Georgia Power

Bin 10230,
241 Ralph McGill Boulevard, NE
Atlanta, GA 30308-3374

October 2, 2023

Ms. Sallie Tanner
Executive Secretary
Georgia Public Service Commission
244 Washington Street, SW
Atlanta, GA 30334-5701

RE: Georgia Power Company's Update of Base Tariffs; Docket No. 44280

Dear Ms. Tanner:

In accordance with O.C.G.A. § 46-2-25 and the Georgia Public Service Commission's ("Commission") Order Adopting Settlement Agreement in Docket No. 44280 ("2022 Rate Case Order"), Georgia Power Company ("Georgia Power" or the "Company") hereby files an original and one copy of the updated traditional base tariffs, the Environmental Compliance Cost Recovery ("ECCR") tariff, the Demand Side Management ("DSM") tariffs (residential and commercial) and the Municipal Franchise Fee ("MFF") tariff, along with the temporary rate adjustment riders. The revised tariffs become effective on January 1, 2024.

The primary updates to the tariffs are as follows:

- **Traditional Base Rates –** The traditional base rate tariffs will collect an additional $275 million on an annual basis as a result of costs to be incurred by the Company in 2024 associated with additional capital investments and operating expenses previously approved by the Commission. In addition, the Company is recovering incremental revenue erosion of $341 thousand associated with the Time of Use – Food and Drink tariff ("TOU-FD") conversions from all TOU-FD rate customers as approved by the Commission.

- **Environmental Compliance**—The ECCR tariff will collect $99 million less on an annual basis as a result of ECCR costs to be incurred by the Company in 2024, which is comprised of a $64 million reduction in CCR ARO compliance costs along with a $35 million reduction in traditional ECCR costs excluding CCR ARO compliance costs. The decrease in the CCR ARO compliance costs reflects the actual CCR ARO regulatory asset balance through July 2023, as well as updated CCR ARO estimates for August 2023 through December 2024, as authorized by the Commission in the 2022 Rate Case Order and presented in the latest semi-annual CCR ARO filing in October 2023. In addition, the recovery of CCR ARO compliance costs for 2024 includes the application of the 2021 and 2022 Annual Surveillance Report sharing amounts credited to the CCR ARO regulatory asset. The decrease in traditional ECCR costs excluding CCR ARO compliance costs

reflects the costs associated with environmental capital investments and operating expenses previously approved by the Commission.

- **DSM—**The DSM tariffs will collect an additional $11 million on an annual basis as a result of DSM costs to be incurred by the Company in 2024. This increase reflects the incremental costs and Additional Sum associated with the Company's DSM programs, which were previously approved by the Commission. The increase is partially offset by the true-up of 2022 actual results which resulted in an over-recovery and includes the $1.5 million reduction to 2022 Additional Sum as agreed upon with the Commission's Public Interest Advocacy Staff.

- **MFF**—The MFF tariff will collect an additional $5 million on an annual basis primarily as a result of the net increases noted above.

- **TOU-EVC Tariff**—A November 2023 version of this tariff is being provided in addition to the tariff that will go into effect in January 2024. This tariff was requested by stakeholders to be available to customers before January 2024.

- **PPP Tariff**—The Price Protection Products ("PPP-2") schedule is updated to address customer eligibility requirements.

The total increase reflected in this filing is approximately $191 million, which is approximately $185 million less than the 2024 increase contemplated in the 2022 Rate Case Order.

Each of the increases/decreases outlined above have been calculated in accordance with the principles established in the 2022 Rate Case Order. Specifically, the Company has (1) utilized the most current CCR ARO compliance cost estimates for purposes of calculating the ECCR tariff; (2) utilized the projections for DSM costs approved by the Commission in Docket No. 44161 and a true-up of 2022 actual results; and (3) adjusted the MFF rate to reflect the updated actual percentage of MFF revenues within municipalities. The 2024 tariff designs for these increases/decreases utilize the most current kWh sales forecast.

