



GPSC News

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Fall 2006

Hearings Set for Georgia Power Fuel Case

Fuel Case Proceedings

- *November 13 case filed
- *January 11 testimony filed
- *January 18 rebuttal filed
- *January 23 hearings
- *February 6 decision

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The Commission October 17 adopted a revised schedule of hearing and filing dates in the upcoming Georgia



Power Fuel Cost Recovery adjustment docket, 23405-U. Georgia Power is expected to file its latest fuel cost recovery figures on or about November 13, triggering a round of filings and hearings before the Commission that will conclude with a decision early next year. The

Commission approved schedule is as follows: November 13: Georgia Power files its case. January 11, 2007: Staff and intervenors file direct testimony. January 18, 2007: Georgia Power files its rebuttal testimony. January 23-24, 2007: The Commission holds

hearings on the Company's request. January 30, 2007: Parties must file all briefs and/or proposed orders. February 6, 2007: The Commission issues its decision.

Commission Rules in ERCO Worldwide Case

The Commission October 3 approved the request of ERCO Worldwide in Valdosta to transfer its retail electric service from Colquitt Electric Membership Cooperative to Georgia Power Company, Docket 23549-U. The Commission held a full hearing on this issue on September 20, 2006. ERCO Worldwide had applied to the Commission for the

transfer in August, 2006. In approving the transfer, the Commission accepted a finding that Colquitt EMC's rates were discriminatory but only in this docket. The Commission also accepted a number of findings recommended by the Commission staff: 1. The three party agreements between

ERCO, Colquitt EMC and Oglethorpe Power effectively caused Colquitt EMC to abandon ERCO and fail to provide adequate and dependable service. 2. Georgia Power will have the right to serve the ERCO facility for the life of the facility and the right to serve any new facilities at that lo-

(Continued on page 2)



Commission Submits Budget Requests

The Commission submitted its Amended Fiscal Year 2007 Budget and its Fiscal Year 2008 Budget Requests to the Office of Planning and Budget (OPB) on September 1.

This year's request seeks more than \$1 million in new funding to fill critical vacancies for energy regulation and to beef up enforcement staff in the Pipeline Safety/GUFPA Enforcement Section as well as Transportation.

Here are some of the Commission's budget highlights:

1. Base adjustment for Real Estate Rent charged in excess of our budget (\$54,500)
2. Transportation Enforcement: Add three Transportation Audi-

tors and one Program Operations Specialist in Utilities Regulation Program including IT programming and database costs.

2. Energy Regulation: Of these four vacancies in Utilities, hiring an economist and a financial analyst/accountant are at the top of our priority list. In addition, we are seeking to fill two Consumer Affairs vacancies.

3. Facilities Protection Program:

- A. Fill one Pipeline Safety Inspector vacancy in Facilities Protection Program for \$60,812 and add two Pipeline Safety Inspector positions at \$60,812

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each to meet federal staffing guidelines for a total cost of \$275,453

- B. Add four GUFPA Investigator positions to Facilities Protection Program for \$267,705.
- C. Add \$25,000 in Contracts enforce GUFPA civil penalties collections in the Facilities Protection Program
4. Administration Program: Fill two vacancies.

The Governor and OPB will make their budget recommendations to the legislature which will then pass out its version of the budget during the 2007 General Assembly.

Commission and Marketers Reach Agreement on Information Requests

The Commission staff and two natural gas marketers, Georgia Natural Gas (GNG) and SCANA Energy (for both its regulated and deregulated operations) reached an agreement October 17 on the staff's motions requesting that the marketers provide information regarding their gas procurement strategy and contracts utilized

to supply the natural gas commodity to their customers in Georgia.

GNG and SCANA agreed to provide the requested information and the Staff has agreed to sign an acknowledgement of its existing obligation to preserve the confidentiality of proprietary information under the Commission's Trade Secret Rule.

The agreement means that all of the certificated natural gas marketers in Georgia subject to the staff's request of February 6, 2006 have now agreed to comply with the request and submit the information to the Commission.



(Continued from page 1)

cation.

3. The Commission declares that opt out clauses such as that contained in the ERCO contract are contrary to public policy and in violation of the Territorial Act.

Colquitt EMC is ordered to file all rates, charges, service rules and regulations with the Commission including the three

party contract with ERCO.

Commission Chairman Stan Wise said, "This case was difficult but it is about economics and providing an opportunity for a customer to serve and stay in Georgia."

