



# GPSC News



*Making Business and Safety Decisions Affecting Tomorrow*

Volume 5 Issue 1

Summer 2005

*Atlanta Gas Light Rate Case*  
 \* Base Rate Freeze for five years  
 \* Pipeline Replacement Rider freeze for three years  
 \* Return on Equity 10.90%

## Commission Issues Final Decision in Atlanta Gas Light Case

The Commission approved on June 10 an agreement in the Atlanta Gas Light Company rate case, Docket Number 18638-U, that provides for a five-year rate freeze for natural gas customers in the AGLC distribution area. Under the proposal by Commissioner David Burgess, AGLC customers and low-income senior citizens will save \$32.5 million over the next five years due to a three-year freeze in charges for the Pipeline Replacement Program and an increase

in the monthly low-income senior citizen discount.

Commissioner Burgess said, "I am offering this settlement because it makes good policy, and if we get the policy right it drives a good decision." Commissioner Burgess said the four guiding principles that shaped his decision were: 1) minimizing the cost and the disruption of the pipe replacement program; 2) achieving rate stability during these times of volatile energy prices; 3) main-

taining a viable utility company; and 4) making the best use of the PSC's limited staff resources. A majority of the Commission voted 3-2 to vacate the Commission's April 29, 2005 Order and approve the proposed settlement which the Company accepted. Highlights of the settlement include:

- A five-year freeze in the Company's rates, from May 1, 2005 through April

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## Commission Approves Georgia Power Fuel Cost Rate

The Commission decision on May 17 in the Georgia Power request for an increase in its Fuel Cost Recovery (FCR) Allowance means residential electric customers will see a lower increase in their electric bills. A majority of the Commission voted 3-2 to spread the collection of the under-collected costs over a 48-month period to reduce the impact on the

average ratepayer. The Commission decision will allow the Company to collect about \$508 million in under-collected fuel costs incurred since October 1, 2003 as well as future costs for the next year. The new rate took effect June 1, 2005. The average monthly increase in residential bills will be about \$6.39.

The Commission held hearings in this Docket in April. State law says the Commission must allow the Company to recover fuel costs that are prudently incurred. The law places the burden of proof on the utility but no intervenor or Commission staff offered any testimony to dispute the utility's re-

*(Continued on page 2)*



## SEARUC 2005

Commissioners and staff attended the 2005 SEARUC Annual Convention held at the Northern Kentucky Convention Center in Covington, Kentucky June 6-8, 2005. The theme was "Navigating the Waters of Regulation."

U.S. Senator Jim Bunning of Kentucky provided the keynote address to kick off the three-day meeting. The meeting included sessions on the pending energy bill in Congress, telecommunications technology developments, current issues in natural gas, electricity and environmental concerns.

The session ended with a panel discussion on communications between state commissioners



**Commissioners Stan Wise and David Burgess** share conversation during the SEARUC Convention

If you have a story for the next GPSC News, please send to Bill Edge, [bille@psc.state.ga.us](mailto:bille@psc.state.ga.us). Next issue deadline is October 15, 2005.

and industry representatives.

**Commissioner Doug Everett** was elected SEARUC Second Vice-President which means he would assume the Presidency in 2008. Next year's SEARUC Annual Convention is scheduled for June 2006 in Gulfport, Mississippi. Michael Callahan, of the Mississippi PSC, is the newly installed President of SEARUC for 2005-2006. The

First Vice-president is Commissioner Daryl Bassett of Arkansas.

### Atlanta Gas Light Rate Case

*(Continued from page 1)*

30, 2010.

- A Return on Equity (ROE) of 10.90%.
- Extension of the Pipe Replacement Program (PRP) from its current 10-year schedule to 15 years with current rates frozen for the next three years. This will save consumers \$25 million.
- The settlement also in-

creases the monthly discount for low-income senior citizens by \$3.50; from the current \$10.50 to \$14.00 or the amount of the AGL base charge whichever is less, giving those qualified senior citizens a rate decrease of as much as \$42 a year.

A majority of the Commission approved an increase in the Company's proposed Home and Heart Warming program to \$1 million. The monies will be used to buy space heaters for qualified low-income recipients.

The Company's original rate increase request sought an increase in annual revenues of \$24 million that would have raised monthly residential bills about \$1.39.

The Commission's decision follows extensive hearings on the issue this year beginning in January and continuing in March and April.



### Georgia Power Fuel Case

*(Continued from page 1)*

quest. The Company filed for an increase in the FCR on February 15, 2005. The law requires the Commission to issue a decision within 90 days of the Company's filing.

A majority of the Commission also voted to:

- Disallow \$1.3 million in

expenses due to operator and maintenance error.

