Southern Company



# 2022 Relative Price Position

SCS Planning and Regulatory Support

# Executive Summary

- **Southern Company's electric price lost position relative to the National and Southeast averages from 2021 to 2022.**
  - Southern's average total retail price was 4.4% below the National average[1] for 2022, compared to 10.4% below in 2021.
  - Southern's average total retail price was 13.5% above the Southeast regional average[2] for 2022, compared to 8.8% above in 2021.
- **Southern Company experienced rapid fuel cost increases leading our marginal rates (e.g. RTP) to reflect higher marginal fuel costs. This drove our industrial prices above the National and Southeast averages.**
- **Prices are derived from EIA data that reflect non-fuel revenue during 2022 and actual fuel expense incurred during 2022.**
  - Fuel cost increases experienced in 2022 are reflected in these prices.
  - Rate Case increases approved in 2022 and implemented in 2023 are not reflected in these prices.

[1]National Comparison is based on peer IOUs reported on by US Energy information Administration.
[2]Southeast region is based on Dominion Energy South Carolina, Duke Energy Carolinas, Duke Energy Progress, Duke Energy Florida, Entergy Arkansas, Entergy Louisiana, Entergy Mississippi, Entergy New Orleans, Florida Power & Light, Gulf Power, Tampa Electric, and Virginia Electric & Power.

National and Southeast region peer groups exclude Southern Company.

# 2022 Relative Price Position – Southern Company and OpCos

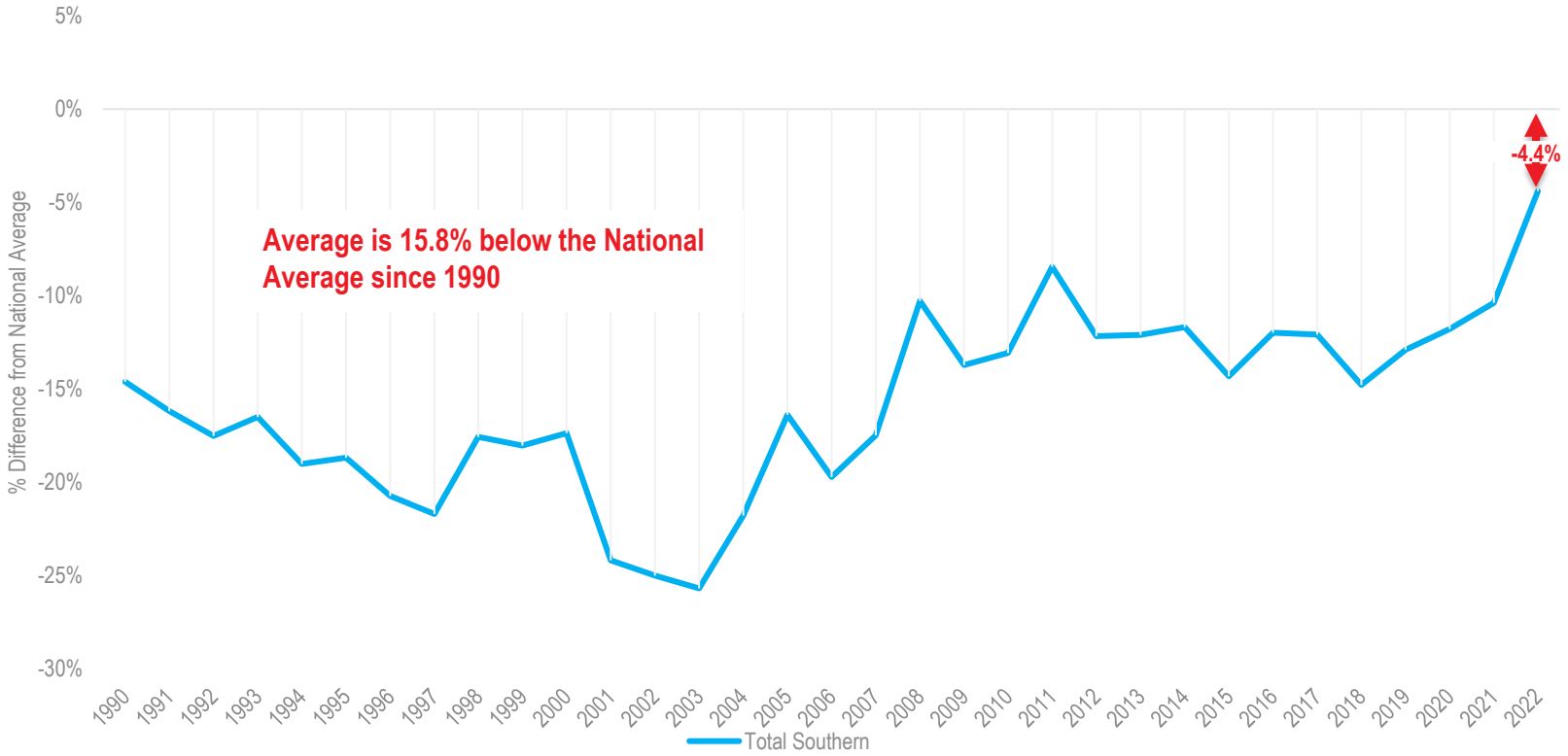
- Southern Company's relative price position for calendar year 2022 was 4.4% below the National average and 13.5% above Southeast regional peers.
- Shown in the table at right are Southern Company's retail prices by customer class and total retail price as reported by EIA for the 12 months ending December 2022.
- The below table shows total retail and R,C, & I prices and relative price position for each electric OpCo.

