



GPSC News

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Spring 2008

Marketer Accepts Settlement in Consumer Cases

GNG Settlement

- *100,000 customers to receive \$25 credit
- *\$2.5 million credit cap
- *Civil claims not prohibited
- *GNG will not object to new rulemaking

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Natural gas marketer Georgia Natural Gas (GNG) on March 6 accepted a settlement to resolve issues stemming from numerous consumer complaints about the marketer's variable rate plans. A majority of the Commission voted to accept the settlement proposed by Commission Chairman Chuck Eaton.

The terms of the proposal include:

- ✦ Affected GNG customers up to the first 100,000 will receive a \$25 credit if they switched to another GNG plan between December 1, 2006 and July 31, 2008. The total amount of credits will be

capped at \$2.5 million. If more than



100,000 customers qualify for the credits, the \$25 credit will be reduced accordingly.

- ✦ Any remaining funds not credited to customers would be disbursed as the Commission determines.
- ✦ All credits will be issued in August 2008.
- ✦ GNG will use bill inserts for two billing cycles no later than the May

2008 cycle to communicate to their legacy customers the opportunity for the credit and that they are offering other rate plans to which the customers may switch. GNG will not object to the Commission's issuance of a Notice of Proposed Rulemaking (NOPR) to require that

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Commission Approves Low Income Grants

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More than 26,000 low-income Georgia households on the Atlanta Gas Light Company (AGLC) system will be eligible to receive grants up to \$250 each to help pay their winter natural gas heating bills following the Commission unanimous approval February 21 of more than \$6.6 million in grant money to the Georgia Department of Human Resources (DHR). The

grants will be disbursed from the natural gas Universal Service Fund (USF). Only those customers on the AGLC delivery system will be eligible.

Commissioner Angela Speir, who made the motion to provide assistance, said, "The cost of natural gas has increased dramatically

over the last several years. This increase is a substantial problem for all consumers. But, it is especially difficult for low income consumers and senior citizens on fixed incomes. While the increases may be beyond our control, we do have the ability to help Georgia families and mitigate the problem using the

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2008 Legislative Report

The final gavel has fallen on the 2008 session of the Georgia General Assembly. The Legislature adjourned sine die on April 4.

The lawmakers did the one thing they had to do in this 2008 session, pass a budget for FY 2009, HB 990. The House passed the conference committee report overwhelmingly 151-4 while it sailed through the Senate 51-0. The budget gives the Commission an additional \$200,000 for subject matter experts, \$100,348 over the Governor's recommendation. While the conference committee cut back the \$360,822 the House put in, we managed to get the conference committee to

agree to this additional funding. Total state funding for the Commission will be \$10,348,009; including federal funds, the total funds are \$11,018,009. The final

budget includes a 2.5% pay raise for state employees and teachers and an additional pay package for law enforcement but the budgets



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cuts the state's contribution to employees' health insurance premiums, meaning state employees will be paying more for health insurance in 2009. The Governor has 40 days to sign it, use his line item veto or let it become law without his signature. The 40 day deadline is May 14.

In other action, lawmakers gave final passage to SB 379, the substitute to SB 408, the telecommunications uniform franchise fee application process. It now goes to the Governor's desk.

The session ended without any legislation for tax cuts or funding for transportation and trauma care.

Marketer Settlement

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marketers provide notice to existing customers when they create new pricing plans and when they retire existing plans. Nothing in the settlement prevents consumers from pursuing any civil claims they may have against the Company.

Commission Approves New Gas Marketer

The Commission April 1 approved the application of Stream Georgia (Stream) for a natural gas marketer certificate of authority, Docket Number 24849. Stream, an affiliate of its Texas based parent company SGE, has said it will rely upon the Multi-Level Marketing program of its affiliate Ignite to promote its

natural gas commodity sales service in Georgia. Stream becomes the 13th currently certificated natural gas marketer in Georgia.



Grants

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USF. Assisting low-income residential consumers in times of emergency is one of the primary uses of the fund."

