



Summer 2013



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GPSC News

Volume 12 Issue 3

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Commission Issues Decision in Georgia Power Integrated Resources Plan

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The Commission July 11 approved by a 4-1 vote a stipulated agreement to resolve all issues in the Georgia Power Company (Company) 2013 Integrated Resource Plan (IRP) in Docket 36498 and Application for Certification of Its Demand Side Management (DSM) Plan in Docket 36499.

The Commission also approved by a vote of 3-2 a motion proposed by Commissioner Lauren "Bubba" McDonald, Jr., that Georgia Power include in this IRP an additional 525 Megawatts (MW) of new solar generation. The amended



Commissioners discuss the Georgia Power IRP as the news media listen

motion requires that 260 MW be brought online by 2015 and 265 MW by 2016. The new solar generation will be

composed of 100 MW of distributed generation and 425 MW of utility scale solar and will re-

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Commission to Review Georgia Power Rate Case Filing

The Commission is reviewing the Georgia Power Company (Company) request for an increase in its base rates filed with the Commission on June 28 in Docket Number 36989. The Commission will begin the first round of hearings on the Company's request on October 1, 2013 and hold addi-

tional hearings on November 5, 2013 and on November 25, 2013. The Commission is scheduled to issue a decision on the request on December 17, 2013. Georgia law (O.C.G.A. §46-2-25) requires the Commission

to issue a decision on the Company's rate request five months from the effective date of the proposed new rates.

In making its request, the Company is required to file a traditional general rate case. It is also given the option to propose an Alternative Rate Plan. According to the Company's filing,

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Commissioner News

Commissioners Lauren "Bubba" McDonald, Jr. and Doug Everett attended the National Association of Regulatory Utility Commissioners 2013 Summer Committee Meeting in Denver, Colorado July 21-24.

Commissioner McDonald is Vice-Chair of the Nuclear Waste Subcommittee of the Electric Committee which held a very informative session on the current situation with regards to federal plans to dispose of the nation's commercial nuclear waste.



Commissioner McDonald looks over the Nuclear Waste Subcommittee discussion at NARUC

If you have a story for the next GPSC News, please send to Bill Edge, bille@psc.state.ga.us. Next issue deadline is October 15, 2013.

McDonald Named to Executive Committee of the Nuclear Waste Strategy Coalition

Commissioner Lauren "Bubba" McDonald, Jr. has been named to the Executive Committee of the Nuclear Waste Strategy Coalition. NWSC Executive Director Katrina McMurrian said, "I think you all know and appreciate Commissioner McDonald and his contribution on nuclear waste issues over a number of years. On behalf of the NWSC membership, we are thankful for his leadership and willingness to serve on the NWSC Executive Committee."

Commission Considers Georgia Power Rate Filing

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its traditional rate case would be an annual increase of \$280 million. If approved, this would be approximately a \$4.55 monthly increase for the average residential customer using 1,000 kilowatt-hours per month. With a traditional rate case, the Company would have the right to file for additional rate increases at any time in

the future.

The Company has proposed that, instead of a traditional rate case, the Commission approve a three-year Alternative Rate Plan with a one-time annual increase in its retail rates of \$482 million. This request, if approved, would be approximately a \$7.84 monthly increase for the average residential customer using 1,000 kilowatt-hours per month.

The proposed rates would take effect on January 1, 2014. The Commission decided the last Georgia Power rate request on December 17, 2013 in Docket 31958.

At its May 21, 2013 Administrative Session, the Commission set the filing and hearing schedule for this case filed in Docket Number 36989. The schedule is:

- October 1-3, 2013 – Hearings: Georgia Power presents direct testimony
- October 18, 2013 – Staff and intervenors file testimony
- November 5-7, 2013 – Hearings: Staff and intervenors present testimony
- November 15, 2013 – Georgia Power files rebuttal testimony
- November 25-26, 2013 – Hearings: Georgia Power presents rebuttal testimony
- December 4, 2013 – All parties file proposed orders
- December 12, 2013 – Energy Committee, Advisory Staff presents recommendation
- December 17, 2013 – Commission issues its decision at Administrative Session

Commission on YouTube

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Follow the Commission on Twitter at #GPSC.

Commission Issues Decision in Georgia Power IRP

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quire competitive bidding.

"I believe this is the right step to take if we are to encourage the development and use of solar energy," said Commissioner McDonald. "This motion is not a mandate, but an expansion of Georgia Power's current solar portfolio."

The Commission modified the solar motion by adopting two proposals by Commissioner Stan Wise that require the Company to use an independent evaluator in the bid process and prohibit accepting any bids that exceed Georgia Power's levelized avoided cost for the



Former Commissioner Robert Baker speaks to the Commissioners during Energy Committee hearing on the IRP

term of purchase power agreements.

