**DIRECT TESTIMONY OF**

**LARRY T. LEGG**

**ON BEHALF OF**

**GEORGIA POWER COMPANY**

**DOCKET NO. 44280**

1. **INTRODUCTION**

**Q. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS**

A. Larry T. Legg, Director of Pricing and Rates for Georgia Power Company (“Georgia Power” or the “Company”), 241 Ralph McGill Boulevard, Atlanta, Georgia 30308.

**Q. MR. LEGG, PLEASE SUMMARIZE YOUR EDUCATION AND PROFESSIONAL EXPERIENCE.**

A.I graduated from Mercer University in 1988 with a bachelor’s degree. I joined Georgia Power in 1990 in the Customer Service organization. From 1990 to 2018, I held various staff and managerial positions in Customer Service, Sales, Software Development, Revenue Accounting, Pricing and Rates, and Market Planning. During this period, I attended Georgia State University and earned a Master of Business Administration degree in 1997.

I was named Rate Design Manager for Georgia Power in 2003 where I led the development of Rate Design for the Company’s 2004 base rate case. In 2006, I was named Manager of Market Planning for Georgia Power, where my responsibilities included leading the preparation of the Company’s load, energy and revenue forecast, as well as economic evaluation of Demand Side Management (“DSM”) and marketing programs.

In February 2018, I was named to my current position of Director, Pricing and Rates for Georgia Power. In this role, my responsibilities include administering the Company’s Rates, Rules, and Regulations as well as overseeing the billing operations for our largest Commercial and Industrial customers. I am also responsible for administering the Georgia Territorial Electric Service Act of 1973, as it applies to Georgia Power. Additionally, I direct the Company’s development and implementation of new tariffs to meet our customers’ current and evolving energy needs. Finally, I am responsible for the development of the prices and tariff designs that the Company proposes in rate case filings.

**Q.** **MR. LEGG, HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE COMMISSION?**

A. Yes. I previously testified regarding rate design in the Company’s 2019 base rate case in Docket No. 42516. Additionally, while serving as the Manager of Market Planning, I testifiedbefore the Georgia Public Service Commission (“Commission”) in Docket Nos. 24505, 27800, 31081, 31082, 34218, 36498, 36499, 40161, and 40162.

**Q.** **WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

A. The purpose of my testimony is to describe the Company’s proposed rate design changes and why they are an appropriate allocation of the increase requested in this filing, while also outlining how the proposed rate design benefits customers and helps meet their evolving needs.

**Q.** **PLEASE DESCRIBE GEORGIA POWER’S CURRENT TARIFF PORTFOLIO AND HOW IT MEETS CUSTOMERS’ EVOLVING NEEDS.**

A. Georgia Power takes pride in being an industry leader that offers an innovative and robust portfolio of rate options that meet our customers’ evolving energy needs. Indeed, to help meet the needs of all our 2.7 million customers, the Company currently offers a diverse portfolio of approximately 40 individual electric service base rate options, with multiple options available for customers of differing sizes and classes. These options include a variety of rates that encourage customers to shift load, which helps optimize system operations and reduce costs for the benefit of all customers, as well as programs that incentivize customers to curtail load to help maintain and enhance system reliability.

The Company’s ability to offer this diverse portfolio of rate options to meet customers’ needs is directly based on Georgia’s constructive regulatory environment and the forward-thinking policies of the Commission. Through these rates, Georgia Power continues to provide customers with electricity at prices that are well below the national average. The Company’s ability to provide customers with low prices, coupled with a wide variety of rate offerings, is also a key factor in the Company’s success in consistently achieving high levels of customer satisfaction, which in turn helps the state of Georgia continue to be one of the most attractive places in which to live and do business.

**Q. HOW IS YOUR TESTIMONY ORGANIZED?**

A. My testimony addresses five subject areas and is organized as follows:

* Section II (pages 4 to 8) discusses the application of the proposed rate increase;
* Section III (pages 8 to 13) discusses the proposed changes to existing pricing programs and tariffs;
* Section IV (pages 13 to 14) discusses the proposed wording changes to the Rules and Regulations, tariffs and riders;
* Section V (pages 15 to 16) discusses proposed tariffs to close or eliminate; and
* Section VI (pages 16 to 18) discusses proposed new tariffs and pricing options.