| 12-months ending December 2022 | Benchmark - Average Prices, ¢/kWh | | Total Southern 12-months ending December 2022 | | |
|---|---|---|---|---|---|
| | National Average | Southeast Average | ¢/kWh | Difference from National Average | Difference from select Southeast Peers |
| **Residential Price** | 15.48 | 13.12 | 15.24 | -1.5% | 16.2% |
| **Commercial Price** | 12.35 | 10.11 | 12.96 | 4.9% | 28.2% |
| **Industrial Price** | 8.56 | 7.18 | 8.69 | 1.5% | 21.1% |
| **Total Retail Price[1]** | 12.86 | 10.83 | 12.30 | -4.4% | 13.5% |

| 12-months ending December 2022 | REDACTED | | | Georgia Power | | | REDACTED | | |
|---|---|---|---|---|---|---|---|---|---|
| | REDACTED | REDACTED | REDACTED | ¢/kWh | Difference from National Average | Difference from select Southeast Peers | REDACTED | REDACTED | REDACTED |
| **Residential Price** | REDACTED | REDACTED | REDACTED | 15.18 | -1.9% | 15.7% | REDACTED | REDACTED | REDACTED |
| **Commercial Price** | REDACTED | REDACTED | REDACTED | 12.64 | 2.3% | 25.0% | REDACTED | REDACTED | REDACTED |
| **Industrial Price** | REDACTED | REDACTED | REDACTED | 9.25 | 8.1% | 28.9% | REDACTED | REDACTED | REDACTED |
| **Total Retail Price [1]** | REDACTED | REDACTED | REDACTED | 12.56 | -2.4% | 15.9% | REDACTED | REDACTED | REDACTED |

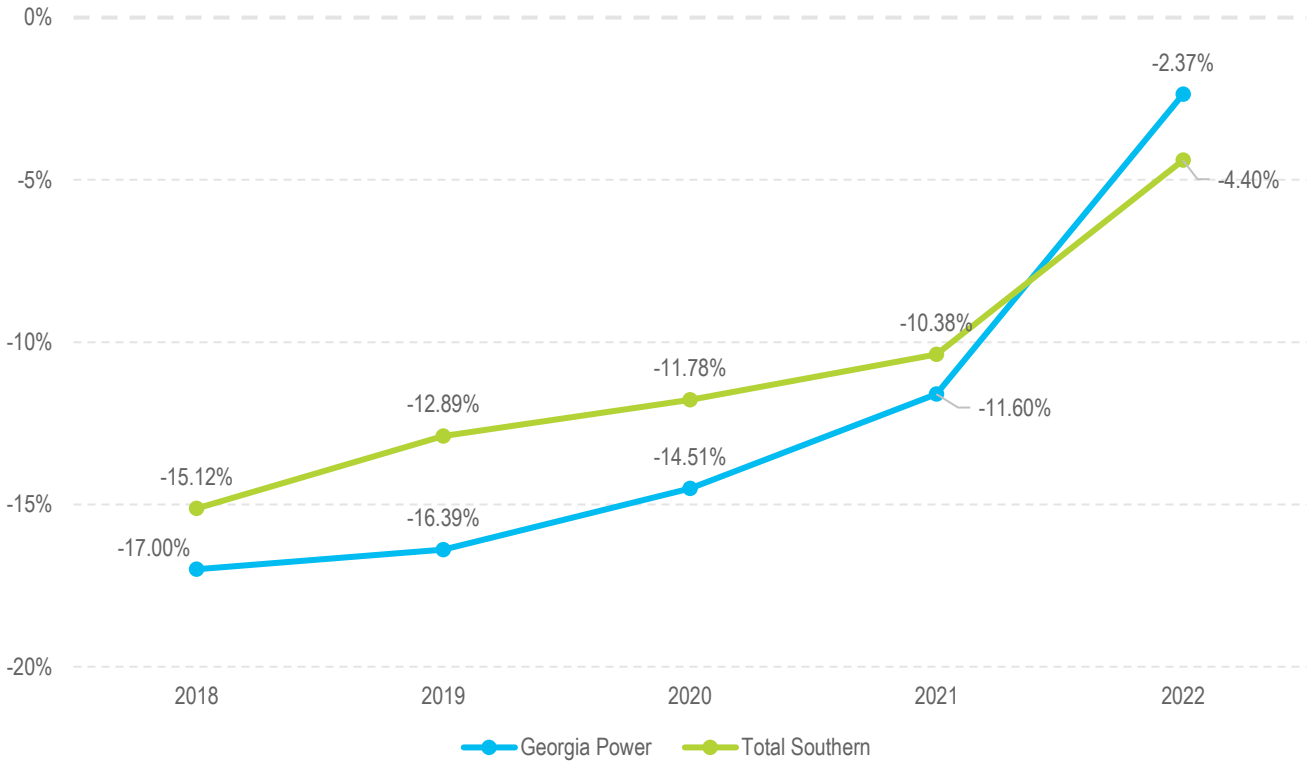
[1]Total Southern Retail Price represents total revenues ($) for listed customer classes divided by total sales (kWh) for listed customer classes.

