

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE
STATE OF MISSISSIPPI**

MISSISSIPPI POWER COMPANY
EC1200009700

DOCKET NO. 1992-UN-059

IN RE: NOTICE OF MISSISSIPPI POWER COMPANY OF ITS 2021 ECO FILING
PURSUANT TO THE COMPANY'S ENVIRONMENTAL COMPLIANCE
OVERVIEW PLAN

ORDER APPROVING STIPULATION

This matter is before the Mississippi Public Service Commission ("MPSC" or "Commission") on the Stipulation filed on June 2, 2021 ("Stipulation") by and between the Mississippi Public Utilities Staff ("Staff") and Mississippi Power Company ("MPCo" or "Company") in the above referenced docket, purporting to resolve all pending issues related to MPCo's February 12, 2021 filing ("2021 ECO Filing") pursuant to its Environmental Compliance Overview Plan ("ECO"). The Commission approves the Stipulation (attached hereto as Exhibit "A") in full and hereby finds as follows:

INTRODUCTION

1. MPCo is a public utility as defined in Section 77-3-3(d)(i) of the *Mississippi Code of 1972, as amended*, and is engaged in the business of generating, transmitting and distributing electric power to and for the public for compensation in twenty-three (23) counties of southeast Mississippi, having its principal place of business at Gulfport, Mississippi. The Company's mailing address is Post Office Box 4079, Gulfport, Mississippi 39502-4079.

2. MPCo is the holder of a Certificate of Public Convenience and Necessity issued in Docket No. U-99, as supplemented from time to time, authorizing its operations in specified areas of the twenty-three (23) counties of southeast Mississippi and is rendering electric service in

accordance with its service rules and regulations and in accordance with schedules of rates and charges, all of which are a part of its tariff that has been previously approved by order of this Commission.

3. MPCo is a Mississippi corporation. A copy of its corporate charter, articles of incorporation, the names and addresses of its board of directors and officers, the name of all persons owning fifteen percent (15%) or more of its stock, and a copy of its current balance sheet and income statement are on file with this Commission.

PROCEDURAL HISTORY

4. MPCo submitted its 2021 ECO Filing on February 12, 2021 ("2021 ECO Filing"). Notice of the 2021 ECO Filing was given to all parties of record in the above-referenced docket.

5. MPCo's 2021 ECO Filing identified projected expenditures of \$18,876,655 for capital items, \$34,871,523 in cost of removal items, \$0 in preliminary survey and investigation ("PS&I") costs, and \$10,026,617 in operations and maintenance ("O&M") costs on environmental projects. These projected expenditures yielded a 2021 revenue adjustment equal to a decrease of \$8,861,249.

6. Following the Company's 2021 ECO Filing, the Staff propounded numerous data requests related to the 2021 ECO Filing as a part of its extensive investigation. The Company has fully answered and complied with the Staff's requests and has met with the Staff to furnish additional information. The Staff has also regularly reviewed the Company's ECO filings since the Environmental Compliance Overview Plan was created by the Commission.

7. On June 2, 2021, the Staff and the Company entered into the above referenced Stipulation in this docket, which is attached as Exhibit "A".

8. On June 8, 2021, the Commission held a public hearing on MPCo's requested rate adjustment in this docket. Staff presented the Stipulation and the Company's witnesses were made available for questions from the Commission and Staff.

JURISDICTION AND SUFFICIENCY OF THE FILING

9. The Commission finds that it has jurisdiction over the parties and subject matter in this proceeding. The Commission further finds that the filings, notice, data, documentation and exhibits to this Docket submitted by MPCo with its 2021 ECO Filing comply with all of the requirements of the ECO Rate Schedule and Mississippi law. Therefore, for good cause shown, this Commission waives any other filing requirements as prescribed by this Commission's Rules and not provided by the Company.

10. The Commission, having reviewed the Stipulation, the Company's filing, and having considered the information presented at the hearing finds that there is substantial evidence in this proceeding to support the Stipulation. This Commission further finds that the Stipulation entered into between the Staff and the Company, filed with this Commission, and attached hereto complies with this Commission's Rules and Mississippi law, and is just and reasonable and in the public interest. The Commission hereby approves MPCo's 2021 ECO Filing, as revised by the Stipulation, which is summarized below:

- a. 2021 Total Retail Environmental Investment of \$363,377,692;
 - b. 2021 Retail Specifically Allowed Environmental Expense of \$7,145,311;
- and
- c. 2021 Total Retail ECO revenue decrease of \$8,861,249.

