

Brandon F. Marzo

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August 16, 2024

Ms. Sallie Tanner
Executive Secretary
Georgia Public Service Commission
244 Washington Street, S.W.
Atlanta, Georgia 30334

RE: Georgia Power Company's Application for Certification of Robins, Moody, Hammond, and McGrau Ford Phase II Battery Energy Storage Systems; Docket No. 55378

Dear Ms. Tanner:

Enclosed for filing on behalf of Georgia Power Company is the Direct Testimony of the Panel of Jeffrey R. Grubb, Michael A. Bush, and Steven M. Goedjen.

Please call me at (404) 885-3683 if you have any questions regarding this filing.

Sincerely,

/s/Brandon F. Marzo

Brandon F. Marzo

Enclosure

STATE OF GEORGIA

**BEFORE THE
GEORGIA PUBLIC SERVICE COMMISSION**

In Re:

**Georgia Power Company's)
2023 Integrated Resource Plan Update,)
Application for the Certification)
of Robins, Moody, Hammond, and)
McGraw Ford Phase II)
Battery Energy Storage Systems)**

Docket No. 55378

DIRECT TESTIMONY OF

JEFFREY R. GRUBB, MICHAEL A. BUSH, AND STEVEN M. GOEDJEN

August 16, 2024

1 After joining the Company as a full-time employee in 1997, I worked in various
2 roles within Marketing until 2001, at which time I participated in a Company
3 developmental program where I gained experience in a wide range of functional
4 areas. During this period, I earned a Master of Business Administration degree from
5 Auburn University in 2000.

6 In 2003, I joined the Resource Policy and Planning organization at Georgia Power
7 where I served as a Project Manager through 2006. From 2007 through 2016, I
8 worked for SCS in various planning roles, including SCS Forecasting Team Leader
9 (2007), SCS Fuels Planning Manager (2007-2011), and SCS Resource Planning
10 Project Manager (2011-2016), where I managed the team that supports the
11 development of the Southern Company System (“System”) Integrated Resource
12 Plan (“IRP”). In this role, I supported Georgia Power’s 2013 IRP (Docket No.
13 36498) and 2016 IRP (Docket No. 40161). In 2016, I returned to Georgia Power as
14 Project Manager in Resource Policy and Planning, where I worked on the
15 development of the 2019 IRP. Beginning in March 2018, I assumed my current
16 position as Director of Resource Planning for Georgia Power.

17 **Q. MR. GRUBB, HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE**
18 **GEORGIA PUBLIC SERVICE COMMISSION?**

19 A. Yes. I previously testified in this docket, Docket No. 55378, Georgia Power’s 2023
20 IRP Update and the Application for Certification for Plant Yates Units 8-10, Docket
21 No. 44160, Georgia Power’s 2022 IRP; Docket Nos. 4822, 16573, and 19279, the
22 Georgia Public Service Commission’s (“Commission”) Review of Georgia
23 Power’s PURPA Avoided Cost Methodology; Docket No. 42310, Georgia Power’s
24 2019 IRP; Docket No. 42625, Georgia Power’s Application for the Certification of
25 the 2020/2021 Renewable Energy Development Initiative (“REDI”) Utility Scale
26 Power Purchase Agreements (“PPAs”); Docket No. 41596, Georgia Power’s
27 Application for the Certification of the 2018/2019 REDI Utility Scale PPAs;
28 Docket No. 41734, Georgia Power’s Application for the Certification of the

1 2018/2019 REDI Utility Scale PPAs for the Commercial and Industrial (“C&I”)
2 Program.

3 **Q. MR. BUSH, PLEASE SUMMARIZE YOUR EDUCATION AND**
4 **PROFESSIONAL EXPERIENCE.**

5 A. I began my career with Mississippi Power Company (“Mississippi Power”) in 1983
6 as a cooperative education student. I graduated from Auburn University with a
7 degree in Electrical Engineering. After working outside the Southern Company for
8 a few years, I returned to work for Mississippi Power in 1990. From 1990 until
9 1995, I held various staff positions before transferring to SCS in Birmingham,
10 Alabama to work in the wholesale marketing organization.