# Southern Company Continues to Offer Prices Below the National Average



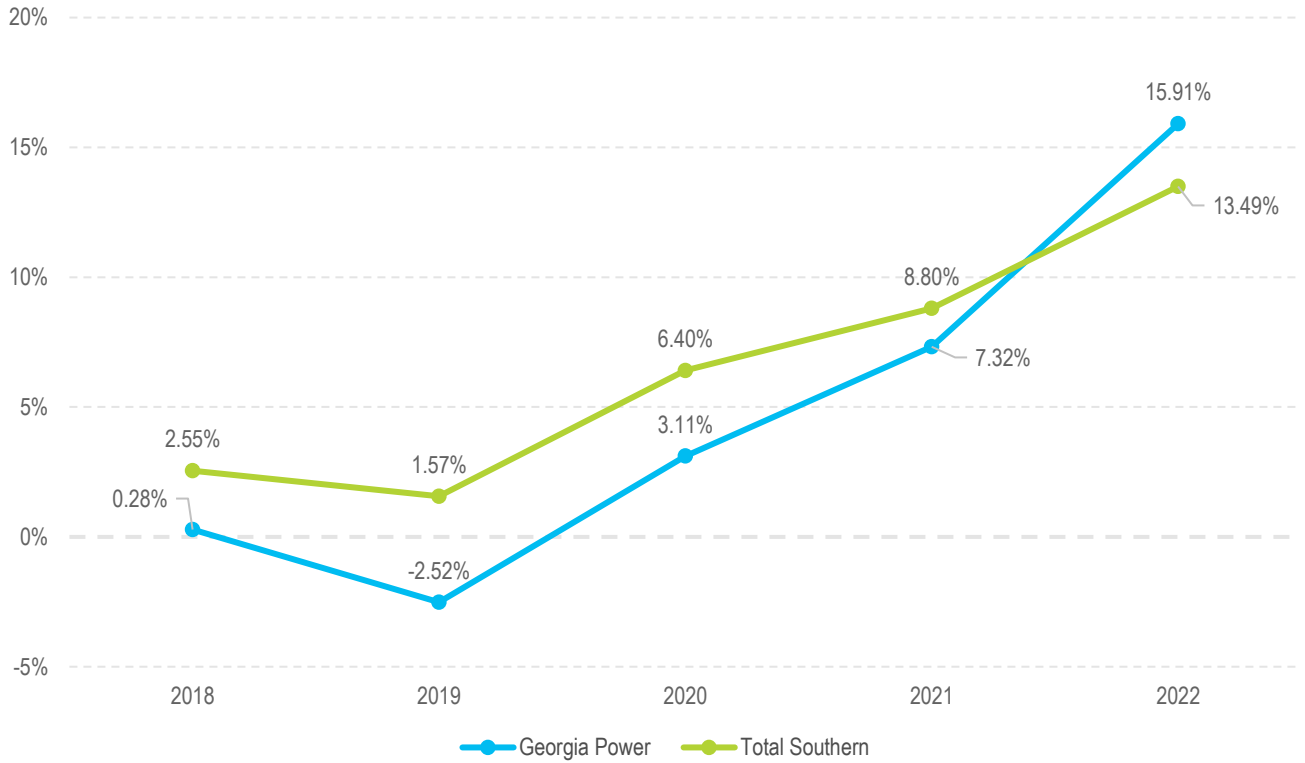
# 5-Year Trend vs. National Average – Total Retail Price

Relative price position for the total retail price vs. the National average, shown by calendar year (12 months ending December) from 2018 to 2022.