11. The Company will adjust the current-year true-up adjustment to exclude \$949.51 representing certain contested ECO related items.

12. All actual costs included in the 2021 ECO revenue requirement calculation, as revised by the Stipulation, are reasonable and prudent and should be included in rate base and rates for ECO. The budgeted amounts for investment, expenses, and revenues are just and reasonable for ratemaking purposes. The adjustments to the 2021 ECO revenue requirement exhibits required by this Stipulation are not large enough to impact the total revenue requirement being sought from customers in 2021; only the true-up adjustment amount will change.

APPROVED ECO FACTORS

13. The stipulated 2021 Revised ECO Factors are as follows:

<u>RATES</u>	<u>PER kWh</u>
LPO	\$0.006564
LGS/LGS-EH	\$0.006689
ALL OTHER	\$0.006847

The above 2021 ECO Factors, when approved, will result in a decrease of \$0.95 per month in the bills of a residential customer utilizing 1,000 kWh per month beginning with the first billing cycle of July 2021.

IT IS, THEREFORE, ORDERED that the Stipulation between MPCo and the Staff is hereby adopted by this Commission as if fully set forth herein and that the approved 2021 ECO factors set forth herein shall be the lawful rates of the Company under Rate Schedule ECO-2 beginning with the first billing cycle of July, 2021 and continuing thereafter until changed by subsequent order of the Commission.

This Order shall be deemed issued on the day it is served upon the parties herein by the Executive Secretary of this Commission who shall note the service date in the file of this Docket.

COMMISSION VOTE

Chairman Dane Maxwell	Aye <u>X</u>	Nay _____
Commissioner Brent Bailey	Aye <u>X</u>	Nay _____
Commissioner Brandon Presley	Aye <u>X</u>	Nay _____

SO ORDERED by this Commission on this the 6th day of June, 2021.

MISSISSIPPI PUBLIC SERVICE COMMISSION



Dane Maxwell
DANE MAXWELL, CHAIRMAN

Brent Bailey
BRENT BAILEY, COMMISSIONER

Brandon Presley
BRANDON PRESLEY, COMMISSIONER

ATTEST: A TRUE COPY

Katherine Collier
KATHERINE COLLIER, EXECUTIVE SECRETARY

Effective this the 6th day of June, 2021

FILED

JUN 02 2021

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE
STATE OF MISSISSIPPI**

**MISS. PUBLIC SERVICE
COMMISSION**

MISSISSIPPI POWER COMPANY
EC1200009700

DOCKET NO. 1992-UN-059

IN RE: NOTICE OF MISSISSIPPI POWER COMPANY OF ITS 2021 ECO
FILING PURSUANT TO THE COMPANY'S ENVIRONMENTAL
COMPLIANCE OVERVIEW PLAN

STIPULATION

This stipulation is entered into by and between the Mississippi Public Utilities Staff ("Staff") and Mississippi Power Company ("MPC" or the "Company") pursuant to RP 13 of the Mississippi Public Service Commission's ("Commission") Public Utilities Rules of Practice and Procedure ("Rules"), and MPC's Environmental Compliance Overview Plan ("ECO").

The Staff has had the benefit of full discovery as prescribed by Mississippi law and the Rules. The Staff has conducted an extensive investigation of the Company's filing and has had the benefit of substantial amounts of data produced in discovery, including having access to confidential information related to the Company's operations. The Staff has also regularly reviewed the Company's ECO filings since the Environmental Compliance Overview Plan was created by the Commission, as discussed in greater detail below:

This stipulation is entered into as a result of the filings and supporting documentation submitted by the Company in this Docket as well as the extensive discussions and information exchanged between the Staff and the Company.

It is hereby stipulated and agreed as follows between the Staff and MPC.



JURISDICTION AND SUFFICIENCY OF THE FILING

1. The Staff and the Company agree that the Commission has jurisdiction over the parties and subject matter in this proceeding.