1. **APPLICATION OF THE PROPOSED INCREASE**

**Q.** **HOW IS THE COMPANY PRESENTING ITS PROPOSED TARIFF CHANGES IN THIS CASE?**

A. Consistent with prior cases, the Company has filed its proposed tariffs in three ways – the current tariffs, the current tariffs with the proposed changes shown in track changes, and clean copies of the proposed tariffs. Copies of the new and revised tariffs are contained in Minimum Filing Requirement (“MFR”) F–1, which can be found in Appendix Volume 1, Exhibit 1 of this filing.

**Q. WHAT IS THE TEST PERIOD FOR THE COMPANY’S FILING?**

A. The Company filed all MFRs on a split test year basis. Specifically, the test year covers the period beginning August 1, 2022, and ending July 31, 2023.

**Q. IS THE COMPANY PROPOSING TO CONTINUE THE EXISTING ALTERNATE RATE PLAN IN THIS PROCEEDING?**

A. Yes. As discussed in the panel testimony of Mr. Abramovitz, Ms. Adams, Mr. Houston, and Mr. Robinson, the Company is seeking to continue the Alternate Rate Plan (“ARP”) with certain modifications. Specifically, the Company proposes changing base rate tariffs for traditional base revenue items by initiating a one-time, levelized increase of $739 million for the three-year rate order. The Company also proposes an increase of $63 million through the Environmental Compliance Cost Recovery (“ECCR”) tariff. Additionally, the Company is proposing a $30 million increase through the Demand Side Management (“DSM”) tariffs consistent with the amount requested in the DSM Certification Docket No. 44161. These increases, along with a higher percentage of revenues collected from service within municipalities, result in an additional $20 million collected through the Municipal Franchise Fee (“MFF”) tariff. Through these changes, the Company is proposing a total increase of $852 million effective January 1, 2023.

All customer impacts discussed in my testimony are based on the Company’s ARP proposal. These impacts include proposed adjustments to base tariffs as well as to the ECCR and DSM tariffs. They also include the effect of rate increases on the MFF tariff.

**Q.** **WHAT PROCESS DID THE COMPANY USE TO APPLY THE PROPOSED $739 MILLION INCREASE TO TRADITIONAL BASE RATE TARIFFS?**

A. The Company applied the proposed increase to each traditional base rate on an equal percentage basis. The requested increase in this filing has been applied so that generally, the energy, demand, and basic service charge components of the base rates have all been adjusted equally. However, the Company did not apply any increase to the basic service charges for the tariffs that had this component adjusted to the full amount of the customer-related costs in the 2019 base rate case. The Company made minor changes to some rate steps in order to balance to the requested base rate increase. In addition, the Company made an adjustment to account for revenue erosion resulting from the Renewable and Non-renewable (“RNR”) tariff monthly netting pilot and, as ordered in the 2019 base rate case, the allowance of customers previously not qualified for the Time of Use Food and Drink (“TOU-FD”) tariff onto the program.

**Q. PLEASE DESCRIBE THE CHANGES TO THE ECCR TARIFF AS PART OF THE ARP.**

A. As stated above, the Company is proposing to update the ECCR tariff. The ECCR tariff recovers capital and operations & maintenance (“O&M”) expenses associated with government-mandated environmental costs, including the recovery of Asset Retirement Obligations (“ARO”) costs associated with Coal Combustion Residuals (“CCR”) compliance activities. Under the ARP, the ECCR tariff will be modified with an increase of $63 million effective January 1, 2023. Following this initial increase, additional incremental increases of $78 million and $47 million will be applied to the ECCR tariff to become effective January 1, 2024, and January 1, 2025, respectively. These subsequent increases to the ECCR tariff are solely for the collection of projected CCR ARO costs in 2024 and 2025, which is consistent with the methodology approved by the Commission in the 2019 base rate case. Under the ARP, the Company will file its update to the ECCR tariff on the first day of October in 2023 and 2024, to be effective January 1 of 2024 and 2025, respectively. Consistent with how it is applied today, the ECCR tariff will continue to apply on an equal percentage basis to all standard base tariffs. It will also continue to apply to the Customer Base Line (“CBL”) portion of Real Time Pricing (“RTP”) bills and 65% of Fixed Pricing Alternative (“FPA”) and Electric Arc Furnace (“EAF”) base bill calculations.