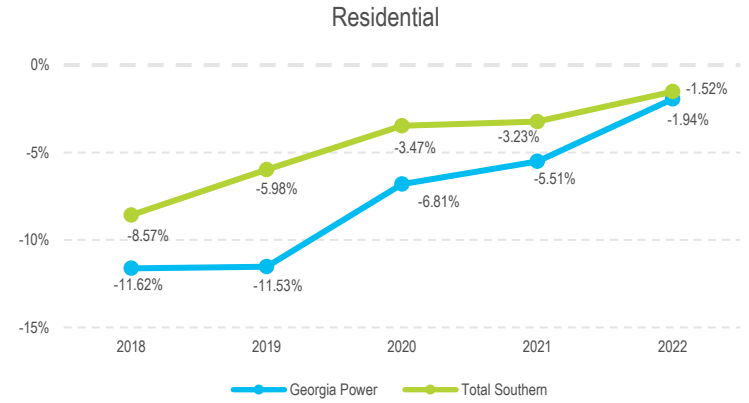


# 5-Year Trend vs. Southeast Regional Average – Total Retail Price

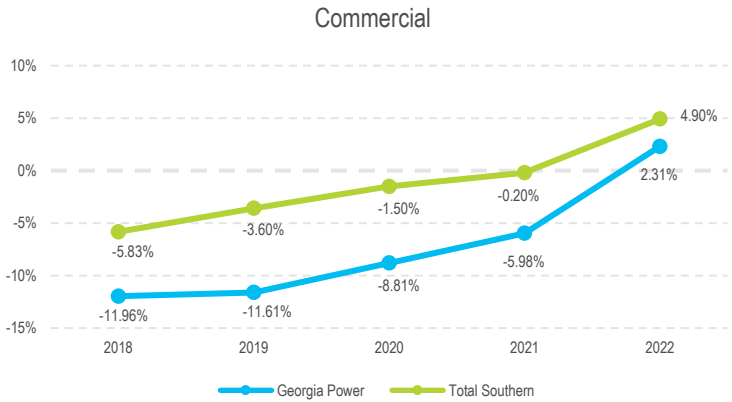
Relative price position for the total retail price vs. the Southeast regional average, shown by calendar year (12 months ending December) from 2018 to 2022.

