

**BEFORE THE GEORGIA PUBLIC SERVICE COMMISSION
STATE OF GEORGIA**

IN RE:)	
)	Docket no: 44280
Georgia Power Company's)	
2022 Rate Case)	

**PROPOSED ORDER AND BRIEF
OF UTILITY MANAGEMENT SERVICES, ON BEHALF OF RTC INVESTMENTS, LLC**

I. INTRODUCTION

Utility Management Services (“UMS”), on behalf of RTC Investments, LLC (“RTC”), respectfully submits the following Proposed Order and Brief to the Georgia Public Service Commission (“Commission”) in the above-captioned docket.

II. PROPOSED ORDER

A. PROPOSED FINDINGS OF FACT

The Commission finds and concludes that the TOU-FD rate should be modified and directs Georgia Power Company (“Georgia Power”) to extend the deadline for new qualifying customers to enroll in the TOU-FD rate by (3) three years, from December 31, 2022, until December 31, 2025, and to revise the current language in the TOU-FD-7 tariff such that the revised language reads: “Qualifying accounts will be accepted on TOU-FD on a first come, first allowed basis until the number of accounts equals 6,000 or until December 31, 2025, whichever occurs first.”

The Commission maintains its discretion to consider the Georgia Power’s concerns over possible rate impacts associated with TOU-FD and will apply revenue erosion associated with TOU-FD back to TOU-FD in future rate case proceedings before the Commission.

B. PROPOSED ORDER

ORDERED, that Georgia Power Company shall continue to accept qualifying accounts on the TOU-FD rate on a first come, first allowed basis until the number of accounts equals 6,000 or until December 31, 2025, whichever comes first.

III. BRIEF

A. THE DEADLINE TO JOIN THE TOU-FD RATE SHOULD BE EXTENDED BY THREE YEARS

Georgia Power Company (“Georgia Power”) has proposed to limit the number of customers who may qualify for the TOU-FD rate to a total number of 6,000 accounts or until December 31, 2022, whichever occurs first. UMS proposes maintaining the 6,000 customer cap while changing the cutoff date from December 31, 2022, until December 31, 2025 so that more customers can take advantage of the rate. Due to the impacts of COVID on the restaurant and food services industry over the past two years, there has been a contraction of qualifying businesses that were able to take advantage of this rate and the cap of 6,000 has not yet been reached. It is UMS’ position that as COVID restrictions ease and the restaurant and food services industry begins to rebuild, it is necessary for Georgia Power to extend the deadline for new qualifying customers to join the TOU-FD rate by three (3) years. To the extent there are concerns over possible rate impacts associated with UMS’ proposed changes to TOU-FD, UMS proposes that any revenue erosion associated with TOU-FD be applied back to TOU-FD in future rate case proceedings before the Commission so that other customers are not subsidizing the TOU-FD rate.

1. The Restaurant and Food Services Industry Has Unique Energy Loads and Requires Unique Solutions

As Brian W. Coughlan testified in this proceeding on behalf of UMS’ client RTC, the electrical loads used by RTC include refrigerators, freezers, ice machines, fountain drink machines, air conditioning, heating, ventilation, lighting, cooking equipment and the other types

of loads that would typically be associated with running a restaurant. Mr. Coughlan testified that RTC, like other restaurants, has unique operating characteristics due to high load factors and an unusually large amount of off-peak energy usage. Restaurants are typically open seven days per week and typically serve three meals per day. Therefore, they have very long running hours. In addition, since the largest loads in restaurants tend to be refrigerators, freezers, ice machines and other refrigeration equipment, their largest loads continue to operate even when the restaurant is closed. The operating characteristics described above tend to make restaurants have high load factors and a lot of off-peak energy usage. According to the U.S. Energy Information Administration and the Association of Energy Engineers, the restaurant industry uses more energy per square foot than any other industry type.

a. The TOU-FD Rate is the Most Beneficial Rate Available to the Restaurant and Food Services Industry

In most cases, the TOU-GSD rate is not very attractive or practical for restaurants. As Mr. Coughlan testified, that is because the TOU-GSD rate has a very high on-Peak kW charge of \$16.94/kW. This is during the hours of 2 PM to 7 PM during the summer months. Restaurants typically serve dinner between 6 PM to 7 PM and often hit their highest peak demands during those hours.