- Amortize the under-collection over a 48-month period.
- Establish a \$50 million "dead-band" so that under-collections or over-collections in that amount would trigger a new filing with the Commission.
- Begin a new rule-making process to enhance the fuel cost

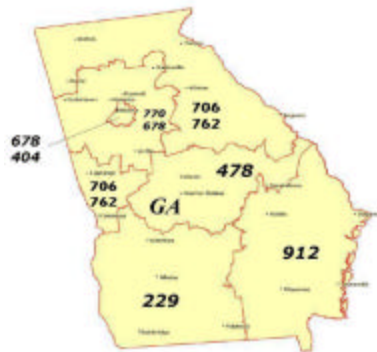
recovery process and establish Minimum Filing Requirements (MFR) in fuel cost cases.



# North and West Georgia Have New Area Code



The Commission June 24 announced the release of "762" as the new overlay area code to provide area code relief in the 706 service area. The Commission issued its order on June 23 calling for the all services distributed overlay as the preferred method of relief for 706, as recommended by the North American Numbering Plan Administrator (NANPA) NeuStar, Incorporated on behalf of the Georgia telecommunications industry. NANPA issued 762 as the new area code assignment.



The 706 area code includes the major Georgia cities of Athens, Augusta, Columbus, Cornelia, Dalton, LaGrange, Rome, and Toccoa. Current phone numbers will not change area codes but all tele-

phone users in the 706 area code will have to dial ten digits to complete a telephone call, whether local or long distance. All new telephone numbers will be assigned the new area code once the new code is placed into service. Based on current projections, NANPA estimates this new area code means it will be 13 years before another area code is needed in this service area. To introduce the new overlay area code under the current proposed implementation schedule, a "permissive" dialing period will begin on Sep-

tember 1, 2005, allowing customers to dial either the seven or 10-digit telephone number. During this period customers are encouraged to begin dialing 10 digits on all calls to become accustomed to the new dialing plan. Mandatory 10-digit dialing will begin on April 3, 2006. Customers must then use the new 10-digit dialing pattern to complete all local calls.

## Commission Approves Cut in Savannah Electric Rate Request

The Commission May 17 approved a settlement in the Savannah Electric and Power Company rate case that saves the Company's customers more than \$12.7 million a year. The Commission action cut Savannah Electric's rate request by nearly 60 percent. The settlement means base

rates for Savannah Electric residential customers using 1200 kilowatt hours a month will increase slightly by about \$3. The new rates took effect June 1, 2005.

The agreement provides for a three-year rate plan that includes:

- Increases Senior Citizen

Low-income Discount from \$10.50 to \$14.00 a month. A typical senior citizen using 840 kilowatt hours will see their average monthly bill drop by 80 cents.

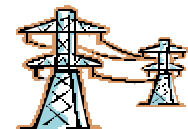
- A three-year accounting order that freezes rates for three years until November 30, 2007.
- A Return on Equity (ROE) of 10.75%
- An earnings band of 9.75%

to 11.75%. Any earnings above the band would be split between ratepayers and the Company, with ratepayers receiving 2/3 and the Company 1/3.

- Reduces Savannah Electric revenues by \$5 million a year.

The Commission decision follows extensive hearings in this docket in March and

April. Savannah Electric filed their request for an increase in the Company's base rates on November 30, 2004. The Commission is required by law to issue a decision on the Company's request within six months.



## Commission Approves SCANA to Continue as Regulated Provider



The Commission voted June 23 to retain SCANA Energy as the Regulated Provider of natural gas for a two-year term beginning September 1, 2005. SCANA has served as the Regulated Provider since the program's inception in September 2002 following legislation enacted by the 2002 Georgia General Assembly. The Regulated Provider provides natural gas service to low-income consumers (Group 1) and to customers who are unable to obtain or maintain natural gas service from other marketers or whose utility payment his-

tory is cited as the reason for transfer from Group 1 to Group 2 (Group 2).

The new contract will provide savings for senior citizen Group 1 customers. The low-income senior citizen discount rate will decrease by ten cents per therm, the monthly customer service charge for senior citizen Group 1 customers will drop \$1.00 to \$3.95 and the \$100 deposit will be waived for new senior citizen Group 1 customers. The Regulated Provider serves those customers in the Atlanta Gas Light Company service areas who receive ser-

vice from one of the ten natural gas marketers.

For more information, use the Docket Search function on the Commission website, [www.psc.state.ga.us](http://www.psc.state.ga.us), and enter Docket Number 20069.



## Commission Approves New Natural Gas Marketer

The Commission on June 23 approved the application by Commerce Energy, Incorporated for a natural gas marketer certificate of authority, Docket Number 20504. The Commission also approved the transfer of all assets and customers of natural gas marketer ACN Energy, Incorporated (ACN Energy) to Commerce Energy.