The temporary rate adjustment riders will be applied beginning January 1, 2024 to facilitate the proration of the increase on that date.

If you have any questions, please call me at 404-506-3044.

Sincerely,

/s/ Kelley Balkcom

Kelley Balkcom
Director, Regulatory Affairs

GEORGIA POWER COMPANY
2024 COMPLIANCE FILING

SUMMARY OF TARIFF INCREASES (DECREASES)
FOR THE TWELVE MONTH PERIOD ENDING DECEMBER 31, 2024
(AMOUNTS IN THOUSANDS)

Line No.	Description	2024	
(1)	(2)	(3)	
1	Traditional Base	$ 275,087	(a)
2	ECCR - Excluding CCR ARO	(35,265)	(b)
3	ECCR - CCR ARO	(63,613)	(c)
4	DSM	10,579	(d)
5	MFF	4,617	(e)
6	Total	$ 191,405	

Note: Details may not add to totals due to rounding.

(a) Approved in the 2022 Rate Case in Docket No. 44280
(b) From Page 2, column 3, line 11
(c) From Page 5, column 3, line 9
(d) From Page 7, column 3, line 24
(e) From Page 8, column 3, line 33

GEORGIA POWER COMPANY

COMPUTATION OF RETAIL REVENUE DEFICIENCY
APPLICABLE TO ENVIRONMENTAL COMPLIANCE COST RECOVERY (ECCR) TARIFF
FOR THE TWELVE MONTH PERIODS ENDING DECEMBER 31, 2024
(AMOUNTS IN THOUSANDS)

Line No.	Description		2024	
(1)	(2)		(3)	
1	Retail Rate Base		$ 2,825,648	(a)
2	Requested Rate of Return	×	7.46%	(b)
3	Earnings Requirement		$ 210,664	
4	Less: Earnings Available for Return	-	299,974	(c)
5	Earnings Sufficiency		$ (89,310)	
6	Income Expansion Factor	÷	74.596%	(d)
7	2024 Revenue Sufficiency		$ (119,725)	
8	2023 ECCR Revenue Requirement Sufficiency	-	$ (20,848)	(d)
9	2024 ECCR Incremental Decrease		$ (98,878)	
10	2024 CCR ARO Compliance Incremental Decrease		$ (63,613)	
11	**2024 ECCR Excluding CCR ARO Incremental Decrease**		$ (35,265)	

Note: Details may not add to totals due to rounding.

(a) From Page 3, column 3, line 7
(b) From Page 9, column 6, line 3
(c) From Page 3, column 3, line 17
(d) Approved in the 2022 Rate Case in Docket No. 44280

GEORGIA POWER COMPANY

ENVIRONMENTAL INVESTMENT AND EXPENSES
FOR THE TWELVE MONTH PERIOD ENDING DECEMBER 31, 2024
(AMOUNTS IN THOUSANDS)

Line No.	Description	2024	
(1)	(2)	(3)	
1	Retail Electric Plant in Service	$ 4,337,940	
2	Accumulated Depreciation	(1,757,970)	
3	Net Plant in Service	$ 2,579,970	
4	Environmental Regulatory Assets	906,504	
5	CCR ARO Regulatory Asset	304,231	
6	Accumulated Deferred Income Taxes	(965,058)	
7	Total Rate Base	$ 2,825,648	
8	ECCR Tariff Revenues	$ 834,540	
9	Operating Expenses	(38,925)	
10	Environmental Remediation Accrual	(5,052)	
11	Depreciation Expense	(247,911)	
12	Environmental Regulatory Assets Amortization	(79,329)	
13	CCR ARO Recovery	(98,375)	
14	Earnings Before Taxes	$ 364,948	
15	Federal Income Taxes	(52,410)	(a)
16	State Income Taxes	(12,565)	(b)
17	Earnings Available for Return	$ 299,974	

Note: Details may not add to totals due to rounding.