The Commission will also provide funds to cover the administrative costs incurred by the local Community Action Agencies in processing the applications. The administrative costs

will be 6.2% of the total grant or \$412,315 for a total USF disbursement of over \$7 million. DHR will continue to be required to file monthly financial reports to provide a detailed accounting of all funds used from the USF.

The Commission has disbursed more than \$59.1 million in refunds and grants to assist Georgia's natural gas low-income senior citizens and other low-income

citizens on the AGLC system since the advent of natural gas deregulation in 1998. Additionally, a total of \$117.8 million in total grants and refunds have been approved by the Commission to all natural gas customers on the AGL system since 1998.



Georgia Power Files New Fuel Case

The Commission is reviewing the Georgia Power Company request for an increase in its fuel cost recovery rates filed February 29 with the Commission. Following hearings this spring, the Commission will issue a decision on the request in May.

Here are some facts about the Georgia Power fuel cost recovery rate case:

The Company is seeking an increase of \$222 million in rates to recover its increased costs for fuel, primarily coal, used to generate electricity. If approved, this request would increase the average residential customers' monthly bill by an estimated \$2.82. Georgia law allows electric utilities to recover their fuel

costs, prudently incurred, on a dollar for dollar basis. The utilities are not allowed to make a profit on their fuel costs.

Georgia law requires the Commission to issue a decision on the Company's request within 90 days of the Company's filing. The last time the Company requested a fuel cost rate increase was in January 2007. In that case, Georgia Power sought an annual increase of \$416 million in revenues. Ultimately, the Commission accepted a staff recommendation to approve a stipulation with the Company that reduced the Company's request by \$44 million.

The filing and hearing schedule for this case is:



A SOUTHERN COMPANY

April 15, 2008 – Commission staff and intervenors file testimony

April 22, 2008 – Company files rebuttal testimony

April 29 and 30, 2008 – Commission conducts hearings

May 9, 2008 – All parties file proposed orders

May 20, 2008 – Commission issues its decision during Regular Administrative Session.

Commission Sets Hearing into SCANA Allegations

The Commission will hold hearings late this spring into allegations by the Commission staff that natural gas marketer SCANA Energy (SCANA) violated state law and Commission rules. A majority of the Commission voted March 6 to hold the hearings into allegations stemming from numerous consumer complaints about the marketer's variable rate plans.

The vote follows the marketer's rejection of a proposed settlement adopted by the Commission on March 4, 2008.

The hearings, known as a Rule Nisi proceeding (or show cause hearing) will take place according to the following schedule:

✦ April 22, 2008—Commission staff pre-files testimony

✦ May 7, 2008—Intervenors

file testimony

✦ May 19, 2008—Rebuttal testimony filed

June 17 through June 18, 2008—Hearings



Atmos Energy Rate Case Hearing Schedule

The Commission April 1 adopted a procedural and scheduling order for the upcoming Atmos Energy rate case, Docket Number 27163. The Company filed its request to increase its rates on March 20. According to the filing, the Company is seeking an increase in its base rates of

\$6.1 million annually or about \$4.70 on the average customer's monthly bill.

The schedule for hearings and filings is as follows:

June 30-July 2– Company direct testimony

August 12-13– Staff and intervenor testimony



September 3-4—Company rebuttal testimony

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Wise Applauds Approval of Cell Tower Policy

Commissioner Stan Wise applauds the Commission's approval February 5 of the Georgia Power Company (Company) policy to allow telecommunications companies to place communications facilities, such as cellular telephone antennas, on the Company's electric transmission facilities. Commissioner Wise first called for Georgia Power to explore the formation of this policy in December 2006. "I am extremely pleased that the Commission has approved this program that will have societal benefits as well as provide revenue that could be used to benefit ratepayers," said Wise.

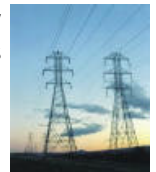


The policy establishes procedures that allow Georgia Power to recover costs associated with leasing space for wireless communications facilities on its transmission facilities while at the same time protecting ratepayers' interests. Ratepayers would receive half of any revenues from the co-location of telecommunications facilities. "This policy will ensure that ratepayers are treated equitably and that all Company personnel are properly trained in safety

procedures," added Commissioner Wise.

