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## Georgia Public Service Commission

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**FOR IMMEDIATE RELEASE**

**17-13**

### **NEWS RELEASE**

## **PSC Approves Reduction in Georgia Power Rate Request; Increases Senior Citizen Discount**

ATLANTA, December 17, 2013 – The Georgia Public Service Commission (Commission) today unanimously approved a settlement in the Georgia Power Company (Company) rate case that will save electric consumers \$573 million over a three year period (based upon the Company’s initial requested amount.) It will also increase the Senior Citizen Discount by \$4 a month, keep electric rates affordable, protect reliability of service and allow the Company to recover the cost of compliance with federally mandated pollution controls. The Commission approved the settlement signed by the Commission’s Public Interest Advocacy Staff, the Company, and 11 of the 13 intervenors in the case in Docket 36989.

“This is an historic agreement,” said Commission Chairman Chuck Eaton. “This agreement protects our most vulnerable citizens while keeping electric rates just and reasonable.”

Commission Vice-chair Doug Everett said this agreement will benefit low income senior citizens and he is mystified why AARP, an organization that represents consumers age 50 and over, so strenuously objected to the proposed agreement. “The low income seniors will actually be getting a decrease in their rates in 2014. That’s the people they represent. Why is the AARP fighting a decrease for the very people they represent?,” added Everett.

Commissioner Stan Wise said for the first time in memory, nearly all the parties signed off on an agreement in a major rate case. “This agreement has an unprecedented number of intervenors who signed onto this stipulation with only a couple of exceptions. I think our (Commission) Staff is due great credit in resolving a number of the issues. Thanks to all the parties for lessening the impact of this very important decision,” said Wise.

Among the provisions contained in the settlement:

- Increases the monthly Senior Citizen Discount from a maximum of \$14 to \$18 a month for qualifying low income customers 65 years and older.
- Reduces the Company’s filed rate request by \$573 million over a three year period
- Lowers the Company’s Return on Equity to 10.95%.

- Sets an Earnings Band of 10 percent to 12 percent. Any earnings above 12 percent will be shared two-thirds with customers with the remaining one-third retained by the Company. The Company will not file a general rate case unless its earnings drop below 10 percent.
- Increases the average monthly residential rate by only \$2.19 effective January 1, 2014.
- Withdraws a proposed Supplemental Power Services Tariff, known as the “solar tariff.
- Allows the Company to implement an electric service pre-pay program for eligible customers in the second quarter of 2014.
- Provides for a three-year rate plan with new rates effective January 1, 2014. There will be an additional rate increase of \$3.61 per month on January 1, 2015 and of \$2.96 per month beginning on January 1, 2016.

Georgia Power filed its rate request on June 28, 2013. The Commission conducted three rounds of hearings in October and November in which the public and all parties participated.

The Georgia Public Service Commission is a constitutional agency comprised of five statewide elected officials that exercises its authority and influence to ensure that consumers receive safe, reliable, and reasonably priced telecommunications, electric and natural gas services from financially viable and technically competent companies.

Additional information can be found on the Commission web site, [www.psc.state.ga.us](http://www.psc.state.ga.us). Follow the Commission on YouTube at the [www.youtube.com/ThePSCGa](http://www.youtube.com/ThePSCGa).

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