11 I became a Term Trader in 1996 and I was appointed Manager of Energy Trading
12 in 1999. In 2003, I took the position of Director of Portfolio Management. After a
13 re-organization of the wholesale organization occurred in 2005 combining Portfolio
14 Management and Energy Trading, I took a leadership position in that new
15 organization. In 2009, I moved to my current role as Director of Generation
16 Planning and Development. My current responsibilities include providing
17 generation planning and development services to Southern Company’s retail
18 operating companies, including Georgia Power.

19 **Q. MR. BUSH, HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE**
20 **COMMISSION?**

21 A. Yes. I testified in this docket, Docket No. 55378, Georgia Power’s 2023 IRP Update
22 and the Application for Certification for Plant Yates Units 8-10. I was also a rebuttal
23 witness in Docket No. 40161, Georgia Power’s 2016 IRP, and a direct witness in
24 Docket No. 42310, Georgia Power’s 2019 IRP.

1 **Q. MR. GOEDJEN, PLEASE SUMMARIZE YOUR EDUCATION AND**
2 **PROFESSIONAL EXPERIENCE.**

3 A. I began my career with Georgia Power in 2008 as a cooperative education student.
4 I graduated from Auburn University with a degree in Industrial and Systems
5 Engineering. Upon graduation, I started working full-time for Georgia Power in
6 2011 at Plant McDonough as an engineer. Over the years, I held various
7 engineering and team leader positions at Plant Bowen and Plant McDonough before
8 transitioning to Georgia Power Resource Planning as an analyst in 2019. Following
9 the conclusion of the 2019 IRP, I moved to the Renewable Development group as
10 a Principal on the Project Development team, focusing on the development and
11 construction of renewable and battery storage self-build projects. In 2022, I
12 completed my Master of Business Administration at Mercer University and
13 transitioned to a new role as the Assistant to the Senior Vice President and Senior
14 Production Officer, where I supported the Senior Vice President and Senior
15 Production Officer as well as the Generation team. In 2023, I joined SCS as the
16 Manager of Battery Energy Storage Development within Generation Planning and
17 Development.

18 **Q. MR. GOEDJEN, HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE**
19 **COMMISSION?**

20 A. No.

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

22 A. Our testimony is filed in support of Georgia Power's Application for the
23 Certification of the Robins, Moody, Hammond, and McGrau Ford Phase II Battery
24 Energy Storage Systems (the "Application") submitted pursuant to O.C.G.A. § 46-
25 3A-4 and Commission Rule 515-3-4-.07(2). The Application, including
26 Attachments A through H and the Technical Appendix, were filed in this docket

1 simultaneous with this testimony. We wish to incorporate that filing by reference
2 into this testimony.

3 **Q. PLEASE SUMMARIZE YOUR TESTIMONY.**

4 A. Our testimony supports Georgia Power’s Application for the Certification of the
5 Robins, Moody, Hammond, and McGrau Ford Phase II Battery Energy Storage
6 Systems (“BESS”). As explained below and in the Company’s 2023 IRP Update
7 proceeding, Georgia continues to be one of the fastest growing states in the country
8 and is experiencing extraordinary economic development. To meet the needs of a
9 growing Georgia and continue to reliably serve customers, the Commission
10 approved in its Order Adopting Stipulated Agreement¹ (“2023 IRP Update Order”)
11 a balanced portfolio of resources that ensures that the Company can meet this
12 growing capacity need. As part of the balanced portfolio approved in the 2023 IRP
13 Order the Company has been authorized to develop, own, and operate up to 500
14 megawatts (“MW”) of BESS resources at various sites that will be identified by the
15 Company to help meet the needs of economic development customer loads in the
16 winter of 2026/2027. The Commission exempted these resources from the
17 Commission’s Request for Proposal (“RFP”) process. In order to meet the needs
18 identified in the 2023 IRP Update, the Company has filed for expedited certification
19 as required by the 2023 IRP Update Final Order.

20 Two of the resources included in the 500 MW BESS portfolio, the BESS projects
21 located adjacent to the Robins Air Force Base (“Robins BESS”) and Moody Air
22 Force Base (“Moody BESS”), were previously identified and approved in the 2023
23 IRP Update Order. In this Application, the Company has also identified the
24 Hammond BESS and McGrau Ford Phase II BESS as additional Company-owned
25 BESS projects necessary to meet needs identified in the 2026/2027 timeframe.

¹ Order Adopting Stipulated Agreement, Docket No. 55378 (April 26, 2024) (“IRP Update Order”).

