

FILED

MAY 16 2024

DOCKET# 41559
DOCUMENT# 218747

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**DOCKET NO. 41559: IN RE: ATLANTA GAS LIGHT COMPANY'S ECON-1
TARIFF**

FINAL ORDER APPROVING ATLANTA GAS LIGHT COMPANY'S PETITION TO APPROVE AN ECON-1 PROJECT FOR CHATHAM COUNTY TO SERVE CUSTOMER IN PORT WENTWORTH

I. Background

On October 10, 2017, the Commission approved Atlanta Gas Light Company's ("AGLC") Economic Development Tariff ("ECON-1 Tariff") as part of efficiency changes to AGLC's customer growth initiatives. The ECON-1 Tariff was approved for large economic development projects with economic development parameters based on customer class, capital investment, new jobs created, and new gas load. The tariff allows up to \$15 million a year for Econ-1 Tariff projects. The Company would need to file any proposed projects with the Commission for approval. The Commission reserves the right to bring projects forward that are outside the parameters of the tariff and that are beyond the \$15 million per year limit.

On August 28, 2023, the Commission approved changes to the ECON-1 tariff. ECON-1 projects were approved to be recovered through a surcharge mechanism similar to the i-CDP's SRR rider. This uses a known and approved recovery mechanism to recover the ECON-1 rate base. By October 1st of each year, AGL will file a petition with the Commission requesting a proposed update to the surcharge dollar amount, if necessary. There will be supporting information included in the filing. In keeping with base rates and past surcharge programs, including the SRR, the ECON-1 Rider rate recovery for each rate class shall be as follows:

- a. R-1, G-10, AG-1, and S-51 Customers shall be charged an amount equal to the approved ECON-1 rate.
- b. G-11 Customers shall be charged an amount equal to three times the approved ECON-1 rate.
- c. G-12 Customers shall be charged an amount equal to 25 times the approved ECON-1 rate.

The Staff will make a recommendation on the proposed surcharge amount, and the approved new rate will take effect on January 1st of each year.

The proposed changes to the ECON-1 Tariff provide quarterly reporting to be filed with the Commission just as the SRR reporting requirements. This will allow the Commission Staff an opportunity to review the status of the approved projects and the tracking of the recovery of the surcharge for any imbalances to cost and recovery.

Another proposed change to the ECON-1 Tariff involves raising the maximum annual funding from \$15 million per year to **\$25 million** per year. This will allow greater flexibility in pursuing important ECON-1 projects in Georgia.

II. Port Wentworth Project

On February 7, 2024, AGL filed the Port Wentworth Project (“Project”) to serve new customers in Chatham County as a 2024 ECON-1 project. As part of the Port Wentworth Project, AGL has plans to serve a commercial development, which would include a fire station, recreational park, and an ice hockey rink intended to be the home arena of the Ghost Pirates Hockey Club. The hockey rink, or skating rink, will also provide ice skating recreational opportunities for the residents of Port Wentworth. Additionally, plans indicate that the recreational park will include soccer and baseball/softball fields with concessions. AGL has indicated potential future developments to construct a police station and additional retail establishments in the commercial development.

AGL stated that the Project qualified for approval under Section 3.C. of the ECON-1 Tariff as a Customer in the G-11 rate class. The estimated total customer capital investment amount for this project is \$50,000,000. It was expected that this Project would add approximately 45 jobs to the local community, with more jobs expected in the future, which is a significant economic development for this region of Georgia. The Company reasonably anticipates that the tax base for this project will be \$104,000. The Project will add a connected load on a Firm basis of approximately 12,000 dekatherms per year.

AGL proposed to tie-into an existing regulator station located at the intersection of SR 21 and SR 30 in Port Wentworth and install approximately 10,000 feet of 6” plastic (MAOP 60 psi) along SR 21, SR 30, and the yet to be named road traversing through the commercial development to serve the fire station, ice rink, recreational park, and future businesses. AGL estimated that this project can be completed at an estimated cost of approximately **\$1,261,515**.

III. Staff's Analysis

A. Project Analysis

This project filing was unique in that a municipal entity, the City of Port Wentworth, was listed as the organization requesting service. As part of the Staff review, the minimum filing requirements (“MFR”) in the ECON-1 tariff for the G-11 class were compared to the information filed by AGL. As provided in **Table-1** below, the Port Wentworth Project met the requirements for consideration as an ECON-1 project. AGL had stated that the Project was for the City of Port Wentworth for a fire station and park. They also stated that the Ghost Pirates Hockey Club would have a skating rink. When reviewing the MFR’s, the City of Port Wentworth was listed, but the Ghost Pirates Hockey Club was not listed.

