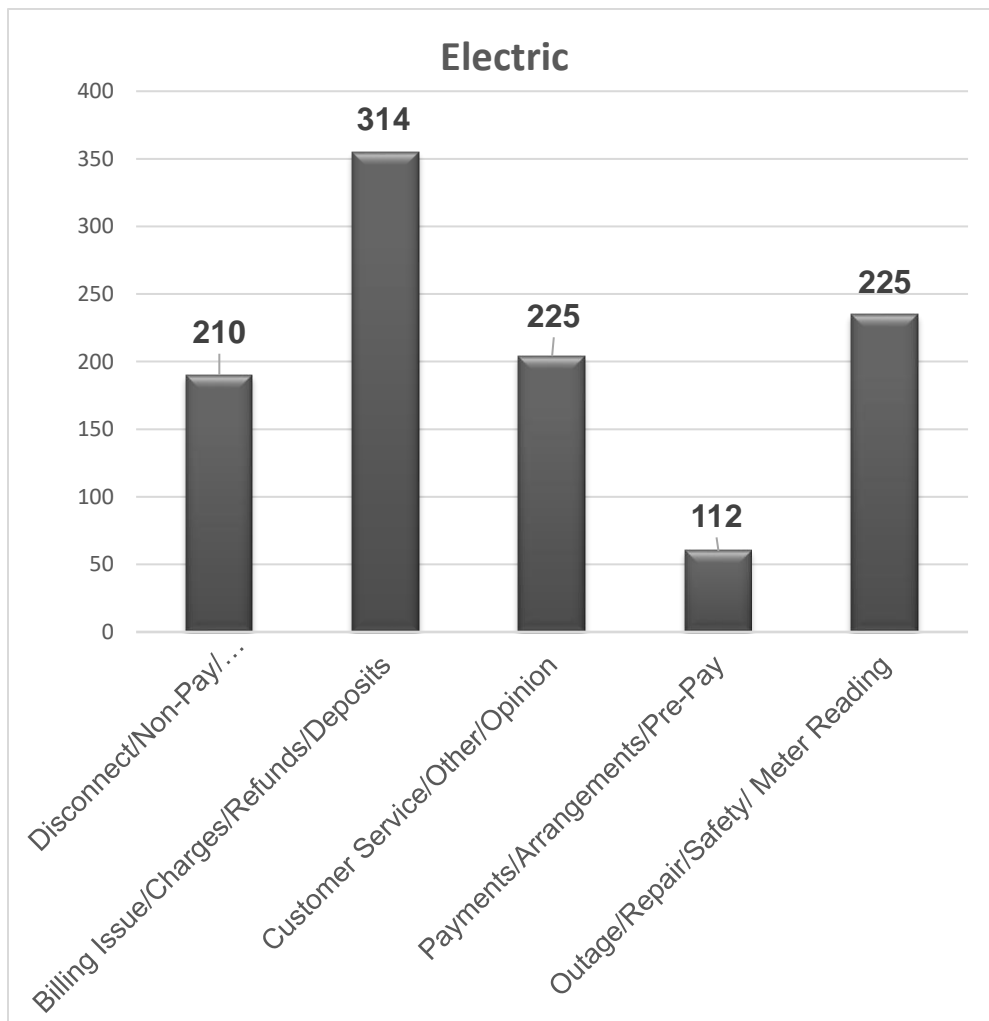


Some of the contacts from consumers require referral or follow-up by a Consumer Affairs staff member. Contacts requiring referral or follow-up are recorded in the Consumer Response System (CRS). Referrals are the contacts that staff send via e-mail to the utility company for response. Follow-Ups include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