**Q.** **IS THE COMPANY PROPOSING TO CONTINUE THE DSM TARIFFS AS PART OF ITS ARP?**

A. Yes. The proposed DSM tariffs reflect the DSM-related costs that the Company proposed in its 2022 DSM certification proceeding in Docket No. 44161, as well as the true-up of DSM revenues required for variances in DSM costs and revenues in 2021. In the Company’s ARP, the DSM tariffs are designed to collect an additional $30 million in 2023. The appropriate DSM tariff (Residential or Commercial) will continue to apply on an equal percentage basis to all standard base tariffs for Residential and Commercial customer bills. In keeping with how the tariff works today, it will continue to apply to the CBL portion of RTP bills and 65% of FPA bills for Commercial customers on those tariffs. Under the ARP, the Company will update this tariff each October 1, to be effective January 1 of the following year.

**Q.** **WILL THE COMPANY UPDATE THE MFF TARIFF ANNUALLY IN THE ARP?**

A. Yes, if an update is needed, the Company will update the MFF tariff annually. The Company may update the MFF tariff with the proportionate share of revenues collected within municipalities with whom we have franchise agreements. This will be done in conjunction with the Company’s annual compliance filing for the ECCR and DSM tariffs as referenced in previous questions. The updated MFF tariff will take effect January 1 of the following year. The update will reflect the split between revenues collected from inside city limits, on the one hand, and outside city limits, on the other, based on the most recent twelve months of actual data. As proposed, the MFF tariff will collect an additional $20 million in 2023 and will continue to apply as a percentage of total revenues, including the revenues generated from all tariffs incorporated into the standard base tariffs (which include, without limitation, the DSM, FCR, ECCR, and NCCR tariffs). The percentage that is ultimately applied to total revenues will depend upon customer location (i.e., whether the customer is located inside or outside the limits of a city with which the Company has a franchise agreement).

**Q.** **WHAT IS THE IMPACT OF THE COMPANY’S PROPOSED RATE INCREASE ON EACH OF THE EIGHT RATE GROUPS?**

A. As proposed in the Company’s ARP, the average increase on an after-fuel basis across all rate groups is approximately 10.2% in 2023 (including ECCR, DSM and MFF). The bill impact for a typical residential customer using an average of 1,000 kilowatt hours per month is $14.32. The impact to each of the Company’s eight rate groups on an after-fuel basis is as follows:

|  |  |
| --- | --- |
| **Rate Group** | **2023 Bill Impact\*** |
| Domestic | 11.4% |
| Small Business | 12.0% |
| Medium Business | 10.9% |
| Large Business | 9.8% |
| Agriculture | 10.5% |
| Government / Institution | 9.9% |
| Outdoor Lighting | 12.3% |
| Marginally Priced | 6.3% |

\*All impact percentages include the effects of base rate increases and updated ECCR, DSM and MFF tariffs.

The variation in percentage increases is due, in part, to the differences in the ratio of fuel costs to the total bill for each group. Moreover, consistent with existing practice, the base rate increase is not applied to incremental RTP usage.

For years 2024 and 2025, the projected average increases for the adjustments to rates for CCR ARO compliance costs, DSM, and MFF (as discussed above) are approximately 1.2% and 0.5% respectively, with estimated monthly bill impacts for a typical residential customer of $1.35 and $0.62.