2. The Restaurant and Food Services Industry Has Faced Unique Challenges Due to COVID

During COVID, customers stopped going to restaurants for inside dining. Restaurants were having to adapt and adjust to curbside service. Restaurants were having trouble maintaining staffing levels. Restaurants were struggling with supply chain issues. As COVID slowly fades away, restaurants in Georgia are continuing to have trouble finding and retaining qualified employees to run their operations. Restaurant managers and owners were filling in as dishwashers, hostesses, servers, bus persons, bartenders and other functions that they were previously able to

hire others to perform. With these large challenges and issues to address, many restaurant owners and managers have been busy just keeping their doors open. Many have not had the time to devote to analyzing their electric rate options and making sure they were on the best available rate. According to Mr. Coughlan's un rebutted testimony in this proceeding, if the TOU-FD rate is allowed to continue to be available to new customers, many more restaurants will enroll in TOU-FD as COVID fades away and our economy returns to a more normal situation.

3. Due to the Unique Challenges Faced by the Restaurant and Food Services Industry During COVID, More Time is Needed For Qualifying Customers to Join the TOU-FD rate

The TOU-FD rate was formerly known as the Time-of-Use – Multiple Business (TOU-MB) rate. Until January 1, 2011, the TOU-MB rate was available to groups of restaurants, hotels, and other businesses that had multiple locations throughout the Georgia Power service territory that were operating under the same ownership or brand name. To qualify for the rate, the KW demands at the multiple restaurants or hotels had to collectively add up to 3,000 KW. For example, if all the McDonald's restaurants or Holiday Inn hotels in the territory added up to more than 3,000 KW, each of the McDonald's restaurants or Holiday Inn hotels would qualify for the rate regardless of who owned the particular franchise.

On January 1, 2011, the TOU-MB rate was modified such that only "Food Services and Drinking Places" qualified to receive service under the rate. The 3,000 KW aggregate load requirement still applied. Therefore, large chains like McDonald's, Burger King, etc. qualified for the rate but smaller chains and mom and pop restaurants did not qualify.

On January 1, 2020, the TOU-MB rate was replaced with the TOU-FD rate. The TOU-FD rate grandfathered any existing customer on the TOU-MB rate to be able to continue to receive service under the TOU-FD rate. The 3,000 KW aggregate load requirement was eliminated. This important revision made many thousands of additional restaurants eligible to receive service under

the new TOU-FD rate. This includes many small chains of restaurants as well as many individual mom and pop restaurants that would not have met the 3,000 KW aggregate load requirement under the TOU-MB rate. The rate has existed for more than 12 years. It has been serving approximately 3,000 customers for many years.

Two months after the new TOU-FD rate became available to small restaurant chains and mom and pop restaurants, COVID drastically changed the restaurant industry. Restaurants were closing throughout Georgia. According to Washington Post,¹ the National Restaurant Association estimates that 90,000 restaurants in the U.S. closed permanently just during the first year of COVID. In Atlanta alone, at least 51 restaurants closed permanently in just the first year of COVID.²

Given the many restaurants that permanently closed in the Georgia Power service territory during COVID, some of which were receiving service under TOU-FD, the fact that the overall number of customers on the TOU-FD rate has grown during COVID is strong evidence that restaurants are interested in this rate.

Mr. Coughlan testified regarding the number of customers receiving service under the rate and the total revenue per KWH sold. Most recent data shows that there are 3,027 customers with an average KWH per customer of 227,663. This yields revenue of \$0.0970 per KWH sold. If the TOU-FD rate is allowed to continue to be available to new customers, many more restaurants will enroll in TOU-FD as COVID fades away and our economy returns to a more normal situation.

¹ [Here's how many restaurants closed during the pandemic - The Washington Post](#)

² [The Atlanta Restaurants and Bars That Have Permanently Closed During the COVID-19 Pandemic - Eater Atlanta](#)

4. The TOU-FD Rate Is Providing a Fair Rate of Return for Georgia Power

As Mr. Coughlan testified, Georgia Power receives 3.33% higher revenue through the TOU-FD rate than the revenue received from All Rates & Groups combined. The revenue received through the TOU-FD rate is lower than the revenue received per kWh from the overall Total Medium Business group to which the TOU-FD rate belongs. This is to be expected. The restaurants and hotels receiving service under the TOU-FD rate have much higher overall load factors, and more off-peak usage, than other typical customers within the Total Medium Business group. This high load factor and high amount of off-peak usage creates a lower overall cost/kWh for restaurants and hotels. If the customers on the TOU-FD rate were transferred to one of the other rates in the Total Medium Business group (PLM or TOU-GSD), the former TOU-FD customers would continue to have an average cost/kWh that is lower than the overall Total Medium Business group due to their higher than class average load factors.