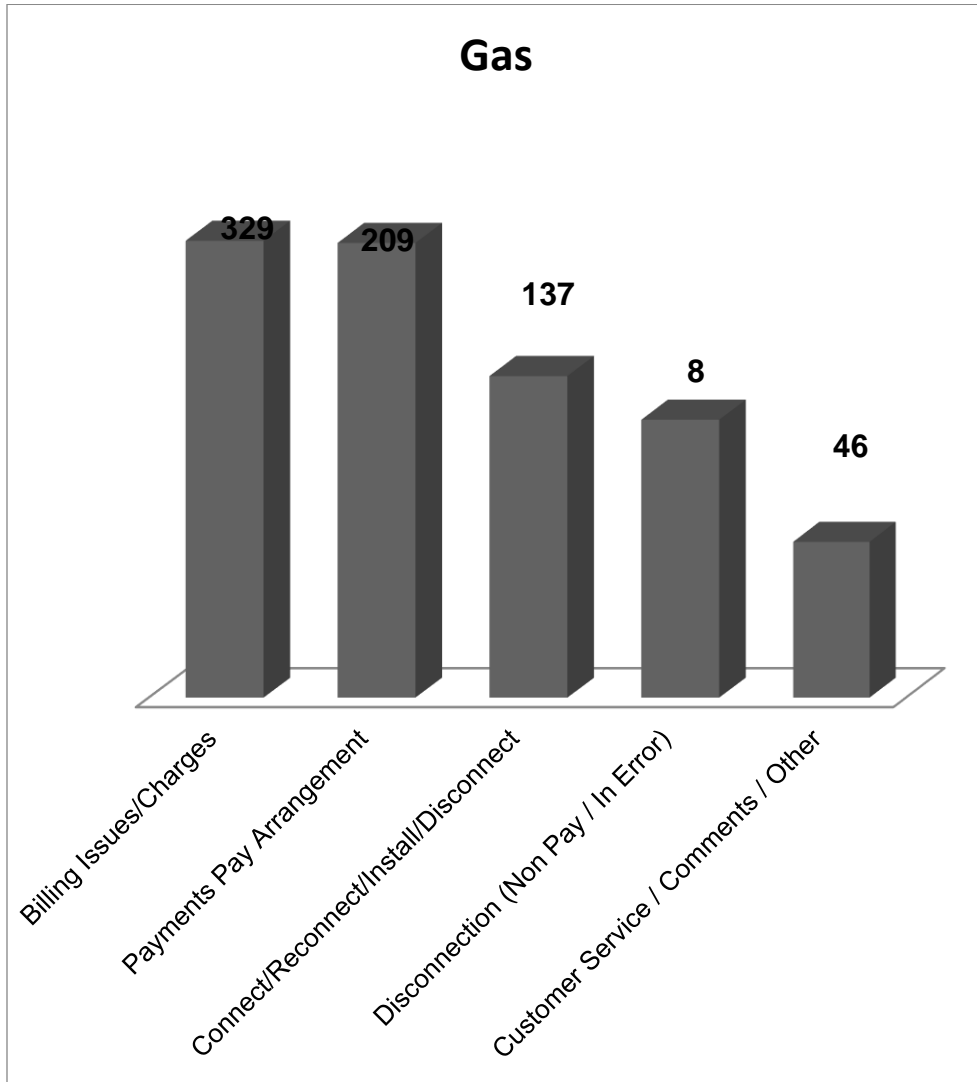
Electric Consumer Issues

Consumer Affairs saw 1,086 CRS Cases regarding electricity issues in 2021. Primary issues related to the shut-off moratorium and repayment plans. Georgia Power created a Pre-Payment Plan and a Post-Payment Plan that will allow consumers to make deferred payments and lower deposits to keep services connected.