1 The portfolio of BESS resources the Company proposes specifically meets the
2 needs identified in the 2023 IRP Update in a cost-effective and strategic manner.
3 Further, each BESS project will produce a variety of benefits. Each project will
4 leverage existing transmission infrastructure. As such, these projects reduce
5 deployment time and avoid additional capital investment otherwise required to
6 construct interconnection facilities and transmission system upgrades to charge and
7 discharge the BESS. The proposed BESS resources will also provide energy
8 arbitrage benefits, which optimize energy savings by shifting the energy output
9 from hours with a relatively low system marginal cost to hours with a relatively
10 high system marginal cost. In addition, this BESS project portfolio allows for
11 minimized costs by maximizing economies of scale within the bounds of the
12 transmission available for each site. The Company will also continue to identify
13 and utilize for customers' benefit available tax credits through the Inflation
14 Reduction Act ("IRA").

15 To facilitate development of the BESS projects, the Company entered into
16 Engineering, Procurement, and Construction ("EPC") Agreements with Burns and
17 McDonnell for the Robins BESS and McGrau Ford Phase II BESS projects and
18 EPC Agreements with Crowder Industrial Construction, LLC. ("Crowder") for the
19 Moody BESS and Hammond BESS projects. Both firms are well known for their
20 extensive experience within the power industry, demonstrating their capability to
21 contribute to the successful completion of these projects. The Company's review
22 of their proposals and engagement with these firms has established a solid
23 foundation, reinforcing the belief in their effective execution strategies. The
24 Company has experienced personnel in place to provide oversight and appropriate
25 execution of the EPC Agreements by these contractors and is highly confident in
26 their ability to successfully execute these projects.

27 The Company has also executed Battery and Equipment Supply Agreements
28 ("BESA") for all four projects with Tesla for the Megapack 2 XL. The Tesla
29 Megapack 2 XL is a utility-scale energy storage solution from a leading supplier

1 that provides a modular design that allows for rapid deployment of BESS for high-
2 capacity, large-scale projects.

3 In summary, the portfolio of BESS resources in the Company's Application
4 provides substantial benefits to our customers and will meet the needs identified in
5 the 2026/2027 timeframe.

6 **II. BESS RESOURCE PORTFOLIO OVERVIEW**

7 **Q. PLEASE SUMMARIZE THE PORTIONS OF THE COMMISSION'S 2023**
8 **IRP UPDATE ORDER RELATED TO COMPANY-OWNED BESS**
9 **RESOURCES.**

10 A. The 2023 IRP Update Order includes two overarching provisions relevant to the
11 Company's ownership of BESS resources.² First, the Order provides for Company
12 ownership of 500 MW of BESS resources to be developed at various sites that will
13 be identified by the Company.³ Importantly, the Order exempts these 500 MW of
14 BESS from the Commission RFP process. Second, as part of the 500 MW of
15 Company-owned BESS, the Commission has already specifically approved the
16 Robins and Moody BESS projects, which represents over 177 MW of the 500 MW
17 of Company-owned BESS approved by the Commission. Finally, due to the
18 accelerated timeframe that the BESS resources are needed, the 2023 IRP Update
19 Order provides for the Company to file for expedited certification of the BESS
20 projects once the EPC Agreements for the projects have been executed.⁴

² Note: The 2023 IRP Update Stipulation also included a third provision related to the Winter 2027/2028 BESS RFP for approximately 500 MW of BESS, which is not included or addressed in this Application.

³ IRP Update Order at 18, ¶ 7.

⁴*Id.* ¶ 8.

1 **Q. PLEASE ELABORATE ON THE PORTFOLIO OF BESS RESOURCES**
2 **THE COMPANY IDENTIFIED FOR CERTIFICATION IN ITS**
3 **APPLICATION.**

4 A. The Application includes the following four systems Georgia Power identified to
5 fulfill the 500 MW portfolio of Company-owned, BESS resources:

- 6 • Robins: 128 MW Robins BESS in Bibb County, GA,
- 7 • Moody: 49.5 MW Moody BESS in Lowndes County, GA,
- 8 • Hammond: 57.5 MW Hammond BESS in Floyd County, GA,
- 9 • McGrau Ford Phase II: 265 MW BESS in Cherokee County, GA

10 Each of the proposed resources consists of 4-hour duration BESS. Once developed,
11 these projects will serve as dispatchable capacity resources that provide customers
12 with a reliable and economical source of electricity required by the winter of
13 2026/2027. In addition, the resources will form a critical component of the
14 Company's diverse generation portfolio, helping ensure the Company has the mix
15 of technologies necessary to provide reliable and resilient electric service for all
16 customers during all hours.