1. **PROPOSED CHANGES TO EXISTING PRICING PROGRAMS  
   AND TARIFFS**

**Q.** **IS GEORGIA POWER PROPOSING ANY CHANGE TO EXISTING PRICING PROGRAMS AND TARIFFS?**

A. Yes. The Company is proposing changes to the following programs and tariffs: Residential Service (“R”), FlatBill (“FLAT”), FlatBill General Service (“FLAT-GS”), Income-Qualified Senior Citizen Discount program, Roadway Lighting Governmental (“RLG”), Demand Plus Energy Credit (“DPEC”), RNR, Community Solar (“CS”), and Simple Solar (“SS”).

**Q.** **PLEASE EXPLAIN THE COMPANY’S PROPOSED CHANGES TO THE R TARIFF.**

A. The Company proposes to modify the R tariff to make the rate unavailable to newly constructed residential premises that are established on Georgia Power’s system after December 31, 2022. This proposal is the logical next step in the Company’s ongoing efforts to encourage residential customers to move toward more modern rate structures. As initially discussed in the Company’s 2019 base rate case, utilities across the country are proactively moving away from more antiquated volumetric rate designs (such as the R tariff) and toward more modern rate designs that send price signals that more appropriately reflect the cost of service.

Since the beginning of 2020, Georgia Power has proactively promoted its wide variety of residential rate options to help and encourage customers to choose the rate that best meets their needs when establishing service. As a result, customer adoption of alternative residential rate options such as Smart Usage (“TOU-RD”), Plug-in Electric Vehicle (“TOU-PEV”), Pay by Day (“PBD”) and FlatBill has increased significantly. Indeed, the number of residential customers who have chosen to participate in a time-of-use rate has increased by more than 250%. Many customers have demonstrated both a demand and preference for these rate plans. By closing the R tariff to new premises, the Company will continue to transition new residential accounts onto other rates within the Domestic Group that better align with the cost to serve customers. Again, the R tariff will remain available to existing residential premises on Georgia Power’s system that established service prior to January 2023.

**Q.** **PLEASE DESCRIBE THE COMPANY’S PROPOSED CHANGES TO THE FLAT AND FLAT-GS TARIFFS.**

A. The Company proposes to increase the minimum monthly offer for new FlatBill customers on both the FLAT and FLAT-GS tariffs from $25 to $50. The $25 minimum monthly offer has not been revised since the FlatBill program was introduced in 2001. The new minimum monthly offer of $50 is generally equivalent to the original minimum (i.e., $25 in 2001) after adjusting for historical changes to the Company’s rates. As such, the increase to $50 would put the minimum monthly offer amount on par with the original minimum reflected in today’s dollars.

The updated minimum offer would only apply to new participants signing up for the FlatBill programs. Existing FlatBill customers, whose current monthly bill or renewal amount is less than the $50 minimum, would be grandfathered and allowed to remain in the program.

**Q.** **PLEASE EXPLAIN THE COMPANY’S PROPOSED CHANGES TO THE INCOME-QUALIFIED SENIOR CITIZEN DISCOUNT PROGRAM.**

A. In support of Georgia Power’s long-standing commitment to maintain affordability for senior citizens who are financially challenged, in this ARP, the Company is proposing to continue its Income-Qualified Senior Citizen Discount program and increase the credit provided under the program by an amount equal to the proposed increase to the R tariff monthly basic service charge. This will offset the proposed increase to the fixed residential monthly basic service charge for qualifying customers. Consistent with how costs are allocated today, the Company will continue to allocate the cost of the Income-Qualified Senior Citizen Discount program among the rates of the Domestic Rate Group.

**Q.** **PLEASE DESCRIBE THE COMPANY’S PROPOSED UPDATES TO THE DPEC RIDER.**

A. The Company proposes to modify the DPEC rider by updating the energy credits and demand values in Part I of the rider to reflect updated costs. DPEC is a voluntary program for large customers who are willing to provide at least 200 kilowatts (kW) of demand reduction during extreme supply and demand conditions on the Company’s system. The credit values in the DPEC rider are not updated in the same manner as traditional base tariffs because the DPEC credits are not based upon the Company’s revenue requirement. Rather, the demand credit is calculated based on a projection of generation capacity costs over the next three-year period, and the energy credit is derived from the three-year forecasted average of the top 100 hours’ marginal cost of energy less the 2021 average industrial price.

