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DOCKET NO. 55623

IN RE: GEORGIA POWER COMPANY'S 2024 DISTRIBUTED GENERATION REQUESTS FOR PROPOSALS

ORDER APPROVING FINAL REQUEST FOR PROPOSALS DOCUMENTS

On September 12, 2024, Georgia Power Company ("Georgia Power" or "Company") filed the final drafts of Georgia Power's 2024 Distributed Generation ("DG") Request for Proposals ("RFP"), Pro Forma Power Purchase Agreement ("PPA"), and Build Transfer Agreement ("BTA") for Georgia Public Service Commission ("Commission") approval. As approved by the Commission in its Order Adopting Stipulation in Docket No. 44160 ("2022 IRP Final Order") regarding Georgia Power's 2022 Integrated Resource Plan ("IRP"), Georgia Power will procure up to 200 megawatts ("MW") of DG through two RFPs. Additionally, under the 2019 Final IRP Order in Docket No. 42310, the unfilled procurement target from Georgia Power's 2020 DG RFP and the Renewable Energy Development Initiative Customer-Sited ("REDI CS") II program (approximately 93 MW) were added to the 2023 DG RFP procurement target of 100 MW. The 2023 DG RFP was issued in 2023 and is nearing completion. The 2023 DG RFP will not meet its target procurement total; therefore, approximately 150 MW will be added to the 2024 DG RFP target procurement amount (for a total of approximately 250 MW).

The 2024 DG RFP seeks to procure approximately 250 MW of energy from solar DG resources with facilities sized greater than 250 kilowatts ("kW"), up to 6 MW. A facility must interconnect to the Company's distribution system. If the facility is located outside of Georgia Power's service territory, a three-party agreement with the service territory's electric service

provider (e.g., an Electric Membership Cooperative ("EMC") or municipality) will be required. All Environmental Attributes produced by or related to the facility must be bundled with the energy procured under this DG RFP.

Accion Group, LLC was selected by the Commission as the Independent Evaluator ("IE") for this solicitation. All communications and submission of bids will be through https://gpcdgrfp.accionpower.com/ ("IE Website"). The evaluation of the bids received will primarily focus on a bid's economic net benefits, but other qualitative and non-price attributes, such as use of union labor and diversity, equity, and inclusion will be considered, especially where one or more bids offer a substantially similar economic benefit.

Bidders are required to submit with each bid a non-refundable "Bid Fee" of $4 per kW ($4,000/MW). For each unique bid submitted, a bidder will be permitted to provide one levelized pricing option and one escalating pricing option for one bid fee. There will also be a Winner's Fee of $10/kW ($10,000/MW) to cover the IE cost and a portion of the costs to administer this DG RFP. Bidders can elect a project term of 15, 20, 25, 30, or 35 annual periods. Once a bid is submitted, the bidder will not be allowed to adjust the PPA term length. For the evaluation of proposals with unequal contract term lengths, the Company will utilize its projected avoided costs to evaluate bids on an equivalent basis. This method is consistent with what was done in prior RFPs. Following the initial Net Benefit ranking, Georgia Power will review with Commission Staff ("Staff") and the IE the Solar Weighted Projected Avoided Costs for a single Georgia Power generic single axis tracking solar profile modeled in one or more Georgia Power planning scenarios (e.g., MG0, HG0, MG20, etc.) relative to the initial Net Benefit ranking to determine the Best Cost Threshold, which will determine the bids that move forward. Once the Best Cost Threshold is determined in coordination with Staff and the IE, Bid ranking will be finalized.

On July 23, 2024, draft RFP, PPA, and BTA documents were posted to the IE Website to allow potential bidders the opportunity to submit comments and offer revisions to the documents. The 2024 DG RFP and PPA documents are substantially similar to the Final Approved 2023 DG RFP and PPA documents. For the 2024 DG RFP, the Company is introducing an additional project option for bidders through a BTA option. All BTA Bids and COPs must meet or exceed Georgia

Power's minimum technical requirements. Such minimum technical requirements were made available through the IE Website to bidders that executed a non-disclosure agreement.

On August 8, 2024, Georgia Power conducted an online Bidder's Conference for potential Bidders and interested parties to discuss the 2024 DG RFP process and the draft RFP Documents with Georgia Power, Staff, and the IE. There were 87 attendees. On August 15, 2024, the Comment Period closed. There was 1 party that provided a total of 12 comments (10 on the RFP, 2 on the PPA, and 0 on the BTA) regarding the draft documents. Each of the comments received were reviewed by Staff, Georgia Power, and the IE and responses to the comments were provided by the IE to the commenter. Based on one of the comments received, Georgia Power made a substantive change to Exhibit G of the draft RFP Document to allow for counterparty designation and Bid assignment up until five Business Days after the Bidder's receipt of the Interconnection Costs statement. This is a change from the previous deadline of 15 days before the date of PPA award.