17 **Robins BESS**

18 **Q. PLEASE DESCRIBE THE ROBINS BESS PROJECT.**

19 A. The Robins BESS is a 128 MW system located in Bibb County, Georgia. The
20 Company has entered into a BESA with Tesla for the Megapack 2 XL. The system
21 is unique compared to other available BESS in the market because it arrives at site
22 fully integrated and capable of outputting alternating current ("AC") power. This
23 integration greatly reduces commissioning timelines and helps provide for rapid
24 deployment. By utilizing the Tesla Megapack, the Company was able to leverage
25 the expertise of a leading supplier to procure timely and reliable BESS equipment.
26 The contract with Tesla is included in the Technical Appendix.

1 **Q. PLEASE PROVIDE AN OVERVIEW OF THE ENGINEERING,**
2 **PROCUREMENT, AND CONSTRUCTION PLAN FOR THE ROBINS**
3 **BESS PROJECT.**

4 A. After conducting a comprehensive Supply Chain RFP, the Company selected Burns
5 and McDonnell for the Robins BESS due to its extensive experience in engineering
6 and construction. Pursuant to the EPC Agreement included in the Technical
7 Appendix, Burns and McDonnell is responsible for the engineering, design,
8 procurement of balance of system components, civil grading, and on-site equipment
9 installation. The Company will purchase the battery system equipment directly
10 from Tesla under the BESA. Burns and McDonnell will deliver all services for a
11 fixed price and will adhere to a detailed scope of work and specifications for Robins
12 BESS. In addition, the Company has experienced personnel in place to provide
13 oversight and ensure appropriate execution of the EPC Agreement and is highly
14 confident in its ability to successfully execute the Robins BESS project.

15 **Q. HOW IS THE ROBINS BESS PROJECT BENEFICIAL FOR CUSTOMERS**
16 **AND THE COMPANY?**

17 A. The Robins BESS project is beneficial in several ways. The Company strategically
18 selected the Robins site for its expedited deployment capabilities. This strategic site
19 selection allows the Company to leverage existing infrastructure, thereby
20 eliminating the need to construct new generator step-up (“GSU”) project-level
21 substations and eliminating potential expenses and long lead time projects
22 associated with interconnection and network upgrades. In addition, it also offers
23 expedited deployment capabilities and ensures known transmission deliverability.

24 The Robins BESS will be controlled by Automatic Generation Control (“AGC”)
25 signals and will store the renewable energy generated during daylight hours and
26 discharge it as needed to support grid operations and to meet capacity needs.
27 Therefore, the Robins BESS will optimize energy savings by shifting the energy
28 from hours with relatively low system marginal cost to hours with relatively high

1 system marginal cost. While the Robins BESS will primarily charge from the
2 collocated solar facility, it will also be capable of charging from the grid if
3 constraints are not present on the transmission system.

4 **Q. WHAT IS THE ANTICIPATED COMMERCIAL OPERATION DATE FOR**
5 **THE ROBINS BESS PROJECT?**

6 A. The Robins BESS project is scheduled to reach commercial operation in June 2026.
7 Additional details regarding the project schedule and timeline are included in
8 Application Attachment D.

9 **Moody BESS**

10 **Q. PLEASE DESCRIBE THE MOODY BESS PROJECT.**

11 A. The Moody BESS project is a 49.5 MW system located in Lowndes County, GA.
12 Like the Robins BESS project, the Company entered into a BESA with Tesla for
13 the Megapack 2 XL. The system is unique compared to other available BESS in the
14 market because it arrives at the project site fully integrated and capable of AC
15 power output. This integration greatly reduces commissioning timelines and
16 supports rapid deployment of the BESS. By utilizing the Tesla Megapack, the
17 Company was leveraged the expertise of a leading supplier to procure timely and
18 reliable BESS equipment. The contract with Tesla is included in the Technical
19 Appendix.