Georgia Power has proposed a percentage increase of 5.76% for customers on the TOU-FD rate. This is higher than the overall increase for All Rates & Groups of 5.55%. It is lower than the overall increase of 5.94% proposed for the Total Medium Business group. If Georgia Power had felt that the TOU-FD rate was not providing a fair return to their shareholders, they could have proposed correcting that problem in this rate case proceeding.

5. Closing the TOU-FD Rate to New Participants Creates an Unfair Advantage to the 3,027 Customers Who Are Already Receiving Service Under the Rate

Georgia Power's proposal to close the TOU-FD rate by December 31, 2022, creates an unfair advantage to those customers who are already receiving service under the rate because these 3,027 customers will be grandfathered under a rate that is not available to new customers. As Mr.

Coughlan testified, this provides the existing customers an unfair competitive advantage over new restaurants.

6. Extending the Deadline for Qualifying Customers to Enroll in the TOU-FD Rate Will Provide an Economic Benefit to the State of Georgia and its Residents

According to the Georgia Department of Labor, the Accommodation and Food Service Industry is the third largest source of jobs in Georgia. According to Georgia Department of Labor data, this industry segment had 442,849 employees in the fourth quarter of 2019. In the first quarter of 2022 (most recent data available), this industry group was down to 406,967 employees. That is a net drop of 35,882 jobs in Georgia. As Mr. Coughlan testified, this industry group had the largest overall impact on employment from COVID. Employment in this vital industry has not rebounded to pre-COVID levels. Continuing to offer the TOU-FD rate to this important industry segment will help the industry continue to recover from the impacts of COVID and continue to provide jobs for the people of Georgia.

IV. CONCLUSION

WHEREFORE, Utility Management Services, on behalf of RTC Investments, LLC, respectfully requests that the Commission adopt its proposal with regard to the TOU-FD rate.

[SIGNATURE PAGE TO FOLLOW]

Respectfully submitted,

By Nicole R. Barnett Slaughter

Nicole R. Barnett Slaughter

G.A. State Bar No.: 039239

HAMLET LAW

5215 Junction Park Circle, Suite 202

Wilmington, NC 28412

Phone: 910-777-5995

Fax: 910-399-4277

nslaughter@hamlet-law.com

Attorney for RTC Investments

December 8, 2022

CERTIFICATE OF SERVICE

This is to certify that the undersigned has this day served the foregoing PROPOSED ORDER AND BRIEF OF UTILITY MANAGEMENT SERVICES, ON BEHALF OF RTC INVESTMENTS, LLC on the below parties of record by electronic or United States Mail:

Sallie Tanner
Executive Secretary
Georgia Public Service Commission
244 Washington Street, S.W.
Atlanta, GA 30334
TEL: 404-463-7747
FAX: 404-656-2341
stanner@psc.ga.gov

Brandon Marzo
Troutman Pepper
Bank of America Plaza, Suite 5200
600 Peachtree Street, N.E.
Atlanta, GA 30308-2216
TEL: 404-885-3146
brandon.marzo@troutman.com
On behalf of Georgia Power Company

Jeffrey C. Pollock
J. Pollock Incorporated
12647 Olive Boulevard, Suite 585
St. Louis, MO 63141
TEL: 314-878-5814
FAX: 314-878-7339
jcp@jpollockinc.com
On behalf of The Georgia Association of Manufacturers

Kurt J. Boehm, Esq.
Jody Kyler Cohn, Esq.
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, OH 45202
TEL: 513-421-2255
FAX: 513-421-2764
kboehm@bkllawfirm.com
jkylercohn@bkllawfirm.com
On behalf of The Kroger Co.

Preston Thomas
Georgia Public Service Commission
244 Washington Street, S.W.
Atlanta, GA 30334
TEL: 404-656-4554
FAX: 404-656-0980
pthomas@psc.state.ga.us
On Behalf of Georgia Public Service Commission

Kelley Balkcom
Director, Regulatory Affairs
Georgia Power Company
Bin 10230
241 Ralph McGill Boulevard, NE
Atlanta, GA 30308-3374
mmcclosk@southernco.com
On Behalf of Georgia Power Company

Charles B. Jones, III
Lloyd Avram
Roy Bowen
Georgia Association of Manufacturers
The Hurt Building
50 Hurt Plaza, Suite 985
Atlanta, GA 30303
TEL: 404-688-0555
FAX: 404-584-0720
cjones@gamfg.org
lavram@gamfg.org
rbowen@gamfg.org
On behalf of The Georgia Association of Manufacturers

Kevin Higgins
Justin Bieber
Energy Strategies, LLC
215 South State Street, Suite 200
Salt Lake City, UT 84111
TEL: 801-355-4365
FAX: 801-5219142
khiggins@energystra.com
jbieber@energystrat.com
On behalf of The Kroger Co.