Commissioner Doug Everett repeatedly stated that he would not accept any plan that put upward

pressure on rates. With assurance from both Commission staff and Georgia Power that this plan will not increase electric rates because all bids must be below Georgia Power's avoided cost, he voted to adopt this stipulation.

Commissioner Tim Echols who supported the solar motion said, "Commissioner McDonald's motion adding 525 megawatts of solar to our 20-year energy plan is a hedge against more coal regulation and natural gas price volatility. When the President finishes his war on coal, he'll come after fracking, and gas prices will surely

go up. We have to be ready."

The Commission also adopted two motions by Commissioner Tim Echols. One allows Georgia Power to develop its proposed small wind demonstration pilot project that compares several different wind turbine technologies. The other requires Georgia Power to file within 30 days its project plan for a low-income demand-side management (DSM) program for the direct installation of eligible energy effi-

ciency measures for about 25,000 eligible homes.

Other provisions of the stipulated agreement include:

- Closing and decertifying 16 coal-fired electric generation units
- Converting two coal-fired units to burn natural gas
- Bringing thirteen coal-fired generation units into compliance with the Environmental Protection Agency (EPA) Mercury and Air Toxic Standards (MATS)
- Changing the close date of

Plant Branch Unit 1 from December 31, 2013 to coincide with the closing of Plant Branch Units 3 and 4, as approved in this agreement.

"Georgia has to look to the future," said **Commission Chairman Chuck Eaton**, "We are making decisions that affect millions of Georgians, ensuring that we have reliable electric service and promoting economic growth and development."

Commission Approves Atlanta Gas Light Vintage Plastic Pipe Replacement Program

On August 6, 2013, the Commission approved an agreement which allows Atlanta Gas Light Company to replace 756 miles of so-called Vintage Plastic Pipe over the next four years. **Commissioner Stan Wise** initiated the docket after



Commissioner Wise

learning that certain plastic pipe installed in the 1960s and early 70s was prone to becoming brittle and subject to breakage when disturbed, resulting in higher leak rates than other

pipes. No reportable incidents involving persons or property damage have been linked to vintage plastic pipe, which is usually used in low to medium pressure applications.

"This vote today again shows the leadership of this Com-

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Commissioner Echols Reports on Visit to Study German Energy Policy

Commissioner Tim Echols spent a week in Germany June 22-29, 2013 as a guest of the German government. Echols was joined by five other elected officials from around the country to observe first-hand the energy transition the Germans call "Energiewende."

"The German sweeping national energy policy has flipped traditional energy regulation on its head, and that brings with it many new challenges," said Echols. "The German government has caused a gold rush of sorts by paying a guaranteed tariff for 20 years for anyone who wants to put up wind or



solar. The recovery for that distributed generation appears on everyone's bill as a surcharge, and it is more than the electricity

itself."

Echols said that the energy policy in both Georgia and Germany is shaped by their attitude towards nuclear power. "In Georgia, nuclear power is on the rise as we build two state-of-the-art reactors, and we celebrate this advanced technology with pride," said Echols. "But in Germany, despite having some of the best engineers in the world, the people have turned against nuclear power and fossil fuel, and their options are now limited." Echols discovered that Germany, by its policies, has painted itself into a renewable corner.

He said that they are paying a price for their green power—charging its rate-payers almost three times what we pay for electricity. "They really believe they are going to change the way the world generates electricity by using renewable energy as base-load power and conventional energy only when they absolutely have to have it," said Echols. "What stunned me was their willingness to put their big utilities at risk by taking them out of the decision



making model. It reminds me of the posture of the EPA towards coal-generating companies in our country," said Echols. "Under our system in Georgia, the utility is tasked with creating and executing the energy plan—what we

call an IRP, or Integrated Resource Plan. The Public Service Commission staff and interveners like Walmart and Georgia Watch examine the plan, challenge certain aspects of it, and even bring their own expert witnesses to comment under oath," said Echols. "Then the five elected commissioners get the last word—affirming or changing the plan according to what is best for the whole state of Georgia."

Plastic Pipe Replacement

(Continued from page 3)

mission in aggressively pushing for pipeline safety and is the reason Georgia is a nationally recognized leader in this effort. Today's decision means safer and more reliable pipes to deliver natural gas to customers on the AGLC distribution system," said Commissioner Wise.

"While other states are now wrestling with how to implement costly solutions to replace aging infrastructure, Georgia's vision and leadership means we are maintaining an up-to-date, safe and reliable natural gas system at a reasonable cost to ratepayers," Wise added.