20 **Q. PLEASE PROVIDE AN OVERVIEW OF THE ENGINEERING,**
21 **PROCUREMENT, AND CONSTRUCTION PLAN FOR THE MOODY**
22 **BESS PROJECT.**

23 A. Through a comprehensive analysis of proposals, the Company selected Crowder
24 due to its extensive experience as a general contractor in the power industry. Under
25 the terms of the EPC Agreement, which is included in the Technical Appendix to
26 the Application, Crowder is responsible for the engineering, design, procurement

1 of balance of system components, civil grading, and on-site equipment installation.
2 The Company will purchase the battery system equipment directly from Tesla
3 under the BESA. Crowder will deliver all services for a fixed price and will adhere
4 to a detailed scope of work and specifications for the Moody BESS. In addition, the
5 Company has experienced personnel in place to provide oversight and ensure
6 appropriate execution of the EPC Agreement and is highly confident in its ability
7 to successfully execute the Moody BESS project.

8 **Q. HOW IS THE MOODY BESS PROJECT BENEFICIAL FOR CUSTOMERS**
9 **AND THE COMPANY?**

10 A. The Moody BESS project site will be located near the Company's existing Moody
11 solar facility. Similar to the Robins BESS project, this strategic choice allows the
12 Company to leverage existing infrastructure, thereby eliminating the need for
13 constructing new GSU project-level substations and eliminating potential expenses
14 and long lead time projects associated with interconnection and network upgrades.
15 It also offers expedited deployment capabilities and ensures known transmission
16 deliverability.

17 The Moody BESS will be controlled by AGC and will store the renewable energy
18 generated during daylight hours and discharge it as needed to support grid
19 operations and to meet capacity needs. Therefore, the Moody BESS will optimize
20 energy savings by shifting the energy from hours with relatively low system
21 marginal cost to hours with relatively high system marginal cost. And while Moody
22 BESS will primarily charge from the collocated solar facility, it will be constructed
23 so that it is also capable of charging from the grid if constraints are not present on
24 the transmission system.

1 **Q. WHAT IS THE ANTICIPATED COMMERCIAL OPERATION DATE FOR**
2 **THE MOODY BESS PROJECT?**

3 A. The Moody BESS project is scheduled to reach commercial operation in May 2026.
4 Additional details regarding the project schedule and timeline are included in
5 Application Attachment E.

6 **Hammond BESS**

7 **Q. PLEASE DESCRIBE THE HAMMOND BESS PROJECT.**

8 A. The Hammond BESS project is a 57.5 MW system located in Floyd County, GA.
9 The Company entered into a BESA with Tesla for the Megapack 2 XL. Like the
10 Robins and Moody BESS discussed earlier, the system is unique compared to other
11 available BESS in the market because it arrives at site fully integrated and capable
12 of outputting AC power. This integration greatly reduces commissioning timelines
13 and helps provide for rapid deployment. By utilizing the Tesla Megapack, the
14 Company was able to leverage the expertise of a leading supplier to procure timely
15 and reliable BESS equipment. The contract with Tesla is included in the Technical
16 Appendix. The Hammond BESS will be charged from the grid as directed through
17 AGC signals, and the Company's grid operators will utilize the Hammond BESS
18 to provide both energy arbitrage and firm capacity benefits to minimize total system
19 production costs while maintaining system reliability.

20 **Q. PLEASE PROVIDE AN OVERVIEW OF THE ENGINEERING,**
21 **PROCUREMENT, AND CONSTRUCTION PLAN FOR THE HAMMOND**
22 **BESS PROJECT.**

23 A. Like the Moody BESS project, the Company entered into an EPC Agreement for
24 the Hammond BESS project with Crowder based on the information learned
25 through its comprehensive Supply Chain RFP. Under the terms of the EPC
26 Agreement, also included in the Technical Appendix to the Application, Crowder

1 is responsible for the engineering, design, procurement of balance of system
2 components, civil grading, and on-site equipment installation. The Company will
3 purchase the battery system equipment directly from Tesla under the BESA.
4 Crowder will deliver all services for a fixed price and will adhere to a detailed scope
5 of work and specifications for Hammond BESS. The Company has put experienced
6 personnel in place to provide oversight and to ensure appropriate execution of the
7 EPC Agreement, and Georgia Power is highly confident in its ability to successfully
8 execute the Hammond BESS project.

