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News Release

PSC Will Review Georgia Power Rate Case

Atlanta, July 1, 2004 — The Georgia Public Service Commission (Commission) will begin reviewing the Georgia Power Company (the Company) request for a rate increase filed today with the Commission. Following three rounds of hearings this fall, the Commission will issue a decision on the request in December.

Here are some facts about the Georgia Power rate case:

- Since 1991, the Commission has approved NO increases in Georgia Power's base rates. In fact, Commission decisions have lowered Georgia Power's rates and kept Georgia's electric rates lower than the national average.
 - The Commission cut Georgia Power's rates by \$1.2 Billion since 1998.
 - In 2001, the Company's traditional rate case asked for a \$103,000,000 annual base rate increase. The Commission approved a 3-year accounting order with an annual base rate decrease of \$118,000,000 – a difference of \$221 million per year.
 - In 1998, the Company's traditional rate case requested a \$61.7 million base rate increase. The Commission approved a 3-year accounting order with an annual base rate decrease of \$262 million – a difference of \$323.7 million per year – with an additional \$24 million reduction for years 2 and 3 – a difference of \$347.7 million per year from what the Company requested.
 - While Georgia Power's base rates have not increased since 1991, Georgia Power's revenue from retail sales increased by \$883 million between 1991 and 2003 due to increased electric usage.
 - The Commission must balance the right of the Company to earn a reasonable rate of return on its investment against the right of ratepayers to just and reasonable rates.
 - The Commission will put the proposed rates on hold, according to Georgia Law and conduct extensive hearings on the Company's request.
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- All interested parties including the public and consumers may comment during these proceedings. Hearings have been scheduled for September 20-23, October 25-27 and November 18-19, 2004. All hearings will be held at the Commission offices in Room 110 at 244 Washington Street, S.W. Atlanta, Georgia.

- After thoroughly reviewing all evidence in the record, the Commission will issue a decision in this rate case at its regular Administrative Session on December 21, 2004.

Citizens can find more information on the Georgia Power rate case by using the Docket Search function on the Commission website, <http://www.psc.state.ga.us>, and entering Docket Number 18300.

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