**Q.** **PLEASE DESCRIBE THE COMPANY’S PROPOSED CHANGES TO THE RLG TARIFF.**

A. The Company is proposing several changes to the RLG tariff to (1) clarify the existing fixture options, (2) expand and clarify the available pole options, and (3) close one fixture to future customer enrollments. These changes will enable the Company to continue offering an array of LED options for roadway lighting requirements that serve the needs of governmental customers.

**Q.** **PLEASE DESCRIBE THE COMPANY’S PROPOSED CHANGES TO THE RNR TARIFF.**

A. The Company proposes to make two modifications to the RNR tariff that will clarify the participation qualifications of the monthly netting pilot and revisions to the Additional Costs section for new RNR applicants. Currently, the RNR-Monthly Netting pilot includes limitations that exclude participation if customers are enrolled on certain tariffs or in other renewable programs. The Company is adding language to clarify that, consistent with current practice, these limited exclusions also prohibit customers on the RTP tariffs from participating in the monthly netting portion of RNR. Customers on RTP can continue to participate in the RNR-Instantaneous Netting program, but the monthly netting program is not a feasible option for RTP customers due to the dynamic, hourly pricing of energy purchases. Additionally, the Company proposes to eliminate the Witness Testing cost of $5/kW AC and to include a one-time Interconnection Fee for new RNR applicants. The Company proposes this fee in order to cover the costs of interconnection review, meter installation and programming, witness testing for generators under 250 kilowatts, and the costs associated with processing interconnection applications.

**Q.** **IS THE COMPANY PROPOSING TO EXPAND THE AVAILABILITY OF THE MONTHLY NETTING PILOT WITHIN THE RNR TARIFF?**

A**.** No, as previously communicated during the Company’s 2022 Integrated Resource Plan (“IRP”) proceeding, the Company does not propose to expand the monthly netting pilot beyond the existing 5,000-customer program. As identified earlier in my testimony, the Company has made an adjustment of approximately $1.4 million to account for the base revenue erosion associated with the monthly netting cost shift. In addition, the Company has expressed several other concerns, including (1) operational concerns with an increase in unplanned variable energy resources, (2) the infiltration of aggressive and uninformed solar marketers misinforming customers, and (3) noncompliance with the Company’s rules, regulations, and program requirements for interconnection of behind the meter generation. The Company will continue to evaluate the impacts of the monthly netting pilot and provide updates to the Commission and Commission Staff.

**Q.** **PLEASE DESCRIBE THE COMPANY’S PROPOSED CHANGES TO THE CS RIDER.**

A. In the 2022 IRP, the Company proposed two changes to the existing Community Solar program that are included in the updated CS tariff with this filing. First, the Company proposed to update the pricing for the existing Community Solar Charge from $24.99 to $27.99 per 1 kilowatt block in order to ensure that participants are not subsidized by non-participants. Second, the Company has requested to expand the opportunity to participate in Community Solar to customers on the General Service (“GS”) tariff, which provides opportunities for an additional 170,000 residential, commercial, and industrial customers to support solar energy in Georgia. Pricing for the new GS Community Solar participants will be set at $29.99 per 1 kilowatt block.

**Q.** **PLEASE DESCRIBE THE COMPANY’S PROPOSED UPDATES TO THE SS RIDER.**

A. The Company proposed multiple changes to the Simple Solar program in the 2022 IRP that are reflected in the updated tariff with this filing. These changes include an adjustment to the pricing to reflect updated market prices and the elimination of the Large Volume Purchase Option. Any existing customers who enter into a Large Volume Purchase Option before the end of 2022 will be grandfathered, and their agreements will be honored. Going forward, the Company has proposed an alternative program for large volume purchases in the 2022 IRP that would replace this option within the SS rider and will take effect in 2023 if approved.

