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NEWS RELEASE

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Commission Approves Settlement and the Combining of Vogtle Construction Monitoring Reports 20 and 21 *Along with the increase of funding for Commission Consultants to Monitor the Project*

ATLANTA, February 19, 2019 – The Georgia Public Service Commission today approved by a vote of 4-1 a settlement agreement in the Georgia Power 19th Vogtle Construction Monitoring Report for the reporting period of January 1, 2018 through June 30, 2018. This decision closes out the 19th Semi-annual Vogtle Construction Monitoring (VCM) Report in Docket 29849. Voting for the stipulation were Commissioners Lauren “Bubba” McDonald, Tim Echols, Chuck Eaton and Jason Shaw. Voting no was Commissioner Tricia Pridemore.

The settlement between the Commission’s Public Interest Advocacy (PIA) Staff and Georgia Power calls for combining the next two Vogtle Construction Monitoring (VCM) Reports. Georgia Power was originally scheduled to file its next report (VCM 20) at the end of February; however, the Company is in the midst of re-baselining the cost and schedule of the project and the re-baselining is not scheduled to be complete until April 2019. Under the settlement the Company will file a progress report on the re-base-lining no later than May 15, 2019. The Commission Staff and its consultants will file their own assessment of the re-baselining on July 31, 2019. The Company will file a combined VCM 20 and 21 on August 31, 2019.

As part of this decision, the Commission verifies and approves \$526.4 in expenditures by Georgia Power. This decision is not a ruling on whether the expenditures are prudent but only acknowledges that the Company has spent the funds on the project. An additional \$51.6 million which the Company requested be verified and approved in this proceeding is not approved at this time. This money is related to the Company’s Westinghouse bankruptcy proceeding. Today’s action does not constitute a disallowance and the Company may file for consideration in a future VCM proceeding along with any evidence or confirmation that the money was actually spent on the project.

The Commission also approved a modification of the Company’s allowance for Commission monitoring costs up to \$3.8 million to allow the Commission additional resources to monitor the project in light of the termination of the fixed price contract with Westinghouse and the resulting shift of more cost risk to ratepayers. This is an increase of \$2.1 million over the previous monitoring cost allowance. In addition, this sum will not be charged against or be part of the \$7.3 billion capital construction cost approved in VCM 17.

This additional funding will allow the Commission to better protect ratepayers by hiring additional consultants to independently monitor the Vogtle Construction Project and to more thoroughly analyze the Company’s cost and schedule for the project.

“These additional consultants, who have extensive experience in estimating, construction, and management of large scale construction projects including nuclear power plants, will work for the Commission only, not for

Georgia Power. They will provide the Commission with an independent assessment of the construction of the project. Electric customers throughout Georgia, whether served by Georgia Power or by its partners in the Vogtle project, will benefit from this robust and independent review of the cost and schedule,” said Commission Chairman Lauren “Bubba” McDonald.

“The \$2.6 million for additional consultants on the now \$16 billion total project capital cost for all the partners is appropriate and needed. This will help ensure that the project receives a high level of oversight so that ratepayers are not burdened with unnecessary expenses,” said Commissioner Chuck Eaton.

“With this decision we are a step closer to finishing this monumental clean energy project,” said Commission Vice-chair Tim Echols. “As our country inches towards putting a price on CO2 emissions, the Vogtle units are positioned to deliver billions in savings.”

The Company filed its 19th Vogtle Construction Monitoring Report on August 31, 2018. The Company filed testimony on October 28, 2018. The Commission held two hearings in this docket: on November 15, 2018 on the Company’s direct testimony and on December 18, 2018 on Commission staff and interested parties’ testimony.

Plant Vogtle is a nuclear power electric generating plant near Waynesboro, Georgia. 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, the Municipal Electric Authority of Georgia and the City of Dalton Utilities, who own the remaining 54.3 per cent.

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 visit our web site at www.psc.state.ga.us.

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