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## Georgia Public Service Commission

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**FOR IMMEDIATE RELEASE**

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### NEWS RELEASE

### PSC Will Review Georgia Power Rate Case

ATLANTA, June 29, 2007 – 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:

- The Company is asking for a \$406 million increase in its revenue requirement and a 12.5% return on equity (ROE) for 2008. Under the Company's request, a 1000kWh a month residential customer's base rates would go up \$6.67 per month.
- The Company's request includes recovery of environmental compliance costs mandated by federal and state laws.
- The last time the Company requested a rate increase was in 2004. In that case, Georgia Power had sought an annual increase of \$328 million in revenues. After extensive hearings, the Commission ultimately reduced the Company's rate request by \$134 million, setting rates using an ROE of 11.25%.
- 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 (of which \$113,000,000 was a refund to ratepayers of previously over-collected funds) – 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.
- The Commission must balance the right of the Company to have an opportunity to earn a reasonable rate of return on its investment against the right of ratepayers to just and reasonable rates.
- At its Tuesday July 3, 2007 Administrative Session, the Commission will set the hearing schedule for the current rate case. The hearing dates proposed by the Commission Staff are:
  - October 1-4, 2007, Hearings on the Company's Direct testimony
  - November 5-8, 2007, Hearings on the Staff and Intervenor's Direct testimony
  - November 29-30 and December 3, 2007, Hearings on the Company's Rebuttal testimony

More information on this issue can be found on the Commission website, [www.psc.state.ga.us](http://www.psc.state.ga.us), under Docket Number 25060.

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