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NEWS RELEASE

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Georgia Public Service Commission Votes on Two Solar Energy Topics.

ATLANTA, November 20, 2012—Today, the Georgia Public Service Commission (PSC) voted on two issues that impact solar energy development in Georgia.

The first item was Commission approval of Georgia Power Company's Advanced Solar Initiative to add 210 MWs of solar power to its generation mix. This initiative is comprised of 90 MWs of distributed generation (both small scale projects up to 100kW and medium scale projects ranging from 100kW to 1MW) and 120 MWs of utility scale projects (up to 20 MWs each). The Commission accepted the Company's pricing of \$0.13 per kWh for the distributed generation and bids up to \$0.12 per kWh for the utility scale projects. The Commission modified the Company's plan by tripling the amount of distributed generation from 30 MWs to 90 MWs, and front-loading the schedule. Instead of spreading the 90 MWs over three years, the capacity additions will be made over two years beginning in 2013. Any unsubscribed distributed generation can be contracted in the third year. For the utility scale projects, Georgia Power will issue an RFP for 60 MWs in early 2013 and again in 2014 with commercial operation dates of January 1, 2015 and January 1, 2016, respectively. Commissioner Stan Wise quoted a Bloomberg New Energy Finance article that 210 MWs of solar PV, "would be the largest solar initiative in the Deep South and the biggest ever *voluntary* solar solicitation in the U.S.," and this "non-mandated solar generation might put *downward* pressure on the utility's rates" in a state without policy support. The vote was unanimous.

The Commission also considered a request by Georgia Solar Utilities (GaSU) to become a monopoly solar utility. The Georgia Territorial Electric Service Act of 1973 presents certain barriers to GaSU's business plan, so the PSC did not grant GaSU's request for the right to undertake utility scale solar development and to serve retail customers in Georgia. Instead Commissioner McDonald made a motion, modified by Commissioner Everett, for the Commission to recognize the potential benefit to ratepayers of new solar technology and to support efforts of solar utilities to pursue legislative amendments to remove barriers to expanding

the deployment of solar power in Georgia. Commissioner McDonald stated "solar energy provides an outstanding opportunity to supplement our fossil and nuclear power sources, and because of the rising costs of coal, solar energy has become competitive with fossil fuels. Studies continue to show that Georgia has a significant amount of solar potential, and I believe that it is in the best interests of Georgians that this Commission take appropriate actions to encourage parties to bring innovative solutions for our consideration." His motion passed on a vote of 3 to 2.

"Moving solar forward makes sense as the federal government imposes harsh regulations on coal," said Tim Echols, who voted for both solar measures. "Commissioner McDonald has been focused on growing solar and it paid off today."

For more information, use the Docket Search function on the Commission website, www.psc.state.ga.us, and enter Docket Number 36325 for GPC's Advanced Solar Initiative or Docket Number 36286 for Georgia Solar Utilities Inc.'s Request.

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