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NEWS RELEASE

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COMMISSION APPROVES SELECTION PROCESS FOR GEORGIA POWER COMPANY'S 2015 DISTRIBUTED GENERATION PROGRAM

ATLANTA, March 17, 2015 -- The Georgia Public Service Commission ("Commission") today took another step forward in bringing renewable energy resources to Georgia Power customers by its unanimous approval of 100 Megawatts (MW) of Distributed Generation (DG) as part of Georgia Power's 2015 Advanced Solar Initiative (ASI) Program. Distributed Generation refers to power generated on site, usually at a site where it will be used and interconnects to the utilities' distribution system therefore reducing the need to transport the power elsewhere. This DG program is part of a total of 525 MW of solar capacity that was approved in Georgia Power's 2013 Integrated Resource Plan.

The Commission approved a motion by Commissioner Lauren "Bubba" McDonald that sets parameters on how projects will be selected, the pricing to be paid, and sets guidelines on how the DG projects will interconnect with Georgia Power's distribution system.

"This is just another step as we move toward a very solid plan for solar distribution in Georgia. All parties are taken care of, from customer sited to large utility scale," said McDonald.

"Georgia continues to provide leadership to the nation on how to do solar in a big way without a renewable portfolio standard," said Commissioner Tim Echols. "This last batch of 100MW will take us up to our Integrated Resource Planning period in 2016 where we will have the chance to evaluate our ASI methodology to see how we move forward from here."

McDonald's motion also divides the DG projects into three groups as follows:

- **Group A-** 40 MW will be allocated for projects greater than 1 MW but less than 3 MW and 10 MW will be allocated for projects sized 500 kilowatts (kW) to 1MW
- **Group B-** 40 MW will be allocated for projects greater than 100 kW but less than or equal to 500 kW for non-customer sited and 100kW to 1MW for customer sited projects
- **Group C-** 10 MW will be allocated for projects less than 100 kW

The proposals in Group A will be competitively bid with the Commission Staff and Georgia Power to finalize the bid evaluation process within 30 days. Group B will not be competitively bid but customer

sited projects will have first priority. A customer sited project must have a peak generating capacity that is less than or equal to 125% of the actual annual peak demand of the customer's premise. Any remaining MW will be allocated to non-customer sited projects using a lottery process. If the 10 MW available for Group C are not used, after 90 days, the remaining MW will be allocated to Group B, non-customer sited projects.

In addition, the application fee per project is reduced to \$3 per kW although the application fee of \$25 for residential customers will remain in place. To cover interconnection costs, projects selected through the bidding process will be required to pay \$75 per kW due upon execution of the power purchase agreement. Of this amount, \$25 per kW is designated as earnest money and shall be credited toward the interconnection costs. For projects not competitively bid, earnest money in the amount of \$25 per kW will be due within 21 days of a binding interconnection agreement. This earnest money will be credited toward the projects' interconnection costs.

The Georgia Public Service Commission is a constitutional agency that exercises its authority and influence to ensure that consumers receive safe, reliable, and reasonably-priced telecommunications, electric and natural gas service from financially viable and technically competent companies.

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