



Georgia Public Service Commission

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FOR IMMEDIATE RELEASE

NEWS RELEASE

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Commission Approves Continued Construction of Nuclear Power Plant Vogtle Project; *Reduces Company Revenue Requirement by \$1.7 billion*

ATLANTA, December 21, 2017 – The Georgia Public Service Commission today unanimously approved the continued construction of Georgia Power Company’s Plant Vogtle Construction project but with conditions that will reduce the Company’s revenue requirement by \$1.7 billion over the construction and operation of the plant. In its decision on the 17th Vogtle Construction Monitoring Report in Docket 29894, the Commission also ordered Georgia Power to give ratepayers \$75 in bill credits by the end of the third quarter in 2018. Commission Vice Chairman Tim Echols’ motion to impose these conditions received unanimous approval.

“We did not shirk our responsibility today,” said Chairman Stan Wise, “I believe these conditions are reasonable based on the filings and the discussions. I believe the fuel diversity and the longterm benefit that we will receive over the life of this project was the over riding factor in the Commission’s decision today.”

“My motion today with Commissioner Eaton’s amendment cut Georgia Power’s revenue requirement by \$1.7 billion, and this is real savings for ratepayers,” said Echols. “The revenue requirement is the amount due to the company from customers over a period of time and includes return on equity (profit), return of equity (depreciation), taxes, debt, expenses, and all costs that the company needs to collect from ratepayers. It is an ‘all in’ price and a reduction of revenue requirement of Vogtle over the construction and operation of the plant.”

Highlights of the Commission’s decision as part of the Echols’ motion are:

- The Commission determined that Plant Vogtle Units Three and Four should be completed.
- The Commission approved and verified \$542 million in expenditures on the Vogtle Construction project from January 1, 2017 through June 30, 2017.
- The Company will take a portion of the amounts received from the Toshiba Parent Guaranty and credit customers with three \$25 monthly credits to be received no later than the third quarter of 2018.
- The Commission approves and finds reasonable the Company’s revised schedule and cost forecast. The approved cost forecast will be reduced by the actual amounts of the Toshiba Parent Guaranty applied to the project’s construction in progress. This places the approved revised capital forecast at \$7.3 billion.
- The Company’s return on equity (ROE) used to determine the Nuclear Construction Cost Recovery (NCCR) tariff will be reduced. It will be reduced from 10% to 8.3% on January 1, 2020 and will be further reduced to 5.3% beginning January 1, 2021. The ROE was reduced from 8.7% to 8.3% on a friendly amendment by Commissioner Chuck Eaton.

- On a motion by Commissioner Echols, the Commission by a 3-2 vote authorized Georgia Power to develop a five (5) megawatt community solar facility on Company owned property next to Plant Vogtle.

A complete copy of Commissioner Echols is motion is available at:

<http://www.psc.state.ga.us/content.aspx?c=/commissioners/tim-echols/?tab=2>.

An editorial column by Commissioners Echols and Eaton is also available at:

<http://www.psc.state.ga.us/content.aspx?c=/commissioners/tim-echols/?tab=2>

The Alvin W. Vogtle Electric Generation Plant is a nuclear power electric generating plant near Waynesboro, Georgia with two units currently in operation. When fully operational, Units Three and Four now under construction will produce 2,200 Megawatts of electricity, enough to power about 500,000 homes. Plant Vogtle Units One and Two have been in commercial operation since 1987 and 1989 respectively.

The Commission certified Georgia Power's share of the construction cost of Plant Vogtle Units Three and Four on March 17, 2009 at \$6.114 billion. Georgia Power owns 45.7 per cent of Plant Vogtle with its partners, Oglethorpe Power Corporation, Municipal Electric Authority of Georgia and the City of Dalton Utilities.

The Georgia Public Service Commission is a five-member 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.

For more information on the Commission, see the Commission web site at www.psc.state.ga.us.

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