Jim Clarkson
Resource Supply Management
135 Emerald Lake Rd
Columbia, SC 29209
TEL: 803-312-3500
jclarkson@rsmenergy.com
On behalf of Resource Supply Management

Deborah Opie
Georgia Conservation Voters
725 Ponce De Leon Ave. FL 2
Atlanta, GA 30306
deborah@gcvoters.org
On behalf of Georgia Conservation Voters

Robert Jackson, Esq.
Robert B. Jackson, IV, LLC
260 Peachtree Street, Suite 2200
Atlanta, GA 30303
TEL: 404-313-2039
rbj4law@gmail.com
On behalf of the Sierra Club

Ben J. Stockton, PE, MBA
Executive Director
Concerned Ratepayers of Georgia
2230 Allen Road
Macon, GA 31216
TEL: 404-924-5336
encomanager13@gmail.com
On behalf of Concerned Ratepayers of Georgia

Liz Coyle
Georgia Watch
55 Marietta Street, Suite 903
Atlanta, GA 30303
TEL: 404-525-1085 ext. 402
lcoyle@georgiawatch.org
On behalf of Georgia Watch

Emily W. Medlyn
General Attorney
U.S. Army Legal Services Agency
ELD Division
9275 Gunston Road
Fort Belvoir, VA 22060-4446
TEL: 703-614-3918
FAX: 703-806-0123
emily.w.medlyn.civ@army.mil
On behalf of The United States Department of Defense and All other Federal Executive Agencies

Isabella Ariza, Esq.
Sierra Club
50 F Street NW, 8th Floor
Washington, D.C. 2001
TEL: 857-999-6267
Isabella.ariza@sierraclub.org
On behalf of the Sierra Club

Newton M. Galloway
Terri M. Lyndall
Galloway & Lyndall, LLP
406 North Hill Street
Griffin, GA 30223
TEL: 770-233-6230
ngalloway@gallyn-law.com
tlyndall@gallyn-law.com
On behalf of Americans for Affordable Clean Energy

Steven C. Prenovitz, MBA
Consultant
Concerned Ratepayers of Georgia
4295 Amberglade Ct
Norcross, GA 30092
TEL: 770-448-8978
scprenovitz@gmail.com
On behalf of Concerned Ratepayers of Georgia

Jennifer Whitfield
Jillian Kysor
Southern Environmental Law Center
Ten 10th Street, NW, Suite 1050
Atlanta, GA 30309
jwhitfield@selcga.org
jkysor@selcga.org
On behalf of Georgia Interfaith Power & Light

Alan R. Jenkins
Jenkins at Law, LLC
2950 Yellowtail Ave.
Marathon, FL 33050
aj@jenkinsatlaw.com
On behalf of The Commercial Group

Donald Moreland
Georgia Solar Energy Association
1199 Euclid Avenue
Atlanta, GA 30307
don@solarcrowdsource.com
On Behalf of Georgia Solar Energy Association

Nikhil Vijaykar
Jason Keys
Alicia Zaloga
Keyes & Fox LLP
580 California St., 12th Floor
San Francisco, CA 94104
nvijaykar@keyesfox.com
jkeys@keyesfox.com
azaloga@keyesfox.com
On Behalf of EVgo Services, LLC

Bryan Jacob
Southern Alliance for Clean Energy
1455 Hampton Hill Drive
Alpharetta, GA 30022
bryan@cleanenergy.org
On Behalf of Southern Alliance for Clean Energy and the Southface Energy Institute

L. Craig Dowdy
Steven L. Jones
Taylor English Duma LLP
1600 Parkwood Circle, Suite 200
Atlanta, GA 30339
cdowdy@taylorenghish.com
sjones@taylorenghish.com
On Behalf of Southern Alliance for Clean Energy and the Southface Energy Institute

Katie Southworth
Southface Energy Institute
241 Pine Street, NE
Atlanta, GA 30308
ksouthworth@southface.org
On Behalf of Southern Alliance for Clean Energy and the Southface Energy Institute

William Collier
Southface Energy Institute
241 Pine Street, NE
Atlanta, GA 30308
wcollier@southface.org
On behalf of Southern Alliance for Clean Energy and the Southface Energy Institute

John R. Seydel
City of Atlanta Office of Resilience
55 Trinity Avenue
Atlanta, GA 30303
jrseydel@atlantaga.gov
On Behalf of Georgia Coalition of Local Governments

Scott F. Dunbar
Lucas Fykes
Keyes & Fox LLP
1580 Lincoln St., Suite 1105
Denver, CO 80203
sdunbar@keyesfox.com
lfykes@keyesfox.com
On Behalf of ChargePoint, Inc.