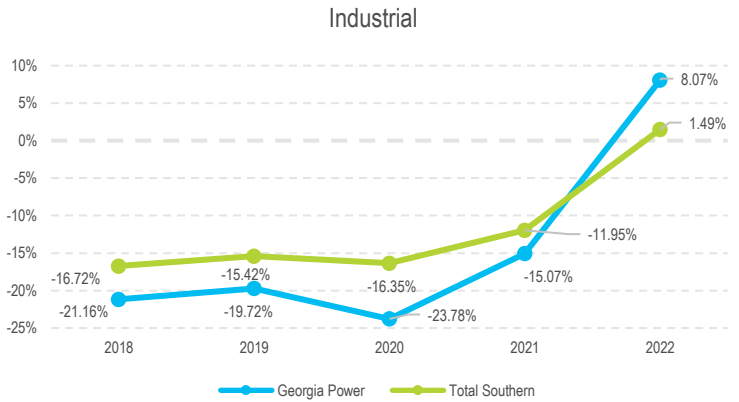


# 5-Year Trend vs. National Average – by Customer Class

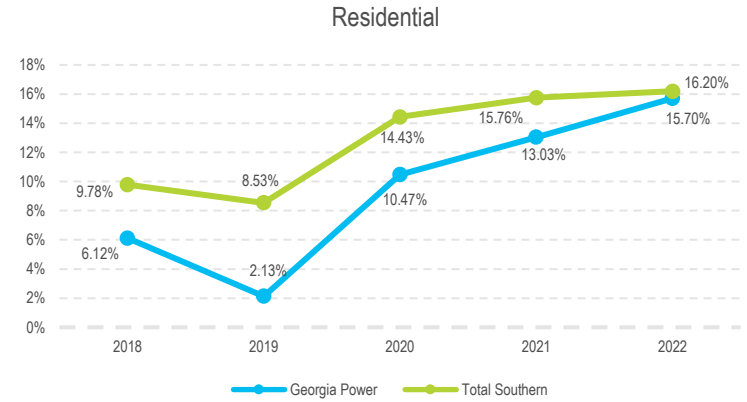



REDACTED

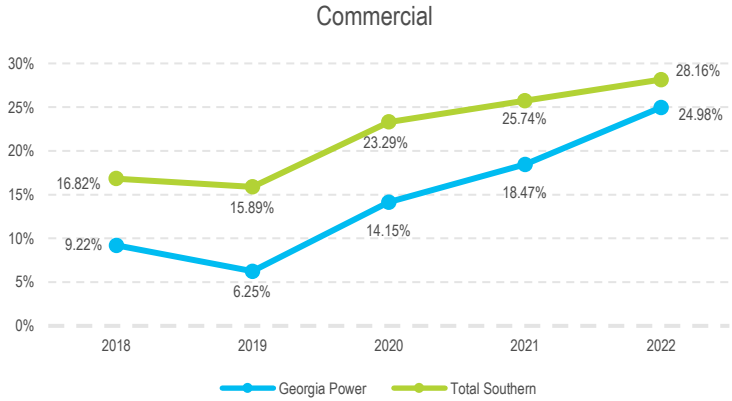


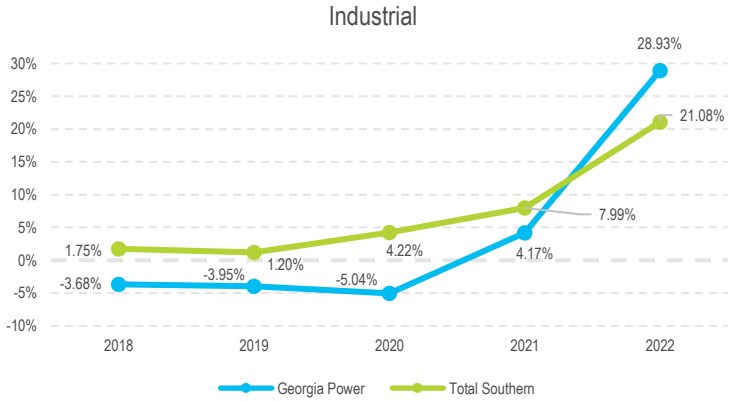



# 5-Year Trend vs. Southeast Regional Average – by Customer Class



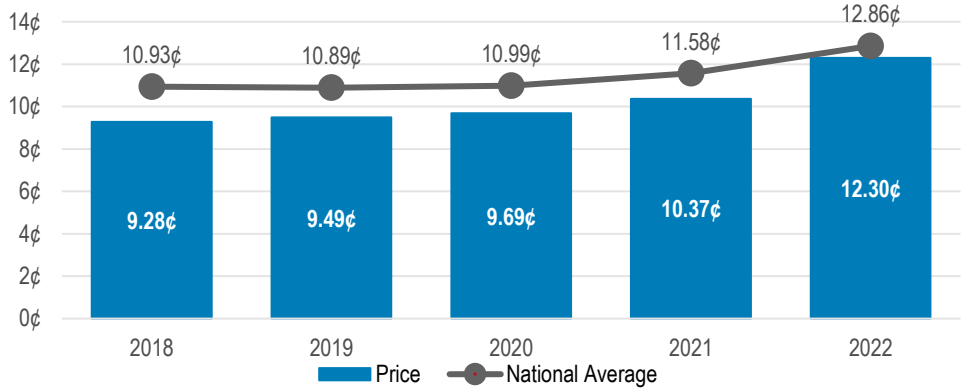

Southern's prices exceed the Southeast average in every class at every OpCo, except Industrial at OPCO 3.

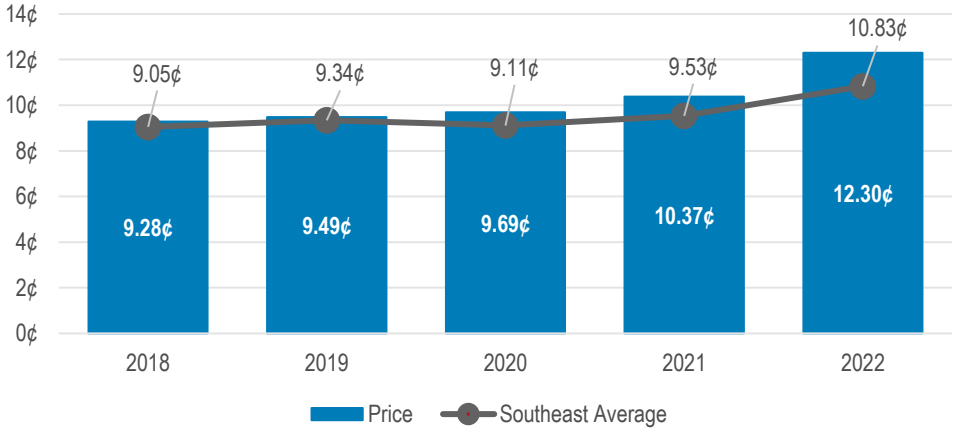


# Southern Total Retail Price vs. National and Southeast Regional Benchmarks

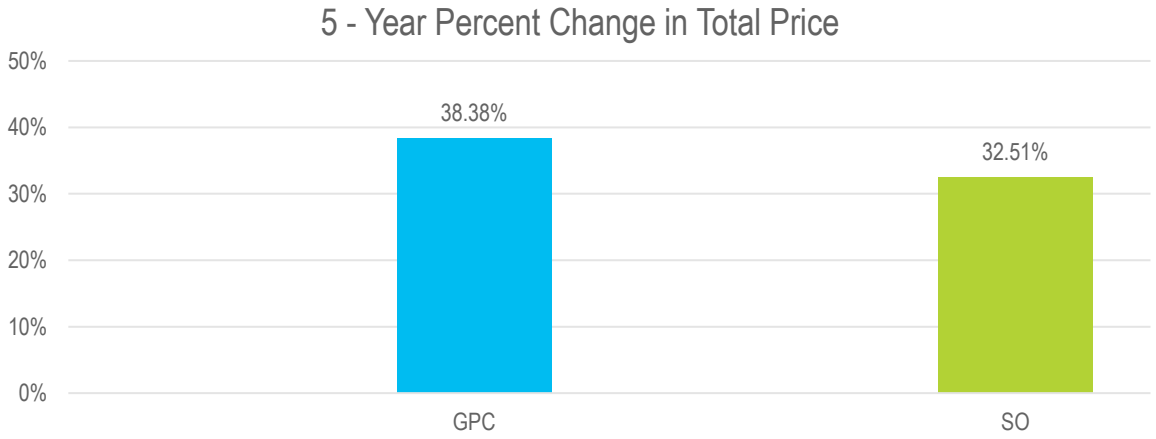
Southern Company's total retail prices have consistently outperformed the National average