Commissioner Doug Everett said he could not support the finding of discriminatory rates but he supported the main decision in order to ensure that

ERCO Worldwide continues to provide an economic benefit for the state of Georgia.

ERCO Worldwide manufactures chemicals used in the production of paper products. It employs approximately 80 people and has a payroll of \$2 million.

The Commission ordered the transfer to take place no later than January 31, 2007.

Lower Green Power Premium Set

The Commission September 5 unanimously approved a reduction in the cost of the Green Power premium to \$4.50 for one block (100 kilowatt hours) for customers of Georgia Power and those customers in the former Savannah Electric territory in Docket 16573-U. The Commission had previously set the Green Power premium at \$5.50 per block for Georgia Power customers and \$6.00 per block for Savannah Electric customers. These lower rates will be consolidated into one rate in Georgia Power Company's next rate case proceeding, which is expected to be filed July 1, 2007. The Green Power pre-

mium is in addition to the regular charges for electric usage. The Commission first approved the Georgia Power and Savannah Electric Green Power program on July 15, 2003. The entirely voluntary programs will allow electric utility customers to purchase part of their electric power generated by renewable resources, such as landfill gas, solar, wind, limited hydro and limited biomass. Customers



must agree to participate in the program for a minimum 12-month period.

In 2001, the Commission directed Georgia Power and Savannah Electric to file proposed Green Energy Programs that would allow green energy to be purchased by its customers at an established price but would not impact bills of customers who chose not to participate.

The Commission also voted to increase the price Georgia Power Company pays for solar photovoltaic energy from 15¢ to 17.4¢ per kWh. This helps encourage the development of solar power in the state. The solar power is then sold as part of the Green Power Program.

Commission Accepts BellSouth/AT&T Merger

The Commission August 18 by a vote of 3-2 accepted the Commission staff recommendation to approve the proposed merger of AT&T, Inc. and BellSouth Corporation in Docket 22682-U. However, the Commission approved the merger subject to the following conditions required by Georgia law.

1. AT&T/BellSouth must con-

tinue to comply with all obligations of an incumbent local exchange carrier under Georgia law and the Telecommunications Act of 1995.

2. AT&T/BellSouth must request and receive permission before discontinuing any intrastate long distance service.

3. AT&T/BellSouth must report monthly to the Commis-

sion on its progress in developing stand-alone Digital Subscriber Line (DSL) Service.

4. AT&T/BellSouth must file documentation to prove that every Central Office in Georgia has been upgraded to be DSL capable.

The Commission will examine whether the penalty payments in the performance plan in

Docket 7892-U are adequate to provide the necessary incentives to BellSouth in the face of increased revenues resulting from the merger.

In addition, the Commission unanimously approved an amendment offered by **Commissioner David Burgess** that the Commission will begin a separate proceeding six months after the merger is

completed to examine the effects of the merger on Georgia and determine what, if any, actions should be taken.

The Commission, in a 3-2 vote, turned down motions to require the merged companies to offer stand alone DSL service.

The Companies filed their notice of merger with the Commission on March 31, 2006.

The Commission accepted briefs and heard oral arguments from all parties on August 8, 2006.

The U.S. Department of Justice has already approved the merger. The Federal Communications Commission is expected to act November 3.



Summer NARUC Meetings

The National Association of Regulatory Utility Commissioners (NARUC) held its annual summer meeting in San Francisco, California July 29 to August 2, 2006. Chairman of AT&T Ed Whitacre delivered the keynote address to a packed meeting room at the San Francisco Marriott.

Whitacre, whose company is acquiring BellSouth, told the gathered audience of state regulators, staff and utility representatives that the merger would mean more not less competition.

He said AT&T had launched two new services. One is a satellite based broadband ser-



Chairman Wise chats with AT&T CEO Ed Whitacre

vice in areas unable to have DSL. The second is fixed based wi-max.

He said the merger would create a "flagship" U.S. company that would be a leader for growth and innovation. He added that



Commissioners Baker and Speir look over the NARUC agenda

state commissions would continue to play an incredibly important role in the process.

The summer meeting also featured the roll out of a National Action Plan for Energy Efficiency.

Commission Supports Dig Safely

Commissioner David Burgess was on hand at the recent Georgia Utilities Coordinating Council (GUCC) meeting in Dillard, Georgia.

The GUCC receives voluntary support from its members who represent the utility, construction and transportation industries in the state of Georgia. It is made up of local utility coordinating committees which

were created to achieve increased communication between utility companies and the excavation community in the local communities.