There are currently co-location programs operated by 12 utilities in 11 states: California, Delaware, Florida, Illinois, Maryland, North Carolina, Nevada, New York, Ohio, South Carolina, and Tennessee.

Commissioner Wise was first elected to the Georgia Public Service Commission in 1995 and he previously served as Commission Chairman in 1997, 1999 and 2006. He is also a past President of the National Association of Regulatory Utility Commissioners (NARUC).



Commission Revises Natural Gas Rules

The Commission on February 5 on a 4-1 vote, approved a revised Commission rule that prohibits a certificated natural gas marketer from preventing consumers from switching their natural gas service to another marketer or provider. The rule is specifically aimed at ensuring that natural gas customers who live in apartments are not

prevented from switching marketers. (Docket Numbers 8044 and 15651)

The rule places restrictions and notification requirements on the natural gas marketers' ability to trade customers; clarifies the administrative procedures for certifying marketers; and expands the financial information each marketer must file

with the Commission on a quarterly basis.

The rule will take effect 20 days after being filed with the Georgia Secretary of State.



Commission Issues Limousine Safety Tips

Spring is in the air and with it comes planning for proms and graduations. The Commission is offering some helpful advice for Georgians who may be hiring limousines for these events.

Be aware of illegal limousine companies. Under current Georgia law (O.C.G.A. §46-7-85.3

and 46-7-

85.4) all limousine companies are required to be registered and have proof of insurance on file with the Commission. A list of the licensed companies can be found on the Commission's



website:

<http://www.psc.state.ga.us/transportation/limodata>.

Chauffeurs who drive for licensed limousine carriers are required to have permits which are only issued to drivers that work for limousine companies approved by the

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Staff Visits Plant Vogtle

Fourteen Commission staff members visited the Alvin W. Vogtle Electric Generating Plant March 14 in Waynesboro, Georgia to get a close look at one of the two nuclear power electric generating facilities in Georgia. The plant is operated by Southern Nuclear Services Company and is co-owned by Georgia Power, Oglethorpe Electric Generating, Dalton Utilities and the Municipal Electric Authority of Georgia. The staff visited the reactor control room, the turbine generator room and then took a driving tour around the facility. Plant Vogtle has been in operation since 1987 when Unit 1 went on line. Unit 2 went on line in 1989.



Staff in front of a cross section of the reactor containment walls.

Georgia Power is currently evaluating bids for its 2016 power generation needs. Southern Company signed an agreement April 8 with Westinghouse Electric to design and build two new nuclear units at the Plant Vogtle site. Georgia Power will submit the nuclear bid on May 1. The Commission would conduct hearings in late 2008 or early 2009.



The 540 foot tall cooling towers at Plant Vogtle



The two reactor containment buildings at Plant Vogtle

Atmos Energy

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By law the Commission must issue a decision in this case within six months of the company's filing. The Commission will issue its decision at a Special Administrative Session on September 17, 2008.

Limousine Tips

(Continued from page 4)

Commission and who have successfully completed a criminal history investigation from the Georgia Department of Driver Services. A carrier operating illegally will not have the Commission's required proof of insurance and a chauffeur working for an illegal carrier may not have passed the mandatory background investigation.

When making your reservations always get a written confirmation. As a reminder, contact the company a few days prior to the scheduled event to confirm the arrangements. Remember that the Commission no longer regulates the rates charged by limousine companies so shop around for the most competitive price.

University of Georgia Faculty and Students Visit



The Commission hosted forty University of Georgia students and their professors from the University's College of Family and Consumer Sciences February 12. **Com-**

missioners Chuck Eaton and Angela Speir greeted the UGA delegation and explained the Commission's operations. The delegation visit was a result of the College's participation in

the Natural Gas Collaborative program. Dr. Jorge Atilas, Associate Dean of the College, led the UGA delegation visit.

Georgia Power Inks Contract on Nuclear Power Plant

Georgia Power Company announced April 9 that it had signed a contract with Westinghouse Electric Company to build two nuclear reactors at its Plant Vogtle site near Augusta, Georgia. The Company will file its bids for the next generation of base load capacity on May 1.