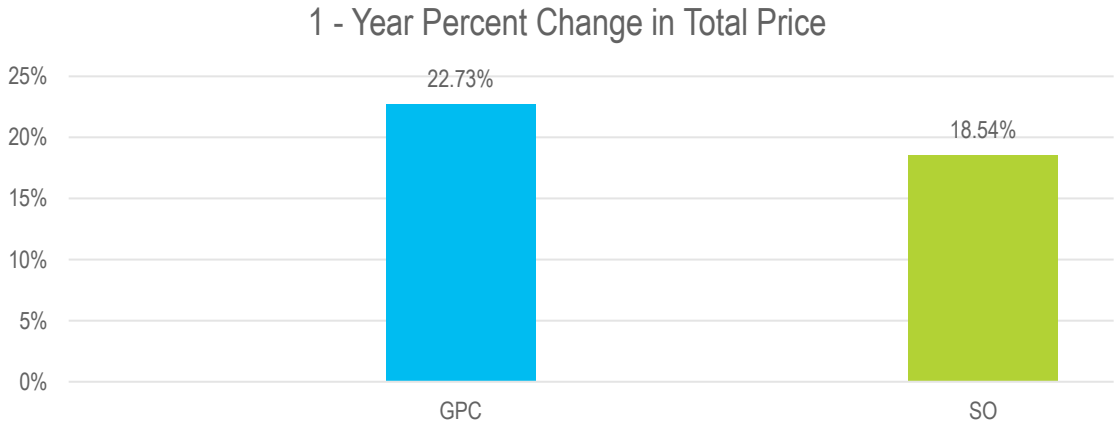



and have lost position against Southeast regional peer utilities.

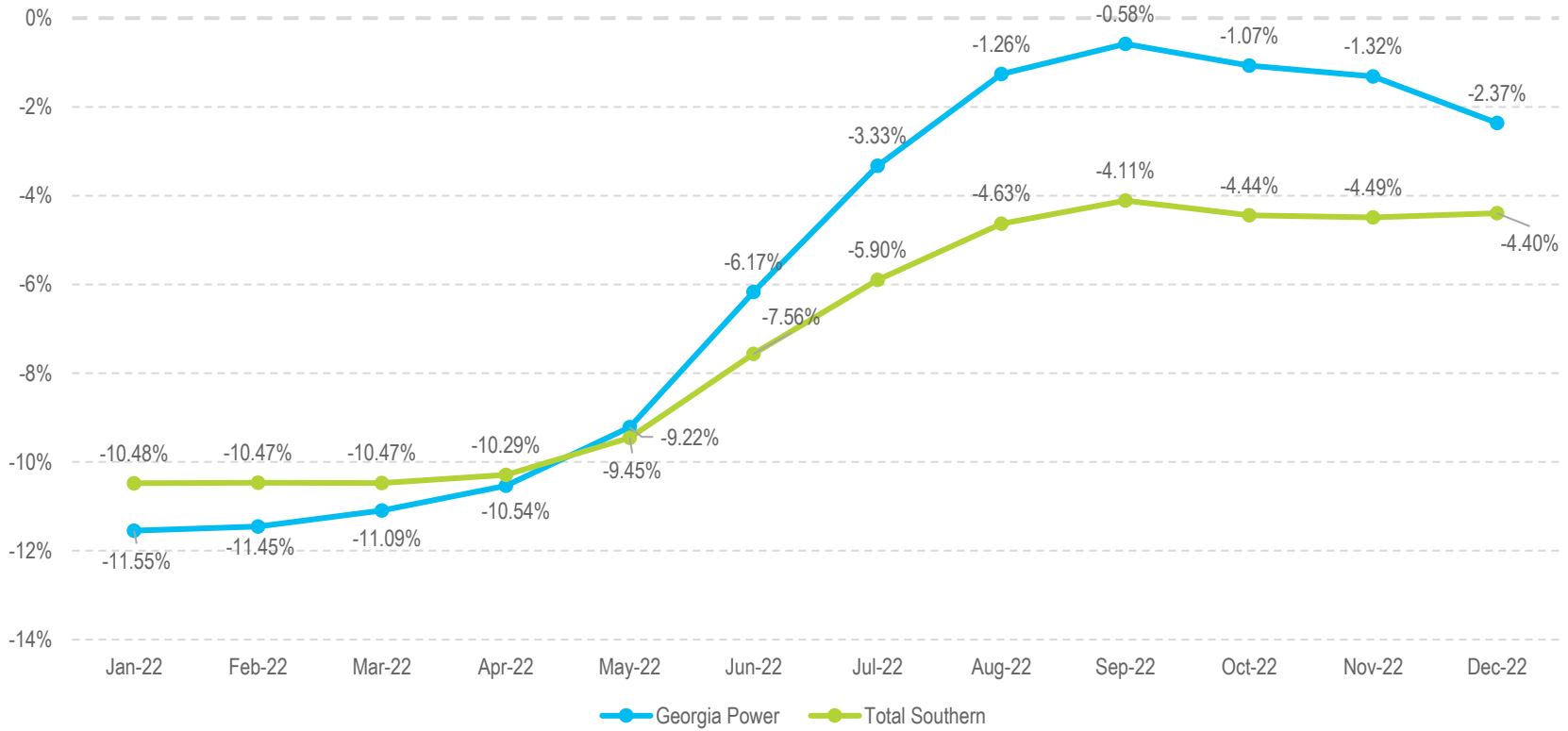
# Historical Change in Total Retail Price