1. **PROPOSED CHANGES TO THE RULES AND REGULATIONS,**

**TARIFFS AND RIDERS**

**Q.** **IS THE COMPANY PROPOSING ANY CHANGES TO ITS RULES AND REGULATIONS, TARIFFS AND RIDERS?**

A. Yes. The Company is proposing changes in the Rules and Regulations, as well as various tariffs and riders to help improve readability, consistency, and clarity. These changes are all set forth in the redline versions of the Rules and Regulations, tariffs and riders included in MFR F-1 of this filing.

**Q.** **PLEASE PROVIDE EXAMPLES OF THE PROPOSED CHANGES TO THE RULES AND REGULATIONS, TARIFFS AND RIDERS.**

A. Many of the updates to the Rules and Regulations, tariffs and riders are wording changes to help improve consistency and provide clarity for the reader. Other changes include:

* + Updating the applicability sections of certain tariffs,
  + Modifying section F of the Rules and Regulations to clarify certain policies,
  + Updating section G of the Rules & Regulations in order to clarify requirements for behind-the-meter generators, and
  + Updating certain customer charges to better align with costs.

**Q.** **WHY IS THE COMPANY MODIFYING ITS POLICIES IN SECTION F OF THE RULES AND REGULATIONS?**

**A.**  The Company is modifying its payment and service policies in section F to help make those policies more transparent to customers. These additions are meant to help protect all customers from higher costs that could result from legal claims against the Company.

**Q.** **PLEASE EXPLAIN THE CHANGES TO THE CUSTOMER GENERATION**  **SECTION OF THE RULES AND REGULATIONS.**

A. The Company has proposed new language to clarify when a customer-owned generator is required to undergo witness testing and would be responsible for the appropriate fees associated with this testing. The anticipated impact of this change is to reduce the number of instances that require witness testing going forward. The Company is also proposing to introduce a one-time $200 interconnection fee that will be required for all customers proposing to interconnect a customer generating facility to the Georgia Power system. This fee is designed to recover costs associated with supporting the safe and reliable interconnection of a customer-generator to the system and helps ensure that such costs are not borne by all other customers.

**Q.** **PLEASE DESCRIBE THE COMPANY’S PROPOSED CHANGES TO CERTAIN CUSTOMER CHARGES.**

A. To more closely align with the actual expense, the Company is proposing to increase the charge for underground residential distribution service found in section C10 of the Rules and Regulations. Currently, the Company obtains a one-time payment of $1,000 for each underground service point connection. This amount does not adequately cover the cost differential to install underground service; therefore, the Company proposes to increase the charge to $1,200. In order to mitigate the impacts to home builders in the state, the Company proposes to implement this increase with a one-year delay, with the new price becoming effective January 1, 2024.

1. **PROPOSED TARIFFS TO CLOSE OR ELIMINATE**

**Q. PLEASE DESCRIBE THE COMPANY’S PROPOSED CHANGES TO THE POWER & LIGHT HIGH LOAD FACTOR (“PLH”) TARIFF.**

A. The Company proposes to eliminate the PLH tariff as there are currently no customers on the tariff. The PLH tariff has a very narrow applicability and previously had only one customer taking service on this rate. As a result, no current customers will be impacted by the elimination of this tariff and the Company will continue to offer a variety of pricing options to large business customers.

**Q. PLEASE DESCRIBE THE COMPANY’S PROPOSED CHANGES TO THE TIME OF USE – RESIDENTIAL ENERGY (“TOU-REO”) TARIFF.**

A. The Company proposes to close the TOU-REO tariff to new customers beginning January 1, 2023, to help streamline the Company’s tariff portfolio and avoid customer confusion. The TOU-REO tariff, which was established in 1994, was the Company’s initial time of use pricing option for residential customers. Since that time, however, the Company has introduced two additional residential time of use rates from which customers can choose. The first is the Plug-in Electric Vehicle rate, which promotes load shifting to off-peak and overnight hours. This benefits all customers by smoothing the Company’s load shape and improves the economics of electric vehicle (“EV”) ownership. The second is the Smart Usage rate, which combines time-of-use energy with a demand charge, thereby giving customers the most accurate price signals while providing three opportunities to save (shifting usage out of on-peak times, staggering appliance use to reduce demand, and simply using less energy). Therefore, by closing the TOU-REO tariff, customers will avoid the confusion that could arise from having three competing time of use tariff options.

