



Georgia Public Service Commission

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NEWS RELEASE

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FOR IMMEDIATE RELEASE

PSC Adjusts Rates for Georgia Power Company *Cuts Company's Rate Request; Approves Settlement*

ATLANTA – December 21, 2010 –The Georgia Public Service Commission (Commission) today by a 4-1 vote approved a settlement agreement in the Georgia Power Company rate case docket that adjusts the Company's base rates beginning January 1, 2011. The Company, the Commission's Public Interest Advocacy Staff, and eight other parties in the case all signed off on the settlement that will mean an average increase of about \$10.76 in the average residential customer's monthly bill.

Other items in the settlement include:

- Sets the Company's return on equity (ROE) at 11.15 percent
- Sets an earnings band between 10.25 percent and 12.25 percent. Any earnings above 12.25 percent will be shared two-thirds with customers.
- The Company will not file a general rate case unless its retail earnings are projected to be below 10.25 percent
- Increases base rate revenues by approximately \$562.3 million for 2011
- Provides for a three-year rate plan for a total base rate revenue increase of \$844.6 million

Georgia Power filed a request on July 1, 2010 with the Commission to increase its base retail rates by \$1.2 billion over three years. During this rate proceeding, the Commission held three rounds of hearings in Atlanta as well as additional meetings for public input in Macon, Rome and Savannah. Any change in rates will take effect January 1, 2011. Georgia law requires the Commission to issue a decision on any new proposed rates within 180 days of the Company's filing.

The Commission decided the last Georgia Power rate request on December 18, 2007 in Docket 25060.

More information can be found on the Commission web site at www.psc.state.ga.us under Docket Number 31958.

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