The Commission decision requires both Commerce and ACN Energy to refund deposits within six months to all ACN customers who have paid their bill in a timely manner for six billing cycles. This refund must be paid within 60 days once the customer completes the six months of timely bill payments. Commerce Energy, Inc. of Costa Mesa, California is a non-

utility-affiliated retail marketer of electricity and natural gas throughout the United States. Commerce Energy, Inc., which was formerly known as Commonwealth Energy Corporation, is a wholly-owned subsidiary of Commerce Energy Group, Inc., a publicly-traded company.

## PSC Road Show

Commission staff recently made presentations to community groups in Macon and Savannah to explain how the Commission works and shed light on consumer's utility bills. Consumer Affairs Director Cynthia Johnson, Assistants Mike Nantz and



Bernard Cameron (seen in photo at left) and Public Information Officer Bill Edge took part.

"These presentations are a great way to explain utility bills and how the Commission can help consumers," said Johnson.

Other presentations are planned for the future.



# Commission Assumes New Transportation Functions



On July 1, 2005 the Commission assumed responsibility for the certification and enforcement of regulations for household goods movers, luxury limousine carriers, buses, motor carriers and non-consensual towing. House Bill 501, approved during the 2005 General Assembly, transfers several certification and enforcement functions performed by the current Department of Motor Vehicle Safety (DMVS) to other state agencies including the Public Service Commission. The legislation

creates the Department of Driver's Services to handle the issuance of driver's licenses.

Under H.B. 501, the Commission assumes the following regulatory activities in connection with household goods movers, limousine carriers, bus carriers, motor carriers and non-consensual towing:

1. Issue permits and certificates.
2. Investigate consumer complaints.
3. Conduct audits to ensure compliance and quality.
4. Provide tariff training.
5. Take action against illegal operators.
6. Provide the public with information via telephone or website,

such as the Consumer Service Report Card; and 7. Ensure that carriers maintain proper insurance coverage.

Under current state law, all limousine companies are required to be registered and have proof of insurance on file with the Commission. Licensed limousine carriers operate under a maximum tariff and rates are negotiable. Chauffeurs who drive for licensed carriers are required to have permits which the Department of Driver's Services issued only after the successful completion of a criminal history

investigation.

The legislation provided that the employees at DMVS currently handling these functions be transferred to the Commission.



## Kaiser Permanente Walk Run in September

It's time to register for the Kaiser Permanente Corporate Walk Run. This year it will be September 15 at Turner Field. To register go to : <http://kpcorporaterunwalk.kintera.org/faf/search/searchTeamPart.aspx?ievent=110901&team=981823>. Let's try again for a great turnout. More information will be forthcoming.

## Commission Extends Fuel Surcharges for Movers and Limousines

On July 1 the Commission approved a 90-day extension of the four (4) percent fuel surcharge for household goods movers and the five (5) percent fuel surcharge for luxury limousine carriers. This approval extends two temporary orders

which expired June 30, 2005. The fuel surcharge extensions will expire on September 30, 2005.

The Commission's order makes it clear that all luxury limousine carriers and household goods movers must notify customers **in writing in advance** of the surcharges before they can impose these surcharges. In addition, household goods movers



must notify the Commission within two weeks if the surcharges would cause the carriers to exceed their maximum rate tariffs. Movers must also notify the Commission in writing by July

15, 2005 of their intent to implement the fuel surcharge.

Consumers can find helpful information on household goods movers and limousine carriers on the Commission website, [www.psc.state.ga.us](http://www.psc.state.ga.us). Click on the "Transportation" bar to find information on choosing a mover and a list of certificated limousine carriers.

## Lifeline Assistance and Link-Up Georgia Programs Eligibility Criteria Expanded



The Commission June 23 approved the expansion of the criteria to participate in the Lifeline Assistance and Link-Up Georgia programs by including participants in the Federal Public Housing Assistance (FPHA) program and the Low-Income Home Energy Assistance Program (LIHEAP). Also, the Commission standardized the eligibility criteria for Lifeline and Link-Up statewide.

Lifeline Assistance provides up to a \$13.50 credit (a federal credit of \$10 and an additional credit of \$3.50 from BellSouth) on qualified residential customers' bills in

BellSouth's service area. Customers in other telephone companies' service areas receive the \$10 federal credit.

Link-Up Georgia reduces the cost of having a telephone installed. Consumers are eligible to receive one-half of the connection charge or \$30, whichever is lesser, off the cost of having a telephone installed. BellSouth credits 100% of the connection charges for its eligible Link-Up customers.

In order to receive the Lifeline Assistance and/or Link-Up Georgia credit, consumers must provide proof and certify under

penalty of perjury that you are currently participating in one of the following programs:

1. Temporary Assistance to Needy Families (TANF)
2. Supplemental Security Income (SSI)
3. Food Stamps
4. Medicaid
5. Senior citizen low-income discount plan offered by the local gas or power company
6. Federal Public Housing Assistance (FPHA)
7. Low-Income Home Energy Assistance Program (LIHEAP)

## Commission Reaches Out to Hispanic Contractors

**Lisa McKnight**, with Pipeline Safety, represented the Commission at the First Annual Family Health and Safety Fair at the Gwinnett County Fairgrounds on June 11. McKnight joined with the Utilities Protection Center mascot "Digger Dog" and friends to distribute safety materials and provide compliance information on safe-digging, trenching, and exca-



vation.