Commissioner Lauren "Bubba" McDonald, Jr. added, "Georgia is far ahead of the curve in our pipeline safety program. The consumer will spend just pennies on this program but that cost does not compare to the worth of an individual's life that might be

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Commission Approves AGLC's USF Facilities Expansion Plan for 2012 and 2013

The Commission March 19, 2013 unanimously approved Atlanta Gas Light Company's (AGLC) Universal Service Fund (USF) Facilities Expansion Plan for 2012 and 2013.

On November 1, 2012, AGLC filed its 2012 - 2013 Facilities Expansion Plan. By law USF funding for AGLC expansion projects is capped at five percent of the company's annual capital budget. The 2012 disbursements are capped at \$16.6 million and 2013 disbursements at \$11.4 million. By approving this two-year plan, the Commission combined the allowable amounts

for AGLC's 2012 and 2013 fiscal years for up to \$28 million in line-extension projects.

After approving the two-year expansion plan, the PSC unanimously adopted \$16,339,124 in line-extension projects expected to benefit economic development and enhance the agricultural industry. **Commissioner Lauren "Bubba" McDonald, Jr.** made a motion for four projects and **Commissioner Tim Echols** asked that a fifth project, one serving a small poultry corridor with multiple poultry

farms, be added. At the request of **Commissioner Doug Everett** a sixth project had been approved in January 2013 to bring 75 jobs to South Georgia and open up areas for industrial expansion. The six projects are:

1. South Murray County Leg One for \$5,157,129.
2. North Murray County Leg Two for \$2,909,105.
3. Banks County Poultry Line Project for \$7,644,452.
4. Schley County Poultry Line for \$428,438.
5. Madison County Poultry Corridor for \$200,000.
6. Dodge-Eastman Project for \$1,019,525.



Of the \$28 million maximum allowed, \$17,358,649 in projects have been approved so far by the PSC for the 2012 - 2013 Plan.

"Building more natural gas pipelines around the state to take advantage of cheap natural gas will be good for business," said Commissioner Tim Echols. "America has a competitive advantage because of these low gas prices, and we need to make the most of it while we can."

Dig Safely Month April 2013

The Commission on April 11, 2013 participated in the 2012 Safe Digging Month in Georgia Proclamation with Governor Deal in a ceremony at the State Capitol. Taking part was **Commissioner Doug Everett**, construction accident survivor and two-time Olympian Cliff Meidl, staff from Georgia 811 and representatives from utility owner/operators, locate techni-

cians as well as professional excavators and contractors.

"Georgia has been recognizing Safe Digging month for more than 20 years, encouraging homeowners and professionals to call before digging. Safe Digging Month was first celebrated nationwide in 2007 with the



rollout of 811 (the national call before you dig number). Through its nationwide use, 8-1-1 is recognized as the way that we are able to keep both homeowners and the professional excavator safe," explains Georgia 811 President and CEO Claudette Campbell. "Meidl, who was part of this year's Proclamation of Safe Digging month, knows first-



Governor Deal Proclaims Dig Safely Month

hand the importance calling 811 before beginning a digging project," Campbell shares. "While using a jackhammer during an excavation project at the age of 20, Meidl hit three underground power cables. As a result, Meidl severely injured both of his knees. He miraculously recovered from his injuries and, after tireless training, went on to compete in kayaking at the 1996

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Commission Holds Hearings on Plant Vogtle Construction Project

The Commission held its first set of hearings on July 18 on the Georgia Power Company Eighth Semi-Annual Nuclear Construction Projection Monitoring, Docket 29849.

Several public witnesses spoke before the two Georgia Power witnesses, Kyle Leach and David McKinney, outlined the Company's request to increase the certified cost of the Plant Vogtle Construction Project.

However, the Company and staff have reached a proposed stipu-



Commissioners listen to testimony during the hearing

lation that calls for the Company to withdraw this request. Additional hearings are scheduled for August 13-14, 2013 and September 12, 2013.

The schedule in this docket is as follows:

- August 8, 2013-All other parties file direct testimony
- August 13-14, 2103-Hearing on Staff and intervenor testimony
- August 30, 2013-Georgia Power files rebuttal testimony or amended application
- September 12, 2013-Hearing on Georgia Power rebuttal testimony/ amended application
- September 27, 2013-All parties may file briefs and/

or proposed orders

- October 15, 2013-Commission issues decision at regular Administrative Session

Under Georgia law, the Commission must issue a decision in this Docket within 180 days of the payment of the filing fee or the Company's filing takes effect as a matter of law. The statutory date for issuing a decision in this docket is October 28, 2013.



Georgia Power witnesses testify on the Company's request

Dig Safely Month

(Continued from page 5)

Olympics in Georgia. In 2000, Meidl not only returned to compete again in the Sydney Australia games but was also chosen by the US Olympic team to be the U.S. flag bearer during the opening ceremonies. He now serves as an advocate for safe digging practices and has delivered his story to professionals across the country. By sharing his tragedy and tri-

umph, Meidl hopes to inspire every professional and homeowner to always call 811 before they dig."

