



**Contact: Bill Edge**  
Phone 404-656-2316  
Fax 404-656-3020

## **Georgia Public Service Commission**

244 Washington St., S.W.  
Atlanta, Georgia 30334  
Phone: 404-656-4501  
Toll free: 800-282-5813  
<http://www.psc.state.ga.us>

For immediate release

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### **News Release**

#### **PSC Approves Agreement in Savannah Electric Fuel Case**

Atlanta, November 10, 2005 – Low-income senior citizens who are customers of Savannah Electric and Power Company (Company) will see an increase in the discount on their electric bills following the Georgia Public Service Commission (Commission) approval today of an agreement in Savannah Electric's Fuel Cost Recovery Case. Under the terms of the agreement, low-income senior citizens will receive a \$6.00 fuel charge discount on their monthly bills. Combined with the low-income senior citizen base rate discount, this means low-income senior citizens would receive a \$20 total credit on their monthly electric bills.

The new fuel cost rate means the typical Savannah Electric residential customer using 1200 kilowatt hours per month will see about a 13 percent increase in their total electric bill beginning with the December billing cycle, an increase of \$15 a month. The new rate will allow the Company to collect total estimated fuel costs through November 30, 2006 of approximately \$196 million and to collect an under recovered balance of an estimated \$71.8 million over four years.

Other provisions of the agreement include:

- Nearly \$374,000 in costs has been removed from the Company's request.
- The Commission finds no evidence that any of the Company's fuel costs were imprudent or illegal.
- Collection of the under recovered balance of \$71.8 million will take place over a four year period.
- The Company will file a new fuel cost recovery request by January 17, 2006 to recover costs due to the increase in natural gas prices.

Commission Chair Angela Speir directed the Company to include a proposal for a discount for the low-income disabled in their next fuel case filing.

Commissioner David Burgess added that it is time to consider a possible merger of Savannah Electric and Georgia Power as one means to reduce the impact on Savannah Electric customers of recent hikes in the price of fuel.

The Company filed this request to increase its fuel rates on August 19, 2005. The Commission held a hearing on the Company's request on October 24, 2005. More information on this issue is found on the

Commission website, [www.psc.state.ga.us](http://www.psc.state.ga.us) under Docket Number 21229-U.

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