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NEWS RELEASE

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Georgia Public Service Commissioners Lower Fuel Rates for Georgia Power Company Customers

ATLANTA, November 29, 2012—Today, Georgia Public Service Commission approved lower fuel rates for Georgia Power Company's customers effective January 1, 2013. A residential customer using 1,000 kilowatt hours (kWh) of electricity for the month will save approximately \$2.60 in summer (June through September) and \$1.20 in winter (October through May).

Under Georgia law, Georgia Power is entitled to recover fuel costs associated with generating electricity and such costs are passed through to ratepayers without a profit. Any over- or under-recovery is trued up the next time fuel rates are set.

To prevent the fuel cost recovery imbalance from exceeding \$200 million, plus or minus, the Commission implemented the Interim Fuel Rider (IFR) mechanism last May. Since then natural gas prices have been lower than expected, so the IFR was triggered for the first time in mid-October, leading to the reduction approved today.

"We have low natural gas prices to thank for this rate reduction," said Chairman Tim Echols. "But I believe our investment in new nuclear will be our saving grace when gas prices rise again decades from now."

For more information about Docket No. 35277 you can go to the PSC website at www.psc.state.ga.us.

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