MISSISSIPPI LEGISLATURE

By: Senator(s) Seymour

To: Energy

## SENATE BILL NO. 2393

1 AN ACT TO AMEND SECTIONS 77-2-1 AND 77-2-9, MISSISSIPPI CODE 2 OF 1972, TO REVISE THE POWERS AND DUTIES OF THE PUBLIC UTILITIES 3 STAFF BY REMOVING LANGUAGE PROVIDING FOR THE CONSIDERATION OF THE 4 INTERESTS OF THE PUBLIC UTILITIES; AND FOR RELATED PURPOSES. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 5 SECTION 1. Section 77-2-1, Mississippi Code of 1972, is 6 7 amended as follows: 8 77-2-1. There is hereby established a Public Utilities 9 Staff, which shall be completely separate and independent from the 10 Public Service Commission and the Public Service Commission staff. Such staff shall consist of the personnel positions of the 11 12 executive director, the economic and planning division, legal 13 division, engineering division and accounting division with a 14 State Personnel Board organizational code of twenty thousand (20,000) or larger which were formerly authorized and appropriated 15 under the provisions of Section 77-3-8, Mississippi Code of 1972. 16 17 The executive director shall establish the organizational structure of the staff, and shall have the authority to create 18 19 units as deemed appropriate to carry out the responsibilities of S. B. No. 2393 ~ OFFICIAL ~ G1/219/SS36/R371 PAGE 1 (tb\rc)

20 the staff. The Public Utilities Staff shall represent the broad 21 interests of the State of Mississippi by \* \* \* representing the 22 respective concerns of the residential, commercial or industrial ratepayers, and the state and its agencies and departments \* \* \*. 23 24 The staff shall consist of a sufficient number of professional, 25 administrative, technical, clerical and other personnel as may be necessary for the staff to perform its duties and responsibilities 26 27 as hereinafter provided. All such personnel shall be 28 competitively appointed by the executive director and shall be 29 dismissed only for cause in accordance with the rules and 30 regulations of the State Personnel Board. All equipment, 31 supplies, records and any funds appropriated by the Legislature to 32 the Public Service Commission for and on behalf of the Public 33 Utilities Staff shall be transferred to such staff on September 1, The Public Utilities Staff shall be funded separately from 34 1990. 35 the Mississippi Public Service Commission. Any appropriated funds 36 to the Public Utilities Staff shall be maintained in an account separate from any funds of the Public Service Commission and shall 37 38 never be commingled therewith.

Notwithstanding any provision of this chapter to the contrary, the personnel positions of the data processing division and the gas pipeline safety division of the Public Utilities Staff shall be the Public Service Commission staff positions authorized under Section 77-3-8, and shall be under the control and supervision of the Public Service Commission from and after March

S. B. No. 2393 **~ OFFICIAL ~** 19/SS36/R371 PAGE 2 (tb\rc) 45 15, 1991. However, the Public Service Commission staff shall 46 continue to provide at no cost administrative support in the 47 nature of data processing and bookkeeping to the Public Utilities 48 Staff in order to avoid duplication of services.

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This section shall stand repealed on July 1, 2022.

50 SECTION 2. Section 77-2-9, Mississippi Code of 1972, is 51 amended as follows:

(1) The executive director shall have general 52 77-2-9. 53 charge of the operations and administration of the Public 54 Utilities Staff. It shall be the duty and responsibility of the 55 executive director to supervise and manage the offices and 56 personnel on the Public Utilities Staff and formulate written 57 policies and procedures for the effective and efficient operation 58 The executive director shall be responsible for hiring thereof. persons on the staff who meet established qualifications for 59 60 comparable positions of duty and responsibility. The Public 61 Utilities Staff as formerly created in Section 77-3-8, Mississippi Code of 1972, which consists of the Economic and Planning 62 63 Division, Legal Division, Engineering Division, Accounting 64 Division and Administrative Services Division, and has a State 65 Personnel Board organizational code of twenty thousand (20,000) or 66 larger, is abolished from and after August 31, 1990. All such former employees shall be eligible to be rehired by the executive 67 68 director for positions on the Public Utilities Staff created pursuant to Section 77-2-1. Such former employees shall not, by 69

S. B. No. 2393 ~ OFFICIAL ~ 19/SS36/R371 PAGE 3 (tb\rc) 70 virtue of abolishing such staff, lose any vacation or sick leave 71 benefits previously accrued and, if rehired, shall continue 72 vacation and sick leave as if they had not been terminated. For a 73 period of one (1) year after July 1, 1990, the personnel actions 74 of the Public Utilities Staff shall be exempt from State Personnel 75 Board procedures in order to give the Public Utilities Staff 76 flexibility in making an orderly, effective and timely transition 77 to the mandated reorganization.

(2) The following personnel and members of the Public Utilities Staff shall be competitively appointed by the executive director and shall have at least the knowledge, skills and abilities set forth herein. These requirements shall not be waived, and possession thereof shall be certified by the State Personnel Board:

(a) A chief engineer who is a graduate licensed 84 85 engineer and who has a thorough knowledge of engineering 86 principles as applied to the design, construction, operation, 87 maintenance and expansion of utility facilities and rate structure 88 determination. The chief engineer shall possess a thorough 89 knowledge of techniques and practices of public utility service 90 and regulation and shall have the ability to evaluate same and to 91 formulate accurate conclusions therefrom.

92 (b) A certified public accountant who possesses a
93 thorough knowledge of standard accounting procedures, techniques
94 and systems with specific reference to the utility industry. Such

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95 accountant shall be experienced in public utility accounting and 96 shall have a thorough knowledge of the financial and 97 organizational structure of public utility companies to include 98 knowledge of the methods by which financing of major additions and 99 extensions to utility operations is acquired.