9 **Q. HOW IS THE HAMMOND BESS PROJECT BENEFICIAL FOR**
10 **CUSTOMERS AND THE COMPANY?**

11 A. The Hammond BESS project is a standalone BESS that leverages existing
12 Company infrastructure from the retired coal-fired Plant Hammond facility, where
13 transmission capacity has been identified to be available by winter of 2026/2027.
14 By repurposing Company-owned land and increasing tax incentives from the IRA
15 through the energy community adder, the Hammond BESS project provides
16 significant benefit to customers while aiding the Company in meeting its capacity
17 obligations.

18 **Q. WHAT IS THE ANTICIPATED COMMERCIAL OPERATION DATE FOR**
19 **THE HAMMOND BESS PROJECT?**

20 A. The Hammond BESS project is scheduled to reach commercial operation in
21 November 2026. Additional details regarding the project schedule and timeline are
22 included in Application Attachment G.

1 **McGrau Ford Phase II BESS**

2 **Q. PLEASE DESCRIBE THE MCGRAU FORD PHASE II BESS PROJECT.**

3 A. The McGrau Ford Phase II BESS project is a 265 MW system located in Cherokee
4 County, GA. The Company entered into a BESA with Tesla for the Megapack 2
5 XL. Like the other BESS facilities discussed in our testimony, the system is unique
6 compared to other available BESS in the market because it arrives at site fully
7 integrated and capable of AC power output. This integration greatly reduces
8 commissioning timelines and helps provide for rapid deployment. By utilizing the
9 Tesla Megapack, the Company was able to leverage the expertise of a leading
10 supplier to procure timely and reliable BESS equipment. The contract with Tesla is
11 included in the Technical Appendix. The McGrau Ford Phase II BESS will be
12 charged from the grid as directed through AGC signals, and the Company’s grid
13 operators will utilize the McGrau Ford Phase II BESS to provide both energy
14 arbitrage and firm capacity benefits to minimize total system production costs while
15 maintaining system reliability.

16 **Q. PLEASE PROVIDE AN OVERVIEW OF THE ENGINEERING,**
17 **PROCUREMENT, AND CONSTRUCTION PLAN FOR THE MCGRAU**
18 **FORD PHASE II BESS PROJECT.**

19 A. Georgia Power selected Burns and McDonnell for the McGrau Ford Phase II BESS
20 due to its extensive experience in the engineering and construction of BESS and to
21 leverage the site presence, design work and construction for the McGrau Ford Phase
22 I project that will be worked in parallel with McGrau Phase II. Under the EPC
23 Agreement, which is also included in the Technical Appendix to the Application,
24 Burns and McDonnell is responsible for the engineering, design, procurement of
25 balance of system components, civil grading, and on-site equipment installation.
26 The Company will purchase the battery system equipment directly from Tesla
27 under the BESA. Burns and McDonnell will deliver all services for a fixed price
28 and will adhere to a detailed scope of work and specifications for McGrau Ford

1 Phase II BESS. In addition, the Company has experienced personnel in place to
2 provide oversight and ensure appropriate execution of the EPC Agreement and is
3 highly confident in its ability to successfully execute the McGrau Ford Phase II
4 BESS project.

5 **Q. HOW IS THE MCGRAU FORD PHASE II BESS PROJECT BENEFICIAL**
6 **FOR CUSTOMERS AND THE COMPANY?**

7 A. The Company strategically selected the McGrau Ford site to leverage the ongoing
8 McGrau Ford Phase I BESS project, that was provisionally approved in the 2022
9 IRP. Given the existing site work, land acquisition, and contracting for McGrau
10 Ford Phase I BESS, the Company will realize efficiencies in contracting and
11 construction by using the same construction partner and Company-owned land. In
12 addition, the preliminary design for McGrau Ford Phase I BESS provides an
13 opportunity for Georgia Power to cost effectively expand the project level
14 substation and generation tie line as compared to constructing a new project level
15 substation. This approach not only ensures cost savings but also capitalizes on
16 economies of scale to reduce overall EPC costs.

17 **Q. WHAT IS THE ANTICIPATED COMMERCIAL OPERATION DATE FOR**
18 **THE MCGRAU FORD PHASE II BESS PROJECT?**

19 A. The McGrau Ford Phase II BESS project is scheduled to reach commercial
20 operation in September 2026. Additional details regarding the project schedule and
21 timeline are included in Application Attachment H.