Natural Gas Consumer Issues

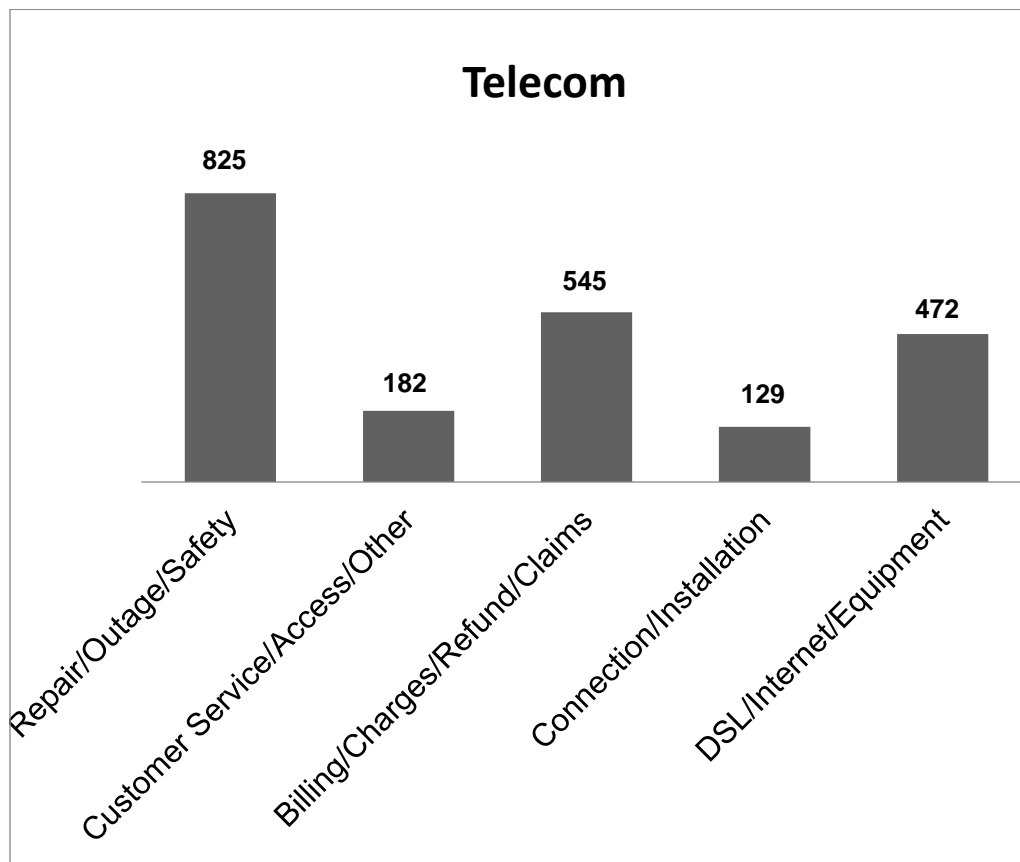
Natural Gas CRS Cases in Consumer Affairs totaled 810 in 2021. Primary Natural Gas issues for 2021 were calls concerning billing issues/charges, payments/payment arrangements, connections/reconnections, and disconnection preventions.



Telecommunications Consumer Issues

The primary Telecommunication CRS Cases in 2021 involved Service, Billing and Repair; totaling 2,153 cases. This can be attributed to an increase in telephone/internet/cable bundle packages during the pandemic. As families stayed home from work and school, many upgraded telecommunications bundle services for virtual work and school.

Major telecom issues for 2021 included repair/outage, safety issues, customer service and billing. Most of these concerns related to outages from inclement weather.



Consumer Affairs Community Outreach

Consumer Affairs Staff was able to attend an in-person meeting of the annual Heating Energy Assistance Team, Inc. (HEAT) Conference in November, 2021. In 2020, the Commission awarded H.E.A.T. \$1.5 million dollars from the Universal Service Fund to be dispersed annually in increments of \$300,000 for a period of 5 years. H.E.A.T. disperses those funds in amounts up to \$350 to qualifying seniors and low-income individuals and families.

Also, 19 Community Action Centers established by the Low-Income Heating Energy Assistance Program (LIHEAP) took applications virtually. The Consumer Affairs Unit continues its efforts to increase public awareness by networking, contacting and coordinating with organizations involved in assisting Georgians who are having difficulties with Commission regulated industries.

Additionally, the Consumer Affairs Unit assists all consumers who contact the Commission in areas not regulated by the Commission through the sharing of information with other government entities and private companies.

NOTEWORTHY COMMISSION ACTIVITIES IN 2021

Two Appointments and a New Chairman



In the summer of 2021, **Gov. Brian Kemp** made two appointments directly affecting the Public Service Commission. First, he appointed PSC Chairman **Chuck Eaton** to a judicial seat on the Fulton County Superior Court. Then, he appointed businessman **Fitz Johnson** to replace Eaton on the PSC.

Johnson is serving his first political post. A businessman, attorney, and 21-year veteran retired U.S. Army Officer, Commissioner Johnson has vast experience in building and leading companies and non-profits, driving growth and producing positive results. Among his business accomplishments was serving as owner/CEO of Eagle Group International, a \$175 million contracting firm with 1,700 employees in 35 states and seven foreign countries.

