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For IMMEDIATE RELEASE

NEWS RELEASE

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PSC Cuts Georgia Power Company Request for Fuel Cost Increase

ATLANTA, May 20, 2008 – The Georgia Public Service Commission (Commission) today approved new rates for Georgia Power Company (Company) which will allow the utility to pay for forecasted fuel prices for the year beginning June 1, 2008 as well as recover fuel costs that have been under collected since approval of fuel rates in the past year.

A majority of the Commission voted 3-2 to accept a staff recommendation to approve a proposed Stipulation with the Company that reduces the Company's request by \$7.1 million.

The Commission decision means the average monthly bill for a residential consumer using 1,000 kilowatt hours will increase by \$2.93.

The Commission delayed a decision on implementing seasonally adjusted fuel cost rates until the Seasonal Working Group issues its recommendations.

The Company's filing in Docket Number 26794 sought an increase in fuel costs of \$222 million over the Company's previously budgeted amount. Georgia law allows electric utilities to recover their fuel costs, prudently incurred, on a dollar for dollar basis. The utilities are not allowed to make a profit on their fuel costs.

You can find more information on this issue on the Commission web site, www.psc.state.ga.us under Docket Number 26794.

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