On February 29, 2024, the Staff filed its 16th Set of Data Requests to gather additional information as part of the Staff’s due diligence. On March 25, 2024, AGL filed its responses. As part of the response to STF-16-1, AGL stated that Port Wentworth was contributing \$50 million in capital investment for the fire station and park. The Ghost Pirates Hockey Club is expected to contribute \$30 million to the construction of the skating rink. Where AGL had listed 12,000 dekatherms annually, the STF-16-1 listed 9,278 dekatherms for the fire station, the park had no numbers, and the skating rink listed 120,000 dekatherms.

The Staff researched local news articles and found that the skating rink will be a 90,000 square foot facility. It will serve as a practice facility for the Ghost Pirates and will also cater to the community in youth programs.

The Staff found that the MFR’s for the Project were whole and complete.

Table-1: AGLC’s Econ-1 Tariff Section 3(C)

ECON-1 3(C): G-11/12 Project Check List Port Wentworth Project	Included in Filing Yes or No	Staff Review
i. Capital investment, other than by the Company, in excess of \$1 million in new facilities or expansion of existing facilities with a purchase of new equipment; and	Yes	\$50,000,000
ii. Add a net of at least 10 new jobs within six months of taking gas service; and	Yes	45
iii. Subject to the circumstances at the time of the application, reasonably anticipates an increased tax base by at least \$20,000 per year; and	Yes	\$104,000
iv. Add connected load on a Firm basis of 10 dekatherms a year.	Yes	12,000

ECON-1 Tariff Section-4: MFR's Required	Included in Filing Yes or No	Staff Review
4. Qualification Prior to the acceptance of an Econ-1 Project, the Company must review each Applicant's line extension project under Rule 7, Rule 8, and the Georgia Sustainable Environmental and Economic Development Program to determine if one or more of these tariff provisions are adequate for the Applicant's line extension project and shall further seek and obtain Commission approval for each Econ-1 Project. As part of the filing, the Company shall include the following:	Yes	1.1 million
(a) A detailed description of the project to include under which portion of the tariff the project qualifies, county name, size and type of pipe, estimated cost, estimated number of jobs created, and estimated dekatherms of new gas load added.	Yes	10,000 feet of 6-inch Plastic Pipe
(b) An affirmative statement by the Company that the project complies with the Econ-1 tariff requirements; and	Yes	
(c) Detailed estimated cost of the project in Excel.	Yes	\$1,261,515
(d) A map of the proposed project.	Yes	

B. Funding Analysis

The annual funding limit for ECON-1 projects is **\$25 million** a year. On December 27, 2023, the Commission approved the Athens-Clark County ECON-1 project in the amount of **\$1,321,203**. This provided a remaining 2024 balance of **\$23,678,797**. As seen in **Table-2** below, if the Port Wentworth Project were approved, the remaining 2024 ECON-1 funding balance would be **\$22,417,282**.

Table-2: ECON-1 Funding

Projects	Estimated Cost	2024 Balance
	Annual Approval Cap	\$25,000,000
Athens-Clark County Project	\$1,321,203	\$23,678,797
Port Wentworth Project	\$1,261,515	\$22,417,282

IV. Commission Decision

During the May 7, 2024 Administrative Session, the Commission approved the Port Wentworth Project with an estimated dollar amount of \$1,261,515.

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V. Ordering Paragraphs


WHEREFORE IT IS ORDERED, that the Commission approves AGL's petitions in Docket No. 41559 as filed for the Port Wentworth Project with an amount of \$1,261,515.

ORDERED FURTHER, that all findings, conclusions, statements, and directives made by the Commission and contained in the foregoing sections of this Order are hereby adopted as findings of fact, conclusions of law, statements of regulatory policy, and orders of this Commission.


ORDERED FURTHER, that a motion for reconsideration, rehearing, oral argument, or any other motion shall not stay the effective date of this Order, unless otherwise ordered by the Commission.

ORDERED FURTHER, that jurisdiction over this matter is expressly retained for the purpose of entering such further Order or Orders as the Commission may deem just and proper.

The above by action of the Commission in Administrative Session on the 7th day of May 2024.


Sallie Tanner
Executive Secretary

5-16-24
Date


Jason Shaw
Chairman

5-16-24
Date