Each year at the Fall conference, the safety committee recognizes outstanding individuals and companies in Georgia who promote, encourage and demonstrate safe digging practices.



Gary Mason, Commissioner David Burgess, Danny McGriff, and Digger Dog at the GUCC Conference

PSC Participates in Hispanic Safety Fair

The Facilities Protection Unit participated in the 1st annual Hispanic Contractors Association of Georgia's 2006 Safety Fair on September 23. The organizers held the fair to educate the construction community about safety regulations to help reduce construction related accidents and injuries on the job site. The fair brought

together general contractors, subcontractors, construction workers, suppliers, exhibitors, vendors, government and professional services representatives with more than 500 people in attendance. Exhibitors were on-hand to conduct tool demonstrations, safe excavation practices and proper utility locating procedures.



2006 Hispanic Contractors Association Safety Fair

Chairman Testifies Before Congressional Panels

Chairman **Stan Wise** testified September 13 before the House Energy Subcommittee on Energy and Air Quality and urged Congress to support the Nuclear Fuel Management and Disposal Act (H.R. 5360) and end delays in building the Yucca Mountain Nuclear Waste Repository. Wise appeared on behalf of the National Association of Regulatory Utility Commissioners (NARUC). In his testimony, Wise said, "We continue to be concerned with delays in progress on the repository program. In



the present fiscal year, \$750 million in fees are expected to be paid by utilities, from ratepayers, into the Fund, yet Congress appropriated only \$99 million for the same period. That means that 87 percent of

the fees collected are not being used for their intended purpose."

Wise also urged the Committee to oppose S. 2099, by Nevada Senator Harry Reid, that would authorize the Department of En-

ergy to take title of spent fuel in dry cask storage and maintain it at reactor sites for an unspecified period at a cost that is likely to be billions of dollars per year. "Keeping the waste on-site is not what the utilities and their rate-

payers have paid over \$25 billion for. The bill should be rejected," Wise said.

Wise called on lawmakers to move cautiously on any interim nuclear waste storage proposals. "We need to know more about the costs and benefits before we consider whether it is appropriate to use the Nuclear Waste Fund to pay for interim storage. Until H.R. 5360, or something like it, reforms the Nuclear Waste Fund appropriations process, a dollar

spent for interim storage is a dollar not available for developing the repository."

Chairman Wise also testified before the Energy and Water Appropriations Subcommittee on the future of nuclear energy.

Wise Named to State Energy Advisory Panel

Governor Sonny Perdue named **Chairman Wise** to the State Energy Advisory Panel which is charged with writing the

Comprehensive State Energy Plan. The group will adopt a plan on December 15 and then present it to the Governor.

Court Upholds Atmos Decision

A Fulton Superior Court judge upheld the Commission's decision in the 2005 Atmos Energy rate case. As of press time, Atmos had not decided whether to appeal the judge's ruling to a higher court.

2006 Bonbright Conference

The 2006 annual Bonbright Center Electric and Natural Gas Conference took place October 5-6 in Atlanta. **Commission Chairman Stan Wise** participated as a member of the State Commissioners Forum on Thursday, October 5. Other state officials on the panel were Arkansas Commission Chair Sandra Hochstetter, South



Chairman Wise on Bonbright Panel

Carolina Commission Chair G. O'Neal Williams, and Florida Commissioner Katrina Tew.

The theme of this year's conference was "Integrating Stakeholder Interests for a Brighter Energy Future."

The Bonbright Conference is sponsored by the University of Georgia Terry College of Business.

GUCC Fall Conference PSC Award Presentations

Pipeline Safety/Facilities Protection Manager **Danny McGriff** received special recognition at the 2006 GUCC Fall Conference in Dillard, Georgia on October 4. Danny received the "GUCC Outstanding Achievement Award" for his significant contributions in "Keeping Georgia Safe and Connected," and providing leadership in the reduction and prevention of damage through legislative, educational and enforcement efforts. Commission staff made its own presentations to acknowledge the contributions



that people in the industry have made in serving and protecting the people of Georgia as well as preserving our underground infrastructure. The following recipients were presented with the Pipeline/Facilities Safety "Award of Excellence" for their contributions. Neil Porter, BellSouth



Telecommunications, Jeff Baggett, City of Summerville, Mark Monroe, Georgia Power Company, Keith McEntire, STS, Inc. and David Lewis, BellSouth Telecommunications.