(a) From Page 4, column 3, line 28
(b) From Page 4, column 3, line 14

GEORGIA POWER COMPANY

ENVIRONMENTAL STATE & FEDERAL INCOME TAXES
FOR TWELVE MONTH PERIODS ENDING DECEMBER 31, 2024
(AMOUNTS IN THOUSANDS)

Line No.	Description	2024
(1)	(2)	(3)
	State Tax Calculation	
1	ECCR Revenues	$ 834,540
2	Operating Expenses	(38,925)
3	Environmental Remediation Accrual	(5,052)
4	Depreciation Expense	(247,911)
5	Environmental Amortization	(79,329)
6	CCR ARO Recovery	(98,375)
7	Interest Expense	(44,516)
8	Non-Deductible Depreciation Expense	16,641
9	State Income Tax Deduction	(18,328)
10	Earnings Subject to State Tax	$ 318,745
11	State Tax Rate	5.75%
12	State Tax on Environmental Expenses	$ 18,328
13	State Tax Credits on Environmental Expenditures	(5,763)
14	Net State Income Tax - Environmental	$ 12,565
	Federal Tax Calculation	
15	ECCR Revenues	$ 834,540
16	Operating Expenses	(38,925)
17	Environmental Remediation Accrual	(5,052)
18	Depreciation Expense	(247,911)
19	Environmental Amortization	(79,329)
20	CCR ARO Recovery	(98,375)
21	Interest Expense	(44,516)
22	Non-Deductible Depreciation Expense	16,641
23	State Income Tax Deduction	(12,565)
24	Earnings Subject to Federal Tax	$ 324,508
25	Federal Tax Rate	21.00%
26	Federal Tax on Environmental Expenses	$ 68,147
27	Federal Protected Excess ADIT Amortization	(15,737)
28	Net Federal Income Tax - Environmental	$ 52,410

Note: Details may not add to totals due to rounding.

GEORGIA POWER COMPANY

RETAIL REVENUE REQUIREMENT SUMMARY
COAL COMBUSTION RESIDUAL (CCR) - ASSET RETIREMENT OBLIGATION (ARO) COMPLIANCE
FOR THE TWELVE MONTH PERIOD ENDING DECEMBER 31, 2024
(AMOUNTS IN THOUSANDS)

Line No.	Description		2024	
(1)	(2)		(3)	
1	CCR ARO Compliance Retail Rate Base		$ 227,274	(a)
2	Approved Rate of Return	×	7.46%	(b)
3	Earnings Requirement		$ 16,944	
4	Less: Operating Income Deficiency	-	(72,585)	(c)
5	Earnings Deficiency		$ 89,529	
6	Income Expansion Factor	÷	74.596%	(d)
7	**2024 CCR ARO Compliance Revenue Requirement**		**$ 120,019**	
8	2023 CCR ARO Compliance Revenue Requirement	-	183,632	(d)
9	**2024 CCR ARO Compliance Incremental Decrease**		**$ (63,613)**	

Note: Details may not add to totals due to rounding.

(a) From Page 6, column 3, line 14
(b) From Page 9, column 6, line 3
(c) From Page 6, column 3, line 20
(d) Approved in the 2022 Rate Case in Docket No. 44280

GEORGIA POWER COMPANY

COAL COMBUSTION RESIDUAL (CCR) - ASSET RETIREMENT OBLIGATION (ARO) COMPLIANCE
FOR THE TWELVE MONTH PERIOD ENDING DECEMBER 31, 2024
(AMOUNTS IN THOUSANDS)