The Family Health and Safety

Fair, sponsored by the Georgia Department of Labor, Georgia Institute of Technology, Occupational Safety and Health Administration (OSHA), El Constructor Latino, and the Consulate General of Mexico, is an initiative to educate the Hispanic community on all aspects of construction site safety.

## Baker Appears on WXIA-TV Program

**Commissioner Robert B. Baker, Jr.** appeared on the July 24 edition of the WXIA-TV public affairs program "Week In Depth". Reporter and news anchor Denis O'Hayer is the host of the weekly 30-minute broadcast. Baker discussed the recent Atlanta Gas Light



**Baker and host Denis O'Hayer**

Company rate case, the Georgia Power Company fuel case, the new north Georgia area code and the prospects of additional nuclear power in Georgia.

Other guests on the program included Georgia Power Vice President Ron Hinson and Glenn Carroll from Georgians Against Nuclear Energy.



# Employee News

## Employee Recognition Day

The Commission recognized its outstanding employees at its annual Employee Recognition Day May 17. Carolyn Harrison and Tracey McGoughy were recognized as the Commission nominees for the state-wide Public Employee Recognition Award.

Those receiving Faithful Service Awards were: Five Years: Philip Bedingfield, Lynn Buffington, Gigi McGhee, Patrick Reinhardt, Ruby Robinson and Pat Welcome; Ten Years: Tom Bond



and John McCarter; 15 Years: Alan Towe and Leon Bowles; 30 Years: Bob Ginn. Those receiving Extraordinary Achievement

Incentive Awards were: Lisa Taylor, Keith Blackshear, Monique Pringle, Tressa DeAndrade, Tim Franklin, William Upshaw, Earnest Whatley, Winifred Gaines, Pat Welcome, Greg Peacock and Nancy

Tyer. Following the awards, everyone enjoyed a catered lunch.

## Welcome Transportation Section



Welcome to **William Morgan** and **Robert West** who joined us July 1 as part of the transfer from the Department of Motor Vehicle Safety. They are responsible for regulating household goods movers, luxury limousines and passenger buses. Both have extensive experience in education and management fields.

**Montrelle Caldwell** joined the Commission July 29 as a Transportation Specialist. She will assist William and Robert.

### Sympathy

Our sympathy goes to **Nora Blair**, retired employee, on the death of her father, Raymond Edward Trimble, July 19. Funeral services were held in Fayetteville, Georgia on July 22.

Our condolences to **Gigi McGhee** on the passing of her mother, Betty McGhee, on May 26. Funeral services were held on June 2 at Cascade United Methodist Church in Atlanta.

### Congratulations

To **Tony Wackerly** on his marriage to **Indah Kristiani**. The couple were wed July 23 in Indonesia.

To **Bill Edge** on the marriage of his daughter **Krystle** to **Todd Heydel** on July 29. The wedding took place in Lilburn, Georgia.

### Farewell

**Andrea Bacon**, Utilities Analyst Natural Gas, resigned July 15 to pursue other opportunities.

### Welcome



**Katrina Bond** joined the PSC Family August 3 as a Utilities' Analyst in the Natural Gas Section. She brings to the Commission 13 years of operational experience in the gas industry.



## Commission News

### Georgia State Holidays For 2005

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

### Commission Calendar



#### August

2-Administrative Session  
11-Committees  
16-Administrative Session  
30-Special Administrative Session

#### September

1-Committees  
6-Administrative Session  
7-9- Atmos Rate Hearings  
15-Committees  
20-Administrative Session  
29- Committees

## Commission Calendar

#### October

4-Administrative Session  
10- Holiday  
13- Committees  
11-13- Atmos Rate Hearings  
18-Administrative Session  
27- Committees

#### November

1-Administrative Session  
3-4-Atmos Rate Hearings  
10-Committees  
15-Administrative Session

#### NARUC

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

#### Winter Meeting 2006

February 13-16, 2006  
Washington, D.C.

#### Summer Meeting 2006

July 30- August 2, 2006  
San Francisco, CA

#### SEARUC

June 5-7, 2006  
Gulfport, Miss.

#### GPSC ONLINE:

[www.psc.state.ga.us](http://www.psc.state.ga.us)



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**COMMISSIONERS**  
**Angela E. Speir, Chairman**  
**Robert B. Baker, Jr.**  
**David L. Burgess**  
**H. Doug Everett**  
**Stan Wise**