1 **III. CERTIFIED COST AND COST RECOVERY**

2 **Q. WHAT COST IS THE COMPANY ASKING THE COMMISSION TO**
3 **CERTIFY FOR THE BESS RESOURCE PORTFOLIO?**

4 A. The specific in-service cost for each project and the total for all four projects is
5 provided in Figure 16 on page 41 of the Company’s Application. The Company
6 requests the Commission certify all four projects at their forecasted in-service costs
7 shown in Figure 16.

8 **Q. DO THE COST ESTIMATES REFLECTED IN FIGURE 16 REFLECT TAX**
9 **BENEFITS UNDER THE INFLATION REDUCTION ACT?**

10 A. Yes. The Company included a cost reduction for each project as each project will
11 qualify for the 30% Investment Tax Credit (“ITC”) under the Inflation Reduction
12 Act (“IRA”). The Hammond BESS project will also qualify for the bonus 10% ITC
13 Energy Community Credit under the IRA. It is our intent that any tax credit(s) for
14 which the battery projects qualify and are not currently reflected in the cost
15 estimates, would also be a benefit to customers.

16 **Q. HOW DOES GEORGIA POWER PROPOSE TO RECOVER THE COST OF**
17 **ROBINS, MOODY, HAMMOND AND MCGRAU FORD PHASE II?**

18 A. Georgia Power proposes to recover the costs associated with the construction of the
19 BESS projects in rate base and will reflect the operating expenses associated with
20 the units in its retail cost of service. Regulatory treatment for these units will be
21 consistent with the current treatment of Georgia Power’s existing, owned retail
22 generation facilities.

1 **Q. WHAT PROJECT COSTS WOULD THE COMPANY SEEK TO RECOVER**
2 **SHOULD THE COMMISSION DECLINE TO CERTIFY ANY OF THE**
3 **BESS PROJECTS IN THIS APPLICATION?**

4 A. To the extent that the Commission does not certify one or more BESS projects, the
5 Company would seek recovery of any costs incurred that are not useful or
6 transferable to other potential projects. In such case, the Company would propose
7 to defer those costs to a regulatory asset for recovery in a future base rate case.

8 **IV. CONSTRUCTION MONITORING**

9 **Q. HOW DOES THE COMPANY INTEND TO APPRISE THE COMMISSION**
10 **OF THE PROGRESS IN THE CONSTRUCTION OF THE PROPOSED**
11 **BESS?**

12 A. Georgia Power will file semi-annual construction monitoring reports as required by
13 the Commission's 2023 IRP Update Order. The reports will provide an update on
14 the status of the construction and progress of the BESS portfolio of Robins, Moody,
15 Hammond, and McGrau Ford Phase II BESS projects.

16 **Q. WHAT INFORMATION IS GEORGIA POWER PROPOSING TO**
17 **INCLUDE IN ITS CONSTRUCTION MONITORING REPORTS?**

18 A. The Company proposes to include information on capital expenditures and
19 financial cost data, detailed schedule reporting on critical path activities, status
20 updates on the procurement of any new licenses and permits, variances in major
21 contracts, and the procurement status of long-lead time equipment. To the extent
22 additional information is needed, the Company will also work with Commission
23 Staff to ensure that it has the information necessary to evaluate the progress of
24 construction for the Certified BESS projects.

1 **V. CONCLUSION**

2 **Q. IN CONCLUSION, PLEASE SUMMARIZE WHAT GEORGIA POWER IS**
3 **REQUESTING OF THE COMMISSION IN THIS APPLICATION.**

4 A. The Company requests that the Commission certify the Robins, Moody, Hammond,
5 and McGrau Ford Phase II BESS projects as proposed in the Application and
6 approved in the 2023 IRP Update Order. As set forth in the Company's 2023 IRP
7 Update and recognized in the 2023 IRP Update Order, this portfolio of BESS
8 resources is required to provide cost-effective and reliable sources of capacity and
9 energy for customers in the 2026/2027 timeframe and is in the public interest.
10 Therefore, approval of this Application will help ensure Georgia Power can
11 economically and reliably meet customers' energy needs.

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

13 A. Yes.