Line No.	Description	2024
(1)	(2)	(3)
1	**CCR ARO Compliance Regulatory Asset - Balance As of July 31, 2023**	$ 112,638
2	Projected CCR ARO Compliance Expenditures (August - December 2023)	$ 154,398
3	Projected CCR ARO Compliance Recovery (August - December 2023)	$ 65,714
4	**CCR ARO Compliance Regulatory Asset - Balance As of December 31, 2023**	$ 201,322
5	**Projected CCR ARO Compliance Expenditures in 2024**	$ 304,192
6	1/4 Recovery of 2021 Expenditures	$ 18,128
7	1/4 Recovery of 2022 Expenditures	(68,793)
8	1/4 Recovery of 2023 Expenditures	79,224
9	1/4 Recovery of 2024 Expenditures	69,816
10	**Total CCR ARO Compliance Recovery in 2024**	$ 98,375
11	**CCR ARO Compliance Regulatory Asset - Ending Balance As of December 31, 2024**	$ 407,139
12	CCR ARO Compliance Regulatory Asset (13-Month average)	$ 304,231
13	Accumulated Deferred Income Taxes	(76,957)
14	**CCR ARO Compliance Retail Rate Base**	$ 227,274
	Operating Income Deficiency	
15	CCR ARO Compliance Revenues Included in Current Rates	$ -
16	CCR ARO Compliance Recovery	(98,375)
17	Earnings Before Taxes	$ (98,375)
18	Federal Income Taxes	20,246
19	State Income Taxes	5,544
20	**Operating Income Deficiency**	$ (72,585)
	State Tax Calculation	
21	CCR ARO Compliance Revenues	$ -
22	CCR ARO Compliance Recovery	(98,375)
23	Interest Expense	(3,581)
24	State Income Tax Deduction	5,544
25	Earnings Subject to State Tax	$ (96,412)
26	State Tax Rate	5.75%
27	**State Income Tax**	$ (5,544)
	Federal Tax Calculation	
28	CCR ARO Compliance Revenues	$ -
29	CCR ARO Compliance Recovery	(98,375)
30	Interest Expense	(3,581)
31	State Income Tax Deduction	5,544
32	Earnings Subject to Federal Tax	$ (96,412)
33	Federal Tax Rate	21.00%
34	**Federal Income Tax**	$ (20,246)

Note: Details may not add to totals due to rounding.

GEORGIA POWER COMPANY

RETAIL REVENUE REQUIREMENT SUMMARY
DEMAND SIDE MANAGEMENT (DSM) TARIFFS
FOR THE TWELVE MONTH PERIOD ENDING DECEMBER 31, 2024
(AMOUNTS IN THOUSANDS)

Line No.	Description	2024
(1)	(2)	(3)
	Residential Programs	
1	Incentive Costs	$ 18,676
2	Non-Incentive Costs	15,466
3	Cross-Cutting Costs	1,727
4	Additional Sum	1,278
5	Previously-Certified Program Costs & Other DSM	10,592
6	***Residential Sub-total***	$ 47,739
	Commercial Programs	
7	Incentive Costs	$ 25,153
8	Non-Incentive Costs	15,439
9	Cross-Cutting Costs	1,727
10	Additional Sum	16,624
11	Previously-Certified Program Costs & Other DSM	2,800
12	***Commercial Sub-total***	$ 61,742
13	***Total Residential and Commercial DSM Costs***	$ 109,481
14	**DSM (Over)/Under-Recovery for 2022**	$ (13,197)
15	**Carrying Cost on DSM (Over)/Under-Recovery**	$ (2,823)
16	***Total DSM Tariff Costs***	$ 93,462
17	DSM Revenues Included in Current Tariffs	46,021
18	***DSM Tariff Increases Before Tax***	$ 47,441
19	Federal and State Income Taxes	12,000
20	DSM Tariff Increases After Tax	35,441
21	Income Expansion Factor	74.596%
22	***DSM Tariff Increase***	$ 47,510
23	2023 Incremental DSM Tariff Increase	$ 36,931 (a)
24	**DSM Tariff Incremental Increase/(Decrease)**	$ 10,579

Note: Details may not add to totals due to rounding.

