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ORDER APPROVING COMMISSIONER MOTION FOR TAX CUTS

Docket No. 44280

In Re: Georgia Power Company's 2022 Rate Case

On April 18, 2024, Governor Brian Kemp signed into law House Bill ("HB") 1015 and HB 1023. HB 1015 lowers the state's income tax rate from 5.49 percent to 5.39 percent beginning in 2024, while HB 1023 matches the corporate income tax rate to the individual income tax rate.

On September 4, 2024, during the Georgia Public Service Commission ("Commission") Administrative Session, Commissioner Johnson made a Motion to request that Georgia Power Company ("Georgia Power" or "Company") expedite providing the tax benefits to customers from HB 1015 and HB 1023, by including this benefit in the upcoming 2025 rate case Compliance Filing in Docket No. 44280. Commissioner Johnson noted that "under this request, customers will get the benefit of the lower tax rate in their monthly bills beginning in January 2025" and it "will allow customers to receive the benefits of the state tax reduction sooner than the Company's next base rate case and will provide significant benefits to the Company's customers."

Additionally, Commissioner Johnson moved that "to ensure that customers receive all of the benefits, Paragraph 14 of the rate case Stipulation shall remain in effect such that if the actual tax benefit exceeds the estimated tax benefits, the difference shall accrue as a regulatory liability."

At its September 4, 2024, Administrative Session, the Commission voted unanimously to approve Commissioner Johnson's Motion.

On October 1, 2024, Georgia Power 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.

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WHEREFORE IT IS ORDERED, that Commissioner Johnson's Motion calling for Georgia Power to expedite benefits to customers of state tax cuts is hereby approved.

ORDERED FURTHER, the Commission shall continue to review the issue and may modify the actual amount of tax benefit or take other actions necessary to protect the Company's 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 4th day of February, 2025.

Sallie Tanner
Executive Secretary

1-30-25
Date

Jason Shaw
Chairman

1-30-25
Date