"My personal story connects me deeply to the safe digging message, so I'm extremely honored to partner with Georgia 811 to educate everyone about the importance of making a free call to 811 before they dig," said Meidl. "Georgia 811 plays a critical role in the safe digging process. This process protects people who dig and communities at large, mak-

ing this a very important safety message for Georgians."

Commissioner Everett said, "I want to remind anyone who excavates to call before you dig by placing a call to 8-1-1. It's free and it's the law. By calling before you dig, we can prevent the disruptions and economic losses that can occur when underground utilities are damaged." Contacting Georgia 811, by phone or online, begins an important communication process to member utility companies

who have service in the area of your project. "The smart and safe way to dig is to always contact Georgia 811 before every digging project, every time. Installing a mail box, fence, pool or even if you have hired a professional to do work for you, all digging projects need to be done safely. It not only saves lives, but money and time. If you have dug in the past without calling, don't make that mistake again," added Campbell.

Employee News

Congratulations

To **Bill Edge**, Public Information Officer, on the graduation of his daughter **Krystle Edge** from Devry University with



a Bachelor of Science in Business Administration degree on June 30. She graduated cum laude.

To **Sheree Kernizan**, Electric Section Director, on the graduation of her son **Marcus Kernizan**, from Georgia State



University with a degree in Public Policy May 11. He also received a

special award for student leadership.

To **Cheryl Vinson** on her promotion to Human Resources Manager.

To **Lisa Jensen** on her promotion to Administrative Assistant to Commissioner Tim Echols.



Retirements

Margie Conley retired from the Commission after 30 years of service on April 30. Friends and co-workers gathered on April 29, 2012 to wish her farewell.

Keith Blackshear retired November 30, 2012 after 28 years of service with the state.

Julia Truss retired December 19, 2012 after 35 years of service with the state of Georgia.

Veronica Thomas retired on December 31, 2013 after 34 years of service with the state.

Sympathy

To **Bolin Killings** on the passing of his mother, **Ruby B. Killings**, on July 2. The family held a memorial service on July 20 in Cleveland, Ohio.

To **Barbara Wolfe** on the passing of her sister **Patt Brown** on July 30, 2013. A memorial service was held on August 3, 2013.



Welcome Back!

To **Bill Edge**, Public Information Officer, who was on a military leave of absence while serving on active duty in Afghanistan. He returned to the Commission on June 17, 2013.



Pipeline Safety

(Continued from page 4)
injured in a pipeline incident. I complement the Company, our staff and this Commission for their aggressiveness in taking the bull by the horns and making this happen." The first plan will be filed within 45 days of the effective date of the Commission's order in this docket.

Commissioners and staff attended the 2013 Southeastern Conference of Regulatory Utility Commissioners annual meeting in Asheville, North Carolina on June 3-6, 2013.

The meeting included a session on balancing regulation moderated by **Commissioner Stan Wise**. **Commissioner Lauren "Bubba" McDonald, Jr.** took part in the final session round robin discussion.

SEARUC 2013



Commissioner Lauren "Bubba" McDonald, Jr. takes part in a panel discussion at the SEARUC 2013 meeting in Asheville, N.C.

Georgia State Holidays for 2013

New Year's Day	January 1
Martin Luther King, Jr. Day	January 21
Confederate Memorial Day	April 22
Memorial Day	May 27
Independence Day	July 4
Labor Day	September 2
Columbus Day	October 14
Veterans Day	November 11
Thanksgiving	November 28
Robert E. Lee's Birthday	November 29
Washington's Birthday	December 24
Christmas	December 25

Georgia State Holidays for 2014

New Year's Day	January 1
Martin Luther King, Jr. Day	January 20
Confederate Memorial Day	April 28
Memorial Day	May 26
Independence Day	July 4

Commission Calendar



August 2013

1-Committees
6-Administrative Session
13-14-Georgia Power hearings
15-Committees
20-Administrative Session
29-Committees

September 2013

2-Holiday
3-Administrative Session
12-Committees
12-Georgia Power hearing
17-Administrative Session
26-Committees

Commission Calendar

October 2013

1-Administrative Session
1-3-Georgia Power hearings
10-Committees
14-Holiday
15-Administrative Session

November 2013

31-Committees
5-Administrative Session
11-Holiday
14-Committees
19-Administrative Session
25-26-Georgia Power hearings

NARUC

2013 Annual Convention

November 17-20, 2013
Orlando, Florida

2014 Winter Meeting

February 9-12, 2014
Washington, D.C.

2014 Summer Meeting

July 13-16, 2014
Dallas, Texas

SEARUC

2014 Annual Meeting

June 2014
Tunica, Mississippi



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