Speir Delivers Commencement Address

Commissioner Angela Speir delivered the commencement address June 25 at the Keller Graduate School of Management of DeVry University/Georgia graduation ceremonies at the Gwinnett Civic Center. Speir spoke to several hundred graduates who received masters and doctorate degrees.



Commission Hosts International Visitors

The Commission recently hosted two delegations of international visitors and briefed them on utility and energy regulation in Georgia. **Commissioners David Burgess and Doug Everett** on August 17 spoke to a group from Kazakhstan, a former part of the Soviet Union but now an independent republic in Asia.

Chairman Wise, Executive Director Deborah Flanagan and Electric Unit Director Sheree Kernizan briefed a group from Japan August 7 on the Commis-



Commissioners Burgess and Everett speak to group from Kazakhstan



Chairman Wise Greets visitors

ion's regulation of electric utilities.

Employee News deLancey Todd retires

Longtime Commission employee **deLancey Todd** decided to retire and spend more time with her grandkids and pursue the good life after 34 years in state government. Her fellow employees, friends and family gave deLancey a surprise retirement party August 31 to wish her farewell and good luck.

Her co-workers honored her with various "proclamations" and a letter of appreciation from Governor Perdue.



Commissioner Baker joins Dona Cucich in wishing deLancey farewell



deLancey's daughter and granddaughter joined her co-workers for the big send off.

The Regulators Run Again

Commission runners and supporters for the sixth consecutive year took part in the annual Kaiser Permanente Promina Corporate 3K Run/Walk on September 21. Special thanks to **Commissioner Wise** for sponsoring our wonderful t-shirts again this year. We also want to thank **John Kaduk** for serving as team captain this year.



The "Regulators" pose for the team picture before heading to Turner Field

Congratulations

Congratulations to **Monique Pringle** on her marriage September 2 to Abram Andrews. The couple were married at the Forrest Hills Resort in Dahlonega, Georgia and honeymooned in the north Georgia mountains.



Sympathy

Our sympathy goes out to **James Youngs** on the passing of his father-in-law, Vernon Cross. The funeral was held August 31, 2006 in Knoxville, Tennessee. We express our condolences to **Sheree Kernizan** on the tragic death of her brother-in-law, Ricky Greene on September 13, 2006. The funeral was held September 18, 2006 in Atlanta. Burial was in Mr. Greene's hometown of Sylvester, Georgia.

Open Enrollment

The annual Open Enrollment Period for the 2007 Plan Year ends on Thursday, November 9, 2006. This year, there will be a common website, www.oe2007.ga.gov, for you to make benefit selections for Flexible Benefits and the State Health Benefit Plan. The website will be available from 4:00 a.m. to midnight each day during Open Enrollment. The site shuts down at 4:00 p.m. on November 9, 2006. Follow the login instructions, using your SSN as your policy number. You will be directed to create a password. (Please keep a record of your password for future use.) After mak-

ing all selections, insure that information is correct and follow the instructions to confirm. You will be issued two confirmation numbers, one for Flexible Benefits and one for health insurance. Print both confirmation pages and keep for your records. As in previous years, you may re-enter the website any number of times to change options. However, you must remember to confirm whenever a change is made. (You will receive a new confirmation number.) For more information contact Human Resources.



Commission News

Georgia State Holidays For 2006

New Year's Day	January 2
Martin Luther King, Jr. Birthday	January 16
Confederate Memorial Day	April 24
Memorial Day	May 29
Independence Day	July 4
Labor Day	September 4
Columbus Day	October 9
Veterans Day	November 10
Thanksgiving	November 23
Robert E. Lee Birthday	November 24
Christmas	December 25
President's Day	December 26

Commission Calendar



November
7-Administrative Session
10-Holiday
16-Committees
21-Administrative Session
23-24-Holiday
30-Committees
December
5-Administrative Session
14-Committees
19-Administrative Session
25-26 Holiday
28-Committees

Commission Calendar

January 2007
1-Holiday
2-Administrative Session
11-Committees
15-Holiday
16-Administrative Session
23-24-Georgia Power hearings
February
1-Committees
6-Administrative Session
15-Committees
20-Administrative Session

NARUC
Annual Convention 2006
November 12-15, 2006
Miami, Florida

Winter Meeting 2007
February 18-21, 2007
Washington, D.C.

Summer Meeting 2007
July 15-18, 2007
New York City, New York

SEARUC
Annual Meeting 2007
June 3-6, 2007
Little Rock, Arkansas

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