On September 12, 2024, the Final Draft of the RFP, PPA, and BTA documents were posted to the IE website and filed with the Commission for consideration and approval. The Final Draft RFP and PPA documents reflected several minor modifications.

The role for Accion Group, LLC in this RFP, including the 2023 DG RFP, will be an IE instead of an independent monitor ("IM") since Georgia Power provided notification during the Distributed Generation Working Group ("DGWG") meetings that it intends to submit Company-Owned Proposals into the DG RFPs.

During the DGWG process (primarily preceding the 2023 DG RFP), developers expressed their concerns regarding how the Company will have advantages in the bidding process leading to unfair practices and creating an unlevel playing field which ultimately could limit developer participation. For the 2024 DG, there were no comments regarding Georgia Power's participation in the RFP other than what costs should be included by the Company in a Company-Owned Proposal.

Commission Rule 515-3-4-.04(3)(d) (Standards of Conduct) incorporates measures to segregate the Company's Evaluation Team ("Evaluation Team") and any Affiliate Bid Team. The lists identifying the Evaluation Team and, if applicable, Affiliate Bid Team members can be located on the Commission's filing log under Docket No. 55623 and on the "Documents" page of the IE Website. However, this Commission rule does not apply to the Company itself. In section 1.3.2. B of the Final Draft RFP, Georgia Power plans to voluntarily impose the Affiliate communications restrictions as set forth in Commission Rule 515-3-4-.04(3) to restrict communications between the Evaluation Team and the Company-Owned Proposal Team, except as noted regarding Specialized Technical Support Personnel in Section 1.3.2.C (*Company-Owned Proposal Team and Specialized Technical Support Personnel*). No Company-Owned Proposal Team member may share with any Primary Evaluation Team member any Company-Owned Proposal information related to the costs or specific characteristics of any aspect of the Company-Owned Proposal or its proposed Facility, except for communications facilitated by the IE and necessary for evaluation of a Company-Owned Proposal.

Section 8.2 of the Draft RFP includes language that states in accordance with O.C.G.A. § 46-3A-5, and under Commission Rule 515-3-4-.07(2), if a Company-Owned Proposal advances, it will be submitted for Certification together with other winning Bids, and the IE will testify regarding its evaluation of the Company-Owned Proposal. The Commission's certificate approving any Company-Owned Proposal will set forth the not-to-exceed cost, which, similar to the certified cost of any PPA or asset purchase agreement under which Georgia Power acquires a Facility, may not otherwise change, except as allowed by law under O.C.G.A. § 46-3A-7, and only with the Commission's express approval.

The evaluation of Company-Owned Proposals, Section 7.5 of the Final Draft RFP, states the IE, Staff, and Georgia Power will agree on a methodology to compare Company-Owned Proposals to bids. This process will include calculating a revenue requirement using Georgia Power's proprietary revenue requirement model that will be locked down before bids are received. The revenue requirement will be converted into a price stated in cents per kilowatt-hour (¢/kWh) to provide Company-Owned Proposal information to the Primary Evaluation Team in a manner that will not identify the submission as a Company-Owned Proposal and to allow the Company-

Owned Proposal to be evaluated on the same basis as other bids. Following the IE's conversion, with Staff oversight, the IE will release all Bids and Company-Owned Proposals to the Primary Evaluation Team. The Primary Evaluation Team will then proceed with the evaluation and ranking of Bids and Company-Owned Proposals in the manner described in Section 7.3 (*Initial Bid Evaluation Criteria*) and the development of Bid Lists described in Section 7.6 (*Bid Lists*).

Staff worked with Georgia Power and the IE and received feedback from the DGWG in regard to the development of the Final Draft 2024 DG RFP, PPA, and BTA documents, in which several issues were addressed. After review of the Final Draft DG RFP documents, Staff recommended approval of the documents as filed.

The Commission approved Staff's recommendation at the October 1, 2024, Administrative Session.

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WHEREFORE IT IS ORDERED that the Final Draft 2024 Request for Proposals, Power Purchase Agreement, and Build Transfer Agreement documents are hereby approved.

ORDERED FURTHER, that all findings, conclusions, statements, and directives made by the Commission and contained in the foregoing sections of this Order are hereby adopted as findings of fact, conclusions of law, statements of regulatory policy, and orders of this Commission.

ORDERED FURTHER, that a motion for reconsideration, rehearing, or oral argument or any other motion shall not stay the effective date of this Order, unless otherwise ordered by the Commission.

ORDERED FURTHER, that jurisdiction over this matter is expressly retained for the purpose of entering such further Order or Orders as this Commission may deem just and proper.

The above by action of the Commission in Administrative Session on the 1st day of October 2024.

Sallie Tanner
Executive Secretary

10-3-24
Date

Jason Shaw
Chairman

10-3-24
Date