2. The Staff and the Company agree that the filings, notice, data, documentation and exhibits to this Docket submitted by MPC with its 2021 ECO Filing comply with all of the requirements of the ECO Rate Schedule and Mississippi law. The Staff and the Company further agree that there is substantial evidence to support each and every stipulation made herein and to approve the Company's filing in this docket, as modified by this stipulation.

2021 ECO FILING

3. MPC submitted its 2021 ECO filing on February 12, 2021 ("2021 ECO Filing"). MPC's 2021 ECO Filing identified projected expenditures of \$18,876,655 for capital items, \$34,871,523 in cost of removal items, \$0 in PS&I costs, and \$10,026,617 in O&M on environmental projects. These projected expenditures yielded a 2021 revenue adjustment equal to a decrease of \$8,861,249.

4. The primary drivers of the revenue decrease requested in the Company's 2021 ECO Filing were the change in the amortization schedule of certain regulatory assets and liabilities.

5. Following the Company's 2021 ECO Filing, the Staff propounded numerous data requests related to the 2021 ECO Filing as a part of its extensive investigation. The Company has fully answered and complied with the Staff's requests and has met with the Staff to furnish additional information.

SETTLEMENT TERMS

6. Following the submission of pre-filed testimony, the Staff and MPC began discussing outstanding issues in an attempt to simplify the issues for the Commission and obtain admissions or stipulations that would avoid unnecessary proof. This Stipulation represents the agreement between MPC and Staff concerning MPC's 2021 ECO Filing. In an effort to resolve the differences between the Parties, both MPC and the Staff agree to the following terms.

7. The Company will adjust the current-year true-up adjustment to exclude \$949.51 representing certain contested ECO related items.

8. Based upon the testimony filed in this Docket, the Staff and MPC hereby stipulate and agree that all actual costs included in the 2021 ECO revenue requirement calculation, as revised by this Stipulation, are reasonable and prudent and should be included in rate base and rates for ECO.

In addition, the Staff reviewed the projected amounts contained in the 2021 ECO Filing, and believes the budgeted amounts for investment, expenses, and revenues are just and reasonable for ratemaking purposes. The adjustments to the 2021 ECO revenue requirement exhibits required by this Stipulation are not large enough to impact the total revenue requirement being sought from customers in 2021; only the true-up adjustment amount will change. The Staff and the Company, therefore, stipulate to the revised 2021 ECO revenue requirement calculation summarized below:

- a. 2021 Total Retail Environmental Investment of \$363,377,692;
- b. 2021 Retail Specifically Allowed Environmental Expense of \$7,145,311; and

c. 2021 Total Retail ECO revenue decrease of \$8,861,249.

9. The 2021 Revised ECO Factors, which have been reviewed by the Staff are as follows:

<u>RATES</u>	<u>PER kWh</u>
LPO	\$0.006564
LGS/LGS-EH	\$0.006689
ALL OTHER	\$0.006847

The above 2021 ECO Factors, when approved, will result in a decrease of \$0.95 per month in the bills of a residential customer utilizing 1,000 kWh per month beginning with the first billing cycle of July 2021.

OTHER PROVISIONS

10. The Company in entering into this Stipulation, does not agree that any contested items are imprudent, unreasonable, or that they should be disallowed.

11. The Staff and the Company understand and expressly agree that, except as previously stated, the stipulations made herein are for the purpose of this proceeding only and shall not apply to or be used as precedent in any other proceeding of MPC or any other utility.

12. It is agreed that this stipulation is expressly conditioned upon acceptance by the Commission of all its provisions. It is also specifically understood and agreed that this stipulation is interdependent, non-separable and that if the Commission does not accept this stipulation in its entirety, neither the Staff nor MPC will be thereafter bound by any of its provisions.

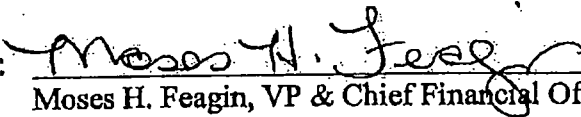
13. Both the Staff and Company agree that the changes proposed in this Stipulation are just and reasonable-and in the best interest of the customers, the Company and the general public.

SO STIPULATED, this the 2nd day of June, 2021.

MISSISSIPPI PUBLIC UTILITIES STAFF

By: 
Sally Doty, Executive Director

MISSISSIPPI POWER COMPANY

By: 
Moses H. Feagin, VP & Chief Financial Officer