With Eaton's Chairman seat open, the PSC Commissioners unanimously selected Commissioner **Tricia Pridemore** to serve as chair. Chairman Pridemore previously served as PSC Telecommunications Committee Chair. She joined the Commission in 2018 and won statewide election to serve through 2024. She is a businesswoman with a background in technology, consulting and workforce development. Previously, Chairman Pridemore served as the Executive Director of the Governor's Office of Workforce Development.

PSC Approves Georgia Power Rate Adjustment/Atlanta Gas Light Integrated Capacity and Delivery Plan



Commissioners approved a stipulated agreement between staff and Georgia Power for a slight rate adjustment to help recoup Vogtle construction costs. The rate adjustment did not include cost overruns and was strictly related to costs previously deemed “prudent” by the Commission.

The commission also approved a 10-year capacity plan for Atlanta Gas Light. In 2019, the Commission saw the need for better long-term planning. Commissioners authorized staff and Atlanta Gas Light to explore a 10-year plan that would be reviewed and updated by the Commission every three years. In 2021, the Commission approved the first plan. Commissioners hope this will allow the PSC to have better oversight into capacity issues as well as rate issues for natural gas in the coming years.

PSC Works to Expand Rural Broadband



Since the passage of Senate Bill 2 in 2019, rural broadband projects have been announced in every corner of the state. Ultimately, these projects will serve more than 178,000 homes and businesses in rural Georgia. That includes 44 counties and totals more than \$491 million of investment by local governments, state partners and 16 Georgia EMCs.

Senate Bill 2 gave the PSC compliance authority over EMCs that want to provide broadband.

Rural parts of Georgia have been struggling to catch up with the world's reliance on a cyber run economy. Businesses have difficulty keeping pace, hospitals are finding it hard to introduce telemedicine in rural areas that are geographically isolated and school children in rural Georgia often travel to nearby fast-food restaurants to access the Wi-Fi they need to complete homework assignments.

Allowing EMCs to expand their existing infrastructure to provide broadband service to their rural customers allows one more avenue to Georgia's attempt to provide everyone in the state with reliable internet service.

Georgia Tech Opens New Microgrid



A Grand Opening Celebration was held for a new 1.4 megawatt microgrid at Georgia Tech. The microgrid, in midtown Atlanta, will help power the local area and will provide Georgia Power with insight into how smart energy management systems can achieve optimal energy use.

The installation includes fuel cells, battery storage, diesel generators and a natural gas generator, and it is adaptive to new and additional distributed energy resources. It also will provide teaching and learning opportunities for Georgia Tech professors and students. The Public Service Commission approved the microgrid in 2019 as part of Georgia Power's Integrated Resource Plan.

PSC Implements PeopleSoft



FINANCIALS

The PSC Fiscal Unit converted to Peoplesoft Financials, the new accounting system went live on October 1, 2021. This was a complex project and with the leadership of PSC Accountant **Jane Stroeve**, the Fiscal Office staff and the implementation team of the State Accounting Office (SAO), it rolled out as scheduled. This implementation will benefit the Commission's compliance with requirements set by SAO and the Department of Audits and Account as well as the Transparency in Governmental Reporting Act (TIGA).

New Executive Director and Executive Secretary at the PSC



After 24 years as the PSC's Executive Secretary, **Reece McAlister** was promoted to Executive Director. McAlister holds a degree in criminal justice from North Georgia College. In the U.S. Army, he served as a platoon leader, college instructor and Military Police Station Commander. His resume also includes work as security head for the Jimmy Carter Presidential Library and as a paralegal.

