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## Georgia Public Service Commission

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**For Immediate release**

**NEWS RELEASE**

**13-12**

### **Commission Approves Decertification of Three Georgia Power Plants; Approves Purchase Power Agreements**

ATLANTA, March 20, 2012 – The Georgia Public Service Commission (Commission) today by a 4-1 vote approved Georgia Power’s request to decertify, that is, remove from service, two coal fired electric generation plants at Plant Branch in Putnam County, Georgia and one oil fired generation unit at Plant Mitchell in Mitchell County in southwest Georgia. Georgia Power filed its application in Docket Number 34218 to remove these plants due to pending U.S. Environmental Protection Agency regulations. Commissioner Echols voted no on the proposal.

The decision allows the Company to replace the generation from these plants with energy from three Purchase Power Agreements known as PPAs. The PPAs will allow the Company to purchase additional generation from three Southern Power Company generation plants (Harris, West Georgia and Dahlberg).

Commissioner Stan Wise moved to accept the Commission’s Advisory Staff recommendation on the issues in this Docket. Wise said, “The outcome today was appropriate. Electric customers will continue to receive an adequate supply of energy and it will be a cleaner product. I also applaud the Advisory staff recommendation as a reasonable recommendation which this Commission has mostly agreed to.”

The Commission also allowed the Company to recover an additional sum of \$2.30 per kilowatt hour per year from customers in order to recover the cost of using the PPAs to provide additional generation. The Company is authorized under Georgia law to recover this cost. (O.C.G.A. §46-3A-8) The Company will recover through its rates the approved or actual cost, whichever is less, of purchase of any certificated long-term PPA as well as the additional sum.

The additional sum takes effect in 2019 which is four years past the date when the 2015 PPA generation becomes a part of the Company's resource mix. The purpose of the additional sum is to encourage the Company to seek long-term power purchases in lieu of self-build projects.

Finally, the Commission also approved the Company’s request to initiate construction of pollution controls at the Company’s Plant Bowen Units 1 through 4, Plant Wansley Units 1 and 2, and Plant

Hammond Units 1 through 4. The Company must make regular updates to the Commission as construction proceeds.

The Commission held three rounds of hearings in this Docket: on October 20, 2011, on December 5, 2011 and on February 13, 2012.

For more information, use the Docket Search function on the Commission website, [www.psc.state.ga.us](http://www.psc.state.ga.us) , and enter Docket Number 34218.

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