

GEORGIA PUBLIC SERVICE COMMISSION

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Lauren "Bubba" McDonald, Jr.
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LOW COST ELECTRIC STATES VOICE DEGREGLATION CONCERNS TO CONGRESS

WILLIAMSBURG, VIRGINIA -- Today, some 23 Public Utility Commissions of low cost energy states joined together to inform Congress of various concerns regarding electric restructuring. A letter sent to Congress earlier this month was released at a press conference in Virginia where the commissions gathered for a public utilities conference.

Currently, Congress has several bills relating to electric restructuring under consideration. As this debate has reached a national level, a majority of the low cost energy states have become concerned that several issues that directly affect them may not be given adequate consideration.

A letter addressing these concerns was sent by the utility commissions to Congress earlier this month for consideration. These low cost states are asking for the ability to determine whether electric restructuring is appropriate on a state by state basis without a federal mandate.

"In the state of Georgia, our rates are 16% below the national average. It would be inappropriate for Congress to mandate a one-size-fits-all approach that could put our ratepayers at risk," Georgia PSC Commissioner Stan Wise said at the press conference.

The letter states, "...We want to ensure that low cost states have a "National Voice" in the debate; that Congress understands how "Low Rates" serve consumers and states in a variety of ways; that "Rural Electricity Rates" are not disadvantaged; that "Stranded Costs" are given thorough consideration; and that "Economic Development" advantages are not eroded by restructuring.

The letter further states, "We do not want to impede the progress of any state that has decided to implement a competitive retail market in order to bring choice and lower electric rates to their consumers. We do, however, want to make sure that Congress gives equal consideration to the issues facing the low cost states."

The 23 state commissions include: Alabama PSC, Florida PSC, Georgia PSC, Idaho PUC, Indiana URC, Kentucky PSC, Louisiana PSC, Minnesota PSC, Mississippi PSC, Missouri PSC, Montana PSC, North Carolina Utilities Commission, North Dakota PSC, Oklahoma Corporation Commission, Oregon PSC, South Carolina PSC, South Dakota PSC, Tennessee Regulatory Commission, Utah PSC, Virginia State Corporation Commission, Washington Utilities and Transportation Commission, West Virginia PSC, and

Wisconsin PSC.

Of these 23 states, the average retail electricity price is 5.52 cents per kilowatt-hour, more than one cent below the national average of 6.87 cents per kilowatt-hour.

In Georgia, the average retail price is 6.06 cents per kilowatt-hour. Rates are expected to go even lower for Georgia Power customers starting in January. On December 18th, the PSC is expected to approve rate reductions of at least 7% (percent) for all Georgia Power customers.

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