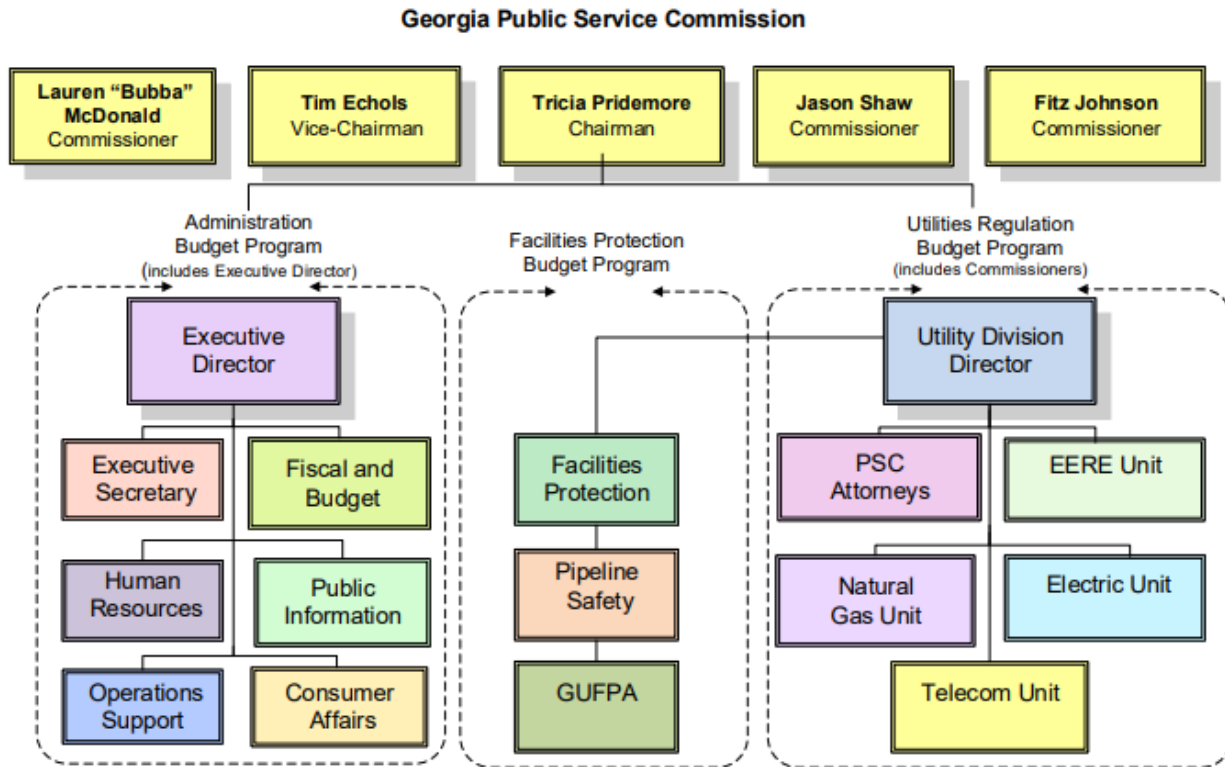
With McAlister's promotion, **Sallie Tanner** was promoted to Executive Secretary. Tanner previously served as the PSC Human Resources Director and worked as Executive Assistant to Commissioners Stan Wise and Tricia Pridemore. As Executive Secretary, her duties include accepting incoming filings, keeping dockets up to date, co-signing Commission orders and other important functions.

AGENCY BUDGET
Fiscal Year 2022
Budget

| | FY 2020 | FY 2021 | FY 2022(AOB) |
|--|---------------------|---------------------|---------------------|
| Revenue | | | |
| General Assembly Appropriations | \$9,891,437 | \$9,584,774 | \$9,543,797 |
| Federal and Other Funds | \$1,510,415 | \$1,230,131 | \$1,343,100 |
| Total | \$11,401,852 | \$10,814,905 | \$10,886,897 |
| Budgeted Expenditures | | | |
| Personal Services | \$9,826,136 | \$9,347,836 | \$9,851,179 |
| Regular Operating Expenses | \$318,645 | \$299,149 | \$164,351 |
| Motor Vehicle Purchases | \$0 | \$0 | \$0 |
| Equipment | \$40,515 | \$31,638 | \$9,000 |
| Computer Charges | \$209,961 | \$194,589 | \$162,285 |
| Real Estate Rental | \$688,342 | \$676,759 | \$501,332 |
| Telecommunications | \$105,038 | \$120,376 | \$96,000 |
| Contractual Services | \$213,215 | \$144,558 | \$102,750 |
| Total | \$11,401,852 | \$10,814,905 | \$10,886,897 |
| Associated Revenue | | | |
| Regulatory Assessment Fees | \$1,050,000 | \$1,050,000 | \$1,050,000 |
| Paid Directly to Dept. of Revenue | | | |
| Penalties and Fees Collected and Remitted to State Treasury | \$521,305 | \$963,967 | \$509,562 * |
| Total | \$1,571,305 | \$2,013,967 | \$1,559,562 |

*** Note: Penalties and Fees
Collected in FY 2022 through
December 31, 2021**

PSC ORGANIZATIONAL CHART 2021



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