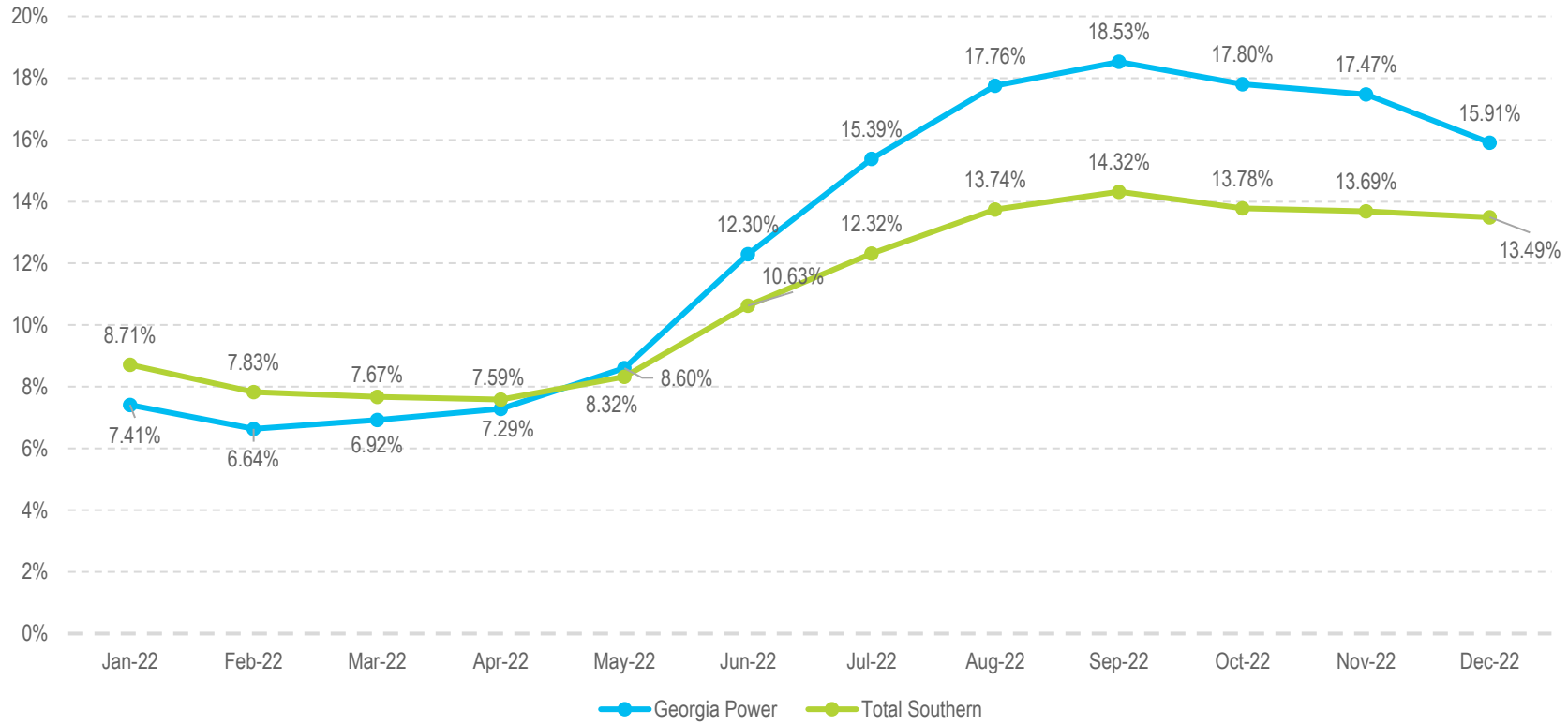
# Appendix

# 2022 Monthly Trend vs. National Average



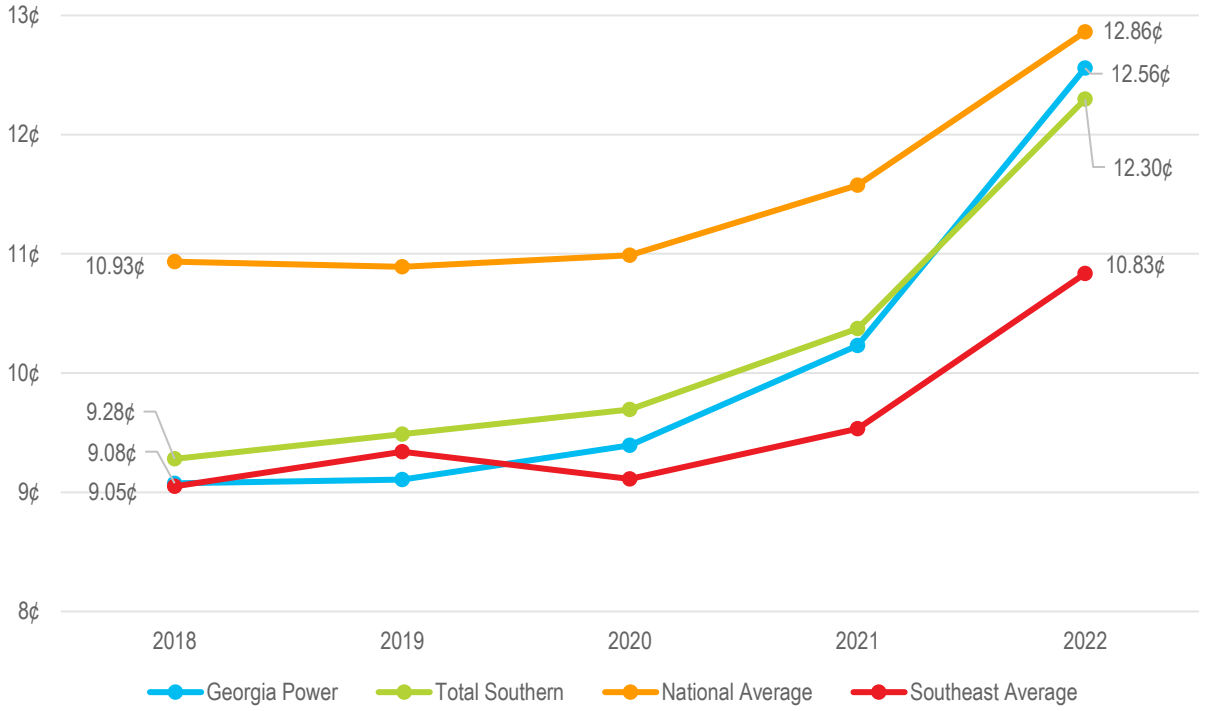

Relative price position for the total retail price vs. the National average, shown by monthly (based on 12-months rolling average) reporting

# 2022 Monthly Trend vs. Southeast Regional Average



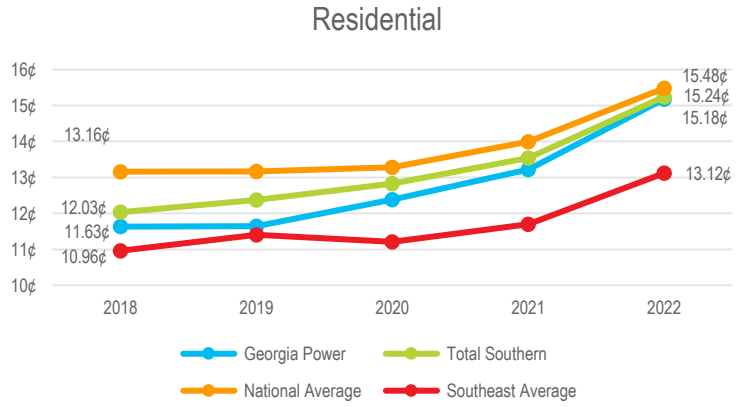