**Q.** **WILL CUSTOMERS ON TOU-REO BE NEGATIVELY IMPACTED BY THE CLOSING OF THE TARIFF?**

A. No. The Company is proposing to grandfather all existing TOU-REO customers and allow them to remain on the rate as long as they maintain electric service at their current residence. As such, current TOU-REO customers will not be negatively impacted by the closing of the tariff.

**Q. PLEASE DESCRIBE THE COMPANY’S PROPOSED CHANGES TO THE SOLAR PURCHASE (“SP”) TARIFF.**

A. The Company is proposing to eliminate the SP tariff. The Commission approved the closure of the SP tariff in 2016 and, since then, the Company has replaced the tariff with more current renewable options. All customers who participated in the SP tariff have transitioned off the program, and as such, no customers will be impacted by its elimination.

1. **PROPOSED NEW RIDERS AND PRICING OPTIONS**

**Q.** **IS GEORGIA POWER PROPOSING ANY NEW RIDERS OR PRICING OPTIONS?**

A. Yes, the Company is proposing to introduce one new rider (Charge It – Electric Vehicle (“CIEV”)), as well as a new pricing option within an existing tariff (Time of Use – Supplier Choice (“TOU-SC”)). The Charge It rider will support public commercial EV charging. The new option within the Supplier Choice tariff is designed for new customers who qualify for a choice of electric supplier based upon the large load exception in the Territorial Act.

**Q.** **PLEASE DESCRIBE THE NEW CHARGE IT RIDER.**

A. Through Charge It, Georgia Power is supporting the rapidly expanding EV market with a program that is tailored to provide affordably priced electric service and to encourage the growth of EVs in our state. The Charge It rider will modify how the Power & Light tariffs price commercial EV charging loads. Specifically, the new Charge It rider will modify the monthly billing demands by using Billing Demand Adjustment Factors as specified in the tariff. Charge It is a temporary rider that will expire either at the end of 48 months or when the rolling 12-month load factor for the account reaches 15% or greater – whichever comes first. Participation in Charge It is available to new, separately metered charging loads that are served on Georgia Power’s system after January 1, 2023.

**Q. PLEASE DESCRIBE THE NEW PRICING OPTION WITHIN THE TIME OF USE – SUPPLIER CHOICE TARIFF.**

A. The Company is proposing an additional pricing option for new customers who qualify for the choice of electric supplier based on the large load exception in the Territorial Act. This new Supplier Choice option establishes a monthly charge called the Monthly Access Charge (“MAC”). This customer-specific component of the tariff will be calculated by the Company based on the cost to serve the customer’s load and location and shall meet the Company’s financial requirements. Once established, this charge will be subject to future base rate modifications as ordered by the Commission – similar to other traditional base tariff pricing components. In addition to the MAC, customers who elect to take service under this pricing option will purchase 100% of their energy at Real Time Pricing-Day Ahead prices.

**Q.**  **PLEASE EXPLAIN WHY THE COMPANY IS NOT PROPOSING NEW TARIFFS AS PART OF THIS CASE FOR THE PROGRAMS PROPOSED IN THE COMPANY’S 2022 IRP.**

A. The Company has proposed a variety of customer programs in the 2022 IRP that may require tariffs to support the implementation. However, the final structure and design of these programs could be modified through the IRP process; therefore, it would be premature to propose tariffs at this time. The Company will file the appropriate tariffs based upon the approved programs at a later date.

**Q.** **DOES THIS CONCLUDE YOUR TESTIMONY?**

A. Yes.