



Contact: Bill Edge
Phone 404-656-2316
www.psc.state.ga.us

Georgia Public Service Commission

244 Washington St S.W.
Atlanta, Georgia 30334
Phone: 404-656-4501
Toll free: 1-800-282-5813
(outside metro Atlanta)

FOR IMMEDIATE RELEASE

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NEWS RELEASE

PSC Approves Agreement to Resolve Georgia Power Company 2010 Integrated Resource Plan

ATLANTA, July 6, 2010 – The Georgia Public Service Commission (Commission) today approved by a 4-1 vote a stipulated agreement to resolve all issues in the Georgia Power Company (Company) 2010 Integrated Resource Plan (IRP) filing in Docket 31081 and Application for Certification of its Demand Side Management (DSM) Plan in Docket 31082. The plan will ensure that Georgia Power customers have an adequate and reliable electric supply, establish measures to conserve energy, and promote alternate energy supplies.

“Georgia has to look to the future,” said Commission Chairman Lauren “Bubba” McDonald, Jr., “We are making decisions that affect millions of Georgians, ensuring that we have reliable electric service so we do not experience brownouts in extreme weather conditions and promoting economic growth and development.”

Georgia law requires the Company to file an updated IRP every three years which details how it will supply the state’s electric generation needs.

Under the stipulation the Company and the Commission Public Interest Advocacy staff reached agreement on the following issues:

- The Company will be allowed to develop a portfolio of solar demonstration projects up to one megawatt in size.
- Certifies seven of the Company’s proposed nine DSM programs with many of Staff’s modifications to those programs. These modifications not only increase the energy savings but also practically double the dollars savings at minimal additional costs, and therefore greatly improve the cost effectiveness of these programs. The energy savings that should result from these programs will benefit each and every one of the Company’s ratepayers. While these programs are not designed to reach the potential identified in some studies, their achieved energy savings will help to lead Georgia out of the bottom of national and regional comparisons on energy efficiency.
- The Company agrees to update its estimate of the cost of Expected Unserved Energy, which has not been updated since 1992 and prepare a revised reserve capacity margin based on this estimate. This information will assist the Company and the Commission in ensuring that the consumers have access to reliable and reasonably priced electric service.

- Requires a new mix study to show the effect of potential new federal regulations on fossil fuel generation. This study may lead to additional coal plant retirements beyond the retirements identified in the Company's filing. This study or studies are underway as part of the ongoing 2015 solicitation for new generation sources because any potential plant retirements could affect the need for new generation resources in this solicitation.
- This compromise results in an additional sum that provides for an equitable sharing of the benefits between the ratepayers and Georgia Power, and is adequate to provide the Company with a meaningful incentive to ensure that the energy efficiency programs are cost-effective and hopefully successful, while still protecting the ratepayers from paying an excessive incentive.
- Consideration of site specific biomass conversion of certain coal units.

More information on this issue can be found on the Commission website, www.psc.state.ga.us, under Dockets Number 31081 and 31082.

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