COMMISSIONERS:
JASON SHAW, CHAIRMAN
TIM G. ECHOLS, VICE-CHAIRMAN
LAUREN "BUBBA" McDONALD
TRICIA PRIDEMORE
FITZ JOHNSON

FILED
JAN 15 2025
EXECUTIVE SECRETARY
GPSC



REECE McALISTER
EXECUTIVE DIRECTOR

SALLIE TANNER
EXECUTIVE SECRETARY

Georgia Public Service Commission

(404) 656-4501
(800) 282-5813

244 WASHINGTON STREET, SW
ATLANTA, GEORGIA 30334-5701

FAX: (404) 656-2341
www.psc.state.ga.us

DOCKET# 56026
DOCUMENT# 221010

DOCKET NO. 56026 Sawnee EMC
Order Approving Request for Financing Authority

IN RE: Application of Sawnee EMC for Approval of Financing Authority

BY THE COMMISSION:

On December 18, 2024, Sawnee EMC filed a request for financing authority relating to a RUS Work Plan Loan in the amount of $368,668,000 with a 35-year term.

Additional Information:

1. This is a standard four-year RUS work plan construction loan.
2. It is to finance the proposed improvements and a new line extension to meet projected new and existing members' needs for the peak of four years ('24 to '27)
3. Sawnee estimates that they will add some 22,000 new accounts in this time period.
4. Also, Sawnee will rebuild some 153.2 miles of existing line and construct some 14.7 miles of new line.
5. Sawnee will be converting a total of three (3) existing substations and some 9,800 meters of our service area to a higher operating voltage (e.g. 25 kV) as well as enhancing their line protection devices with the goal of limiting the number of people effected when an outage occurs.
6. These four (4) areas (e.g. new lines, line conversions, 25 kV conversion and enhanced sectionalizing) account for 68.88% of the dollars in this RUS loan. The remaining funds are to be used to support the ongoing needs of our growing and dynamic distribution system.
7. Sawnee EMC, as of Oct. '24, has some 201k meters and $1b in total assets.

The Commission finds that in no instance shall any of the financing approved by the Commission via this application be used to make loans to a gas affiliate of the applicant, any other electric membership

corporation, or any joint venture of an affiliate of any electric membership corporation that participates in natural gas marketing activities as contemplated by O.C.G.A. § 46-4-150 et seq.

The Commission finds that Sawnee EMC shall take all reasonable steps to prevent cross-subsidization between the electric services that it may provide at this time or in the future, and the natural gas services that it, any other electric membership corporation, or any joint venture of an affiliate of any electric membership corporation may offer.

The Commission finds that Sawnee EMC will take all reasonable steps to reduce or eliminate any potential stranded costs.

The Commission finds that it has jurisdiction over this matter pursuant to O.C.G.A. §§ 46-2-28 and 46-3-12. The Commission also finds that the proposed loan is reasonable and falls within the spirit and intent of the above Code Sections. The Commission further finds that a public hearing on this matter is not necessary pursuant to Commission Rule 515-4-1-.01.

Wherefore, it is

ORDERED, that for the purposes as set forth herein and in the application the Sawnee EMC is hereby authorized to borrow in the amount of $368,668,000 with a 35-year term.

ORDERED FURTHER, that the proceeds from the loan herein authorized shall be used for the purposes as set forth in the application and in this order.

ORDERED FURTHER, that in no instance shall any of the financing approved by the Commission via this application be used to make loans to a gas affiliate of the applicant, any other electric membership corporation, or any joint venture of an affiliate of any electric membership corporation that participates in natural gas marketing activities as contemplated by O.C.G.A. § 46-4-150 et seq.

ORDERED FURTHER, that Sawnee EMC shall take all reasonable steps to prevent cross-subsidization between the electric services that it may provide at this time or in the future, and the natural gas services that it, any other electric membership corporation, or any joint venture of an affiliate of any electric membership corporation may offer.

ORDERED FURTHER, that Sawnee EMC shall take all reasonable steps to reduce or eliminate any potential stranded costs.

ORDERED FURTHER, that a motion for reconsideration, rehearing, or oral argument shall not stay the effectiveness of this order unless otherwise provided 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 action of the Commission in Administrative Session on January 7, 2025.

Sallie Tanner
Executive Secretary

1-15-25
Date

Jason Shaw
Chairman

1-15-25
Date