100 (C) A director of economics and planning who holds at 101 least a bachelor's degree in economics and possesses a thorough knowledge of the principles and techniques of economic and 102 103 financial research and statistical analysis. The director of 104 economics and planning shall have a thorough knowledge of the sources of economic, financial and statistical information and the 105 106 methods of utilizing these sources, as well as considerable 107 knowledge of capital markets with specific reference to utility 108 financing. This employee shall be experienced in conducting analyses of the utility industry, the economy, cost of money, 109 110 availability and cost of fuel and energy and other related matters 111 within the authority of the commission.

(d) Supportive technical personnel consisting of rate analysts, accountants, inspectors and statisticians as authorized and appropriated by the Legislature.

(e) A general counsel, who shall be a member of The Mississippi Bar, shall have practiced law for a minimum of five (5) years and who shall possess considerable knowledge of utility regulation generally and of the case law, statutory law and the common law relating thereto.

120 (3) It shall be the duty and responsibility of the Public121 Utilities Staff by and through the executive director to:

(a) In uncontested matters review, investigate and make appropriate written recommendations to the commission with respect to the reasonableness of rates charged or proposed to be charged by any public utility and with respect to the consistency of such rates with the public policy of assuring an energy supply adequate to protect the public health and safety and to promote the general welfare;

(b) Review, investigate and make appropriate written
recommendations to the commission with respect to the service
furnished or proposed to be furnished by any utility;

(c) When deemed necessary by the executive director, in the broad public interest of the State of Mississippi, the using and consuming public, and the public utilities, make written recommendations and reports to the commission regarding all commission proceedings affecting the rates or service of any public utility;

(d) When deemed necessary by the executive director, in the broad public interest of the State of Mississippi \* \* \* and the using and consuming public, \* \* \* petition the commission to initiate proceedings to review, investigate and take appropriate action with respect to the rates or service of public utilities. Receipt of such petition shall be spread on the minutes of the Public Service Commission. The commission shall, within thirty

S. B. No. 2393 **~ OFFICIAL ~** 19/SS36/R371 PAGE 6 (tb\rc) (30) days of receipt of such petition, spread upon its minutes and forward to the Executive Director of the Public Utilities Staff a response detailing actions taken or proposed to be taken;

(e) When deemed necessary by the executive director, in
the broad public interest of the State of Mississippi \* \* \* and
the using and consuming public, \* \* \* make written recommendations
and reports to the commission regarding all certificate
applications filed and provide assistance to the commission in
making the analysis and plans required;

(f) When deemed necessary by the executive director, in the broad public interest of the State of Mississippi \* \* \* and the using and consuming public, \* \* \* make written recommendations and reports to the commission regarding all proceedings wherein any public utility proposes to reduce or abandon service to the public;

(g) Make studies with respect to standards, regulations, practices or service of any public utility; however, the Public Utilities Staff shall have no duty, responsibility or authority with respect to the enforcement of natural gas pipeline safety law, or the federal railroad safety laws, rules or regulations;

(h) When deemed necessary by the executive director, in
the broad public interest of the State of Mississippi \* \* \* and
the using and consuming public, \* \* \* make written recommendations
and reports to the commission regarding all commission proceedings

170 with respect to transfers of franchises, mergers, consolidation
171 and combination of public utilities;

(i) When deemed necessary by the executive director, in
the broad public interest of the State of Mississippi \* \* \* and
the using and consuming public \* \* \*, review and investigate
contracts of public utilities with affiliates or subsidiaries;

(j) When deemed necessary by the executive director, in the broad public interest of the State of Mississippi \* \* \* and the using and consuming public, \* \* \* advise the commission with respect to regulations and transactions;

(k) When deemed necessary by the executive director, in the broad public interest of the State of Mississippi \* \* \* and the using and consuming public, \* \* \* review and make recommendations to the commission on all miscellaneous uncontested filings;

(1) Advise the Public Service Commission in writing as to the broad public interest of the State of Mississippi \* \* \* and the using and consuming public, \* \* \* in all major rate cases and automatic adjustment clauses;

(m) When deemed necessary by the executive director, in the broad public interest of the State of Mississippi \* \* \* and the using and consuming public, \* \* \* review and investigate the justness and reasonableness \* \* \* to \* \* \* the public \* \* \* of rates charged or proposed to be charged by any public utility, the

S. B. No. 2393 **~ OFFICIAL ~** 19/SS36/R371 PAGE 8 (tb\rc) 194 rates of which are subject to regulation under the provisions of 195 this chapter; and

(n) Accumulate evidence and other information from
public utilities and other sources as required or as may be
requested by the Public Service Commission.

(4) The Executive Director of the Public Utilities Staff
shall employ the resources of the staff to furnish to the
commission, in a timely and expeditious manner, such information
and reports or conduct such investigations and provide such other
assistance as may be required in order to enforce the laws
providing for the regulation of public utilities.

(5) All written recommendations and reports provided to the Public Service Commission from the Public Utilities Staff shall bear the signature of the executive director, who shall maintain a record thereof, including the date such recommendation or report was submitted to the commission.

(6) In no event shall the duties and responsibilities of the
Public Utilities Staff be exercised with regard to matters not
within the jurisdiction and powers of the Public Service
Commission.

214 (7) This section shall stand repealed on July 1, 2022.
 215 SECTION 3. This act shall take effect and be in force from
 216 and after July 1, 2019.

S. B. No. 2393 19/SS36/R371 PAGE 9 (tb\rc) ST: Public Utilities Staff; revise powers and duties with respect to the interests of the utilities.