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Docket No. 44280

ORDER APPROVING UPDATED TARIFFS IN THE 2022 RATE CASE

In Re: Georgia Power Company's Updates of Base Tariffs

On October 1, 2024, Georgia Power Company ("Georgia Power" or "Company") filed updated tariffs in compliance with the Commission's 2022 Rate Case Order ("Order") and Settlement Agreement in Docket No. 44280. The Company's request provided for the collection of an additional $306.4 million in calendar year 2025, which is approximately $97 million less than the 2025 increase contemplated in the Order. Traditional base rates were designed to collect an additional $315 million on an annual basis, as a result of costs to be incurred by the Company in 2025 associated with additional capital investments and operating expenses previously approved by the Commission. This amount is partially offset by $122 million being returned to customers resulting from the Georgia income tax rate change as approved by the Commission on September 4, 2024.

The Environmental Compliance Cost Recovery ("ECCR") tariff will collect an additional $126 million on an annual basis for ECCR costs to be incurred by the Company in 2025, which is comprised of a $135 million increase in CCR ARO compliance costs, partially offset by a $9 million reduction in traditional ECCR costs. The increase in the CCR ARO compliance costs reflects the actual CCR ARO regulatory asset balance through July 2024, as well as updated CCR ARO estimates for August 2024 through December 2025, as authorized by the Commission in the 2022 Rate Case Order and presented in the latest semi-annual CCR ARO filing in October 2024.

The Demand Side Management ("DSM") tariffs will collect $22 million less on an annual basis for DSM costs to be incurred by the Company in 2025. This decrease reflects the costs and Additional Sum associated with the Company's previously approved DSM programs, and the true-up of 2023 actual results which resulted in an over-recovery of $34 million.

The Municipal Franchise Fee ("MFF") tariff is designed to collect an additional $9 million on an annual basis primarily as a result of the net increases noted above.

Domestic tariffs have been increased by the Company to collect an additional $10.2 million in 2025 to reflect the increased participation in the Income Qualified Discount ("IQD") program. This increase reflects the expansion of the IQD program that was approved by the Commission as part of the Vogtle Prudency Order in Docket No. 29849.

Staff disagreed with the Company's estimate of $10.2 million as Staff determined the Company's forecast increase in IQD customers for 2025 was significantly overstated. The Staff and Company agreed to a true-up mechanism to resolve the issue. If the increase in 2025 IQD is less than $10.2 million, the difference will be used to create a regulatory liability which the Commission will use to offset rate increases in the future. Conversely, if the increase in IQD cost is greater than $10.2 million, the difference will be used to create a regulatory asset. The Commission will determine how the regulatory asset is to be amortized in a future proceeding.

Each of the increases/decreases have been calculated in accordance with the principles established in the 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.

At its December 17, 2024, Administrative Session, the Commission voted to approve the updates to base tariffs.

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WHEREFORE IT IS ORDERED, that the Commission hereby approves the updates to base tariffs, as filed, in accordance with O.C.G.A. § 46-2-25.

ORDERED FURTHER, that the Income Qualified Discount estimate is subject to a true-up relative to the actual to ensure the amount collected from Domestic customers for the program is equivalent to the discounts offered to qualifying customers.

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 these matters 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 at its Administrative Session on the 17th day of December, 2024.

Sallie Tanner
Executive Secretary

12-20-24
Date

Jason Shaw
Chairman

12-20-24
Date