Commissioner Stan Wise noted that, "Given the global

run on fossil fuels and the corresponding high prices, I am pleased that Georgia Power is keeping the option of nuclear generation open through the Westinghouse contract to potentially build two nuclear reactors. If you believe carbon emissions from fossil fuels contribute to global climate change and you recognize the long term limitations of natural gas, you have to

embrace nuclear power as a means of meeting our energy needs and accommodating economic development.

Despite our efforts towards renewable and green power, Georgia is a growth state and we have to ensure we have a diverse energy mix that can meet our needs without relying too heavily on one energy source. other alternatives.

Commission Holds Hot Weather Disconnection Workshop

Commission staff and knowledgeable industry, medical and social service experts gathered March 20 to take part in a workshop to discuss the rules for hot weather electric utility disconnections. The Commission approved emergency disconnection rules last summer following several

days of record high temperatures over 100 degrees.

Assistant Consumer Affairs Director Mike Nantz (shown at the podium at right) said, "The workshop was successful in gathering information to better advise the Commission on this very important issue."



Employee News

New Employees

Welcome to the following new employees who have joined the Commission:
Nancy Gibson, Attorney
Kelli Leaf, Attorney
Will Culbreath, promoted from TRC temp to Operations Analyst, Consumer Affairs
Michael Power, Consumer Affairs
William Oquendo, Consumer Affairs

Monica Girault-Saindon, GUFPA
Darren Dickenson, co-op
Russell Steen, IT



Get Well

We wish a speedy recovery to **William Morgan**, Transportation Unit, as he recovers from heart surgery. William underwent heart surgery in early April at St. Joseph's hospital. He is doing well but there is no date set for his return to the Commission.



Sympathy

Our sympathy goes to **Sheree Kernizan**, Director Electric Unit, on the passing February 24 of her grandmother, Charity King. Our condolences to **Will Culbreath**, Consumer Affairs, on the death of his father March 14. We extend our sympathy to **Earnest Whatley**, Internal Consultants, on the passing of his father L.A. Whatley on February 9.

Births

Cadence Ann Kaduk was born March 4 at 1:35 pm, weighing 8 lbs. 1oz. She is the daughter of **John Kaduk**, Utility Analyst, Electric Section, and Mom, Katie. Parents and baby are doing fine.



Farewell

We bid farewell and good luck to the following folks who have moved on: **John Tucker** resigned February 15 to return to private law practice. John was an administrative attorney in the Transportation Unit. **Katrina Bond** resigned April 11. Katrina was a utility analyst in the Natural Gas Section.



Retirement Celebration

Best wishes to **Tim Hopkins** who retired March 31 following 30 years service with the Commission. Tim latest position was as Utilities Finance Director. He started his state career at the PSC in 1977.



Tim's family joins him at the Commission celebration of his retirement



Tim's cake for his send off.

Commission News



Georgia State Holidays For 2008

Commission Calendar



New Year's Day	January 1
Martin Luther King, Jr. Birthday	January 21
Confederate Memorial Day	April 28
Memorial Day	May 26
Independence Day	July 4
Labor Day	September 1
Columbus Day	October 13
Veterans Day	November 11
Thanksgiving	November 27
Robert E. Lee Birthday	November 28
Christmas	December 25
President's Day	December 26

May

6-Administrative Session
15-Committees
20-Administrative Session
29-Committees

June

3-Administrative Session
12-Committees
17-Administrative Session
17-18 SCANA hearing
26-Committees
30-Atmos hearing

Commission Calendar

July

1-Administrative Session
10-Committees
15-Administrative Session
31-Committees

August

5-Administrative Session
12-13 Atmos hearings
14-Committees
19-Administrative Session
28-Committees

NARUC

Summer Meeting 2008

July 20-23, 2008
Portland, OR

Annual Convention 2008

November 16-19, 2008
New Orleans, LA

Winter Meeting 2009

February 15-18, 2009
Washington, D.C.

SEARUC

Annual Meeting 2008

June 1-4, 2008
Savannah, Georgia

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