(a) Approved in the 2022 Rate Case in Docket No. 44280

GEORGIA POWER COMPANY

COMPUTATION OF THE IMPACT OF MUNICIPAL FRANCHISE FEES (MFF) TARIFF
FOR THE TWELVE MONTH PERIOD ENDING DECEMBER 31, 2024
(AMOUNTS IN THOUSANDS)

Line No.	Description		2024	
(1)	(2)		(3)	
	MFF Expenses			
1	Total Budgeted Revenue Before MFF		$ 7,882,256	
2	% of Revenues Inside Municipalities	×	62.26%	
3	Revenues Inside Municipalities		$ 4,907,531	
4	MFF Rate	×	4.00%	
5	MFF Expenses		$ 196,301	
	Carrying Charge on Pro Forma Average MFF Working Capital			
6	MFF Expenses		$ 196,301	
7	Calendar Year Days	÷	366	
8	Average Daily MFF Expenses		$ 536	
9	MFF Net Lead Days	×	(186.9)	(a)
10	Average MFF Working Capital		$ (100,225)	
11	Pre-Tax Weighted Average Cost of Capital	×	9.45%	(b)
12	Carrying Charge on Pro Forma Average MFF Working Capital		$ (9,468)	
	MFF Rate			
13	Adjusted MFF Expenses		$ 186,834	
14	Total Budgeted Revenue Before MFF	÷	7,882,256	
15	MFF Rate		2.3703%	
	MFF Revenue Deficiency			
16	New MFF Rate		2.3703%	
17	Current MFF Rate	-	2.3679%	(c)
18	MFF Rate Increase		0.0024%	
19	Total Budgeted Revenue Before MFF	×	7,882,256	
20	MFF Deficiency on Existing Revenue		$ 189	
21	Traditional Base Revenue Deficiency		$ 275,087	(c)
22	New MFF Rate	×	2.3703%	
23	Incremental MFF Revenue Requirement on Traditional Base Revenue Deficiency		$ 6,520	
24	Traditional ECCR Revenue Sufficiency		$ (35,265)	(c)
25	New MFF Rate	×	2.3703%	
26	Incremental MFF Revenue Requirement on ECCR Revenue Sufficiency		$ (836)	
27	CCR ARO ECCR Revenue Sufficiency		$ (63,613)	(d)
28	New MFF Rate		2.3703%	
29	Incremental MFF Revenue Requirement on CCR ARO Revenue Deficiency		$ (1,508)	
30	DSM Revenue Deficiency		$ 10,579	(e)
31	New MFF Rate	×	2.3703%	
32	Incremental MFF Revenue Requirement on DSM Revenue Deficiency		$ 251	
33	**2024 Incremental MFF Revenue Deficiency**		**$ 4,617**	

Note: Details may not add to totals due to rounding.

(a) 222.52 Expense Lead Days Net of 35.65 Retail Revenue Lag Days
(b) From Page 9, column 8, line 3
(c) Approved in the 2022 Rate Case in Docket No. 44280
(d) From Page 5, column 3, line 9
(e) From Page 7, column 3, line 24

GEORGIA POWER COMPANY

WEIGHTED AVERAGE COST OF CAPITAL
AVERAGE FOR THE THIRTEEN MONTHS ENDING DECEMBER 31, 2024
(AMOUNTS IN THOUSANDS)

Line No.	Component	Average Adjusted Balance 12/31/2024	Component Ratio	Average Cost	Weighted Average Cost of Capital	After-Tax Rate	Revenue Requirement (Pre-Tax) Rate	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1	Long-Term Debt	$ 16,570,691	44.00%	3.58%	1.58%	1.18%	1.58%	
2	Common Equity	21,089,737	56.00%	10.50%	5.88%	5.88%	7.87%	
3	Total	$ 37,660,428			7.46%	7.06%	9.45%	(a)

(a) Approved in the 2022 Rate Case in Docket No. 44280