EXHIBIT__(RS/RT-26)

GEORGIA POWER COMPANY
Docket No. 44280
Georgia Power Company's 2022 Rate Case
Staff Data Request No. STF-LA-5

STF-LA-5-14

Question:

Will the Company be eligible to obtain any tax credits, or tax savings in 2022, 2023, 2024 or 2025 from the Inflation Reduction Act that was recently passed, such as, but not limited to, using renewable energy, reduced employee and retiree health care and prescription costs, or other provisions?

a. If not, explain fully why not.

b. If so, identify, quantify and explain all expected tax credits and tax savings benefits that the Company would be eligible for.

c. If different than the response to part b, identify, quantify and explain all benefits under the Act which the Company expects to claim for each year 2022, 2023, 2024 and 2025.

Response:

a. The Company is continuing to evaluate the impacts of the Inflation Reduction Act ("IRA"). Based on the analysis completed thus far, the Company expects the IRA will provide tax benefits that, over time, can help reduce costs for customers. The Company will work with the Commission to determine which benefits best serve customers.

b. At this time, the Company has identified approximately $33 million of total potential benefits for 2022 through 2025 for the Commission's consideration related to projected, qualified renewable and electric vehicle investments. Listed below are the capital investments, along with estimated tax savings by year for 2022 through –2025, of the incremental benefits the Company has identified from the IRA, with related assumptions.

Capital Investment (in millions)	2022	2023	2024	2025
Energy Storage	$ -	$ 105.6	$ -	$ -
Solar Qualifying for Production Tax Credits	$ -	$ -	$ -	$ 32.7
EV Chargers	$ 2.0	$ 3.0	$ 3.0	$ 3.0

Potential Tax Credits (in millions)	2022	2023	2024	2025
Energy Storage Credits	$ -	$ 31.7	$ -	$ -
Solar Credits	$ -	$ -	$ -	$ 0.4
EV Charger Credit Amortization	$ 0.1	$ 0.2	$ 0.2	$ 0.3

- Energy Storage Credits: The IRA provides Investment Tax Credits ("ITC") for standalone energy storage systems, no longer requiring it to be paired with and charged by solar generation. The Company believes the 65 MW Mossy Branch battery storage project, which is projected to be on-line in 2023, will qualify for a 30% ITC. The IRA also gives an "opt-out" from the existing ITC normalization, which permits the Company to recognize the full ITC benefit in the year the project goes into service, thereby providing a benefit to customers by lowering the levelized cost of electricity over the life of the project as compared to the cost under the existing ITC normalization option. In order to take advantage of this "opt out" option offered in the IRA, the Commission must specifically approve the "opt-out" option. The Company's calculation above assumes that the full $31.7 million of estimated credit resulting from the normalization opt-out option would be recognized in 2025.

- Solar Credits: The IRA provides a PTC option, which may be utilized instead of the existing normalized ITC for solar investments. The Company estimates the PTC option will provide an approximate $0.4 million of additional benefits for customers in 2025 on projected self-build ash pond solar investments compared to the normalized ITC option.

- EV Charger Credits: The IRA extends and modifies the credit for alternative fuel refueling property. This 30% ITC applies to property placed in service through 2032 and increases the credit limitation to $100,000 per EV charger. The Company is still required to normalize these ITCs over the life of the assets and expects an additional $0.8 million of total amortization in 2022-2025.

c. The Company is actively reviewing the wide range of flexible tax credits and other benefits from the IRA and, as such, the Company is still working on the analysis to be able to quantify further potential customer savings. For example, the Company's evaluation of the IRA impacts on employee and retiree healthcare and prescription costs is in early stages and cannot be quantified at this time. Additionally, the Company is evaluating potential benefits for the Company's electric vehicle purchases as well as the Hydro Modernization and Integrated Hydrogen Microgrid projects approved by the Commission in the 2022 IRP. Guidance is still needed to ensure proper implementations for all benefits, and the Company will continue to work with the Commission for customer impacts as it completes the analysis on these and any further identified benefits.

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STF-LA-5-15

Question:

Is the Company expected to be impacted by any of the federal income tax provisions in the Inflation Reduction Act in any year, 2022, 2023, 2024 or 2025?

a. If not, explain fully why not.

b. If so, identify, quantify and explain all expected impacts, by line item, on rate base and operating income.

Response:

Please see the Company's response to STF-LA-5-14.

GEORGIA POWER COMPANY
Docket No. 44280
Georgia Power Company's 2022 Rate Case
Staff Data Request No. STF-LA-8

STF-LA-8-13

Question:

Are the minimum corporate income tax rate provisions of the Inflation Reduction Act expected to have any impact on the Company's current income tax expense, deferred income tax expense, or accumulated deferred income tax balances for 2022, or for any plan years, 2023 through 2025? If not, explain fully why not. If so, please identify, quantify and explain the impacts on each year, including but not limited to impacts on current income tax expense, deferred income tax expense, and monthly projected ADIT balances for each year 2022 through 2025.

Response:

The minimum corporate income tax rate provisions of the Inflation Reduction Act are effective beginning in 2023. The Company is currently awaiting further guidance from the U.S. Department of the Treasury on the corporate minimum tax; however, at this time, the Company does not expect to pay any corporate minimum income taxes for years 2023 through 2025.