Relative price position for the total retail price vs. the Southeast Regional average, shown by monthly (based on 12-months rolling average) reporting

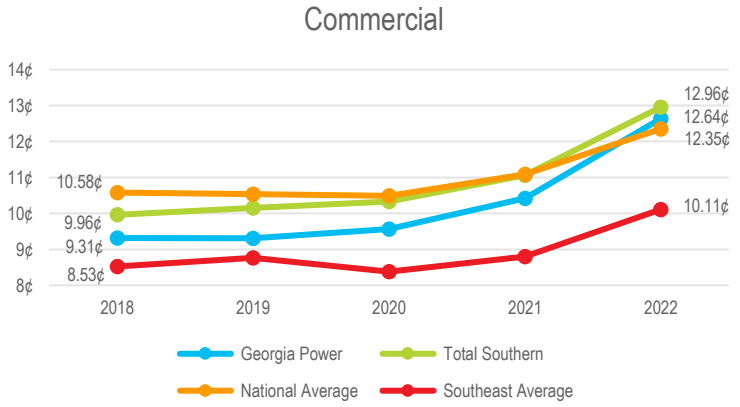
# 5 Year Trend – Total Retail ¢/kWh

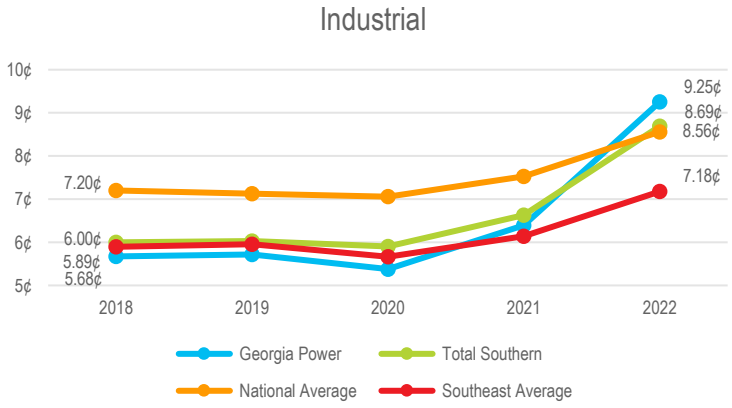



Relative price position, shown by calendar year (12-months ending December) from 2018 to 2022

# 5-Year Trend – Customer Class ¢/kWh




Relative price position, shown by calendar year (12-months ending December) from 2018 to 2022