Alicia Zaloga
Keyes & Fox LLP
1155 Kildaire Farm Road, Ste.202-203
Cary, NC 27511
azaloga@keyesfox.com
On Behalf of ChargePoint, Inc.

Matthew Deal
ChargePoint, Inc.
254 E. Hacienda Ave.
Campbell, CA 95125
Matthew.Deal@chargepoint.com
On Behalf of ChargePoint, Inc.

Jared Ballew
ChargePoint, Inc.
254 E. Hacienda Ave.
Campbell, CA 95125
Jared.ballew@chargepoint.com
On Behalf of ChargePoint, Inc.

Lucy Bullock-Sieger
Lightstar Renewables, LLC
501 Boylston Street
Boston, MA 02116
Lucy.Bullock-Sieger@lightstar.com

Dargan Scott Cole
Hall Booth Smith, P.C.
2710 Old Milton Parkway, Suite 200
Alpharetta, GA 30009
scole@hallboothsmith.com
On Behalf of Lightstar Renewables, LLC

Simon Mahan
Southern Renewable Energy Assoc.

Scott Thomasson
Thomasson Law, LLC
1025 Bond Street
Macon, GA 31201
scott@thomassonlaw.net
*On Behalf of Georgia Solar Energy Industries
Association, Solar Energy Industries
Association and Vote Solar*

Alicia Brown
City of Savannah
Office of Sustainability
801 E. Gwinnett Street
Savannah, GA 31401
alicia.brown@savannahga.gov
*On Behalf of Georgia Coalition of Local
Governments*

David Nifong
City of Decatur
Department of Public Works
2635 Talley Street
Decatur, GA 30030
david.nifong@decaturga.com
*On Behalf of Georgia Coalition of Local
Governments*

Mike Wharton
Athens-Clarke County Unified Government
Sustainability Office
110 Bray Street
Athens, GA 30601
Mike.Wharton@accgov.com
*On Behalf of Georgia Coalition of Local
Governments*

H. Gordon Kenna
DeKalb County Government
Department of Public Works
1300 Commerce Drive
hgkenna@dekalbcountyga.gov
*On Behalf of Georgia Coalition of Local
Governments*

Angie Fiese
Cypress Creek Renewables, LLC

11610 Pleasant Ridge Rd., Suite 103 #176
Little Rock, AR 72223
simon@southernwind.org
On Behalf of Southern Renewable Energy Association

Kimberly (“Kasey”) A. Sturn
Wiessman PC
One Alliance Center, Fourth Floor
3500 Lenox Road
Atlanta, GA 30326
kaseys@weissman.law
On Behalf of Metropolitan Atlanta Rapid Transit Authority

Peter J. Andrews
Metropolitan Atlanta Rapid Transit Authority
2424 Piedmont Road, NE
Atlanta, GA 30324
pandrews@itsmarta.com
On Behalf of Metropolitan Atlanta Rapid Transit Authority

5310 S. Alston Avenue
Building 300
Durham, NC 27713
angie.fiese@ccrenew.com
On Behalf of Cypress Creek Renewables, LLC

Matt Kozey
Cypress Creek Renewables, LLC
1000 Wisconsin Avenue, Suite 100
Washington, DC 20007
Matt.kozey@ccrenew.com
On Behalf of Cypress Creek Renewables, LLC

J. Brett Newsom
Adam Wise
Interstate Gas Supply, Inc.
3344 Peachtree Road, Suite 2150
Atlanta, GA 30326
brett.newsom@scanaenergy.com
adam.wise@scanaenergy.com
On Behalf of Interstate Gas Supply, Inc.

This 8th day of December, 2022.

HAMLET LAW

Nicole R. Barnett Slaughter

Nicole R. Barnett Slaughter
G.A. State Bar No.: 039239
5215 Junction Park Circle, Suite 202
Wilmington, NC 28412
Telephone: 910-777-5995
Facsimile: 910-399-4277
nslaughter@hamlet-law.com
Attorney for Utility Management Services