**Georgia Power Company**
**June 21st, 2024**
**2024 Storm Accounting Guidelines**

# GEORGIA POWER COMPANY
# ACCOUNTING FOR STORM DAMAGE & OTHER EMERGENCIES

## I. General

The following procedure should be followed in the event of a major storm that damages Georgia Power's Distribution, Transmission, or Generation systems, and other emergency situations described below.

A major storm is defined as a storm where the cost to repair / restore the systems to normal operating conditions will exceed $50,000 of incremental costs including labor, materials and other directly related incremental costs. These procedures will be followed by all Georgia Power Company personnel involved in accounting for major storm costs. Questions regarding Major Storm Declarations should be directed to the Storm Center Operations Manager.

Other emergency situations covered by this procedure include localized storms not meeting the requirements to be classified as a major storm; holding personnel over as a contingency for possible storm activity; load shed contingency actions in the event of major system problems; and other emergency situations determined by the Southern Company Security Council. For each of the situations described above, the costs associated with them should be charged to the applicable project (will be provided via storm declaration), as well as the business units organization code.

### Responsibility

Overall responsibility for compliance with this procedure resides with the GPC Budget Manager. Compliance at the various organizational levels resides with the appropriate organization manager. The GPC Budget Manager will coordinate the process of accounting and reporting for major storms and other emergency situations including gathering needed data from the field, routing it through the appropriate accounting organizations, and reporting as directed.

## II. Declaration

Declaration of a major storm will be done by the Storm Center Operations Manager or his designee after the needed data is gathered to indicate that the conditions detailed below have been met. When the Storm Center Operations Manager has declared a major storm, the GPC Budget Manager or their designee will be notified to assign a Storm Number and appropriate Project numbers for storm accounting and reporting purposes. The GPC Budget Manager or their designee will also notify the Managers of the Storm Center, Resource Budgeting, Financial & Regulatory Reporting, and other personnel impacted by this procedure, of the major storm accounting Project numbers for distribution and use by field and support personnel.

## III. Requirements to be declared a major storm:

A. Damage to the plant, buildings, equipment, and accessories of the Distribution, Transmission, Generation systems and general plant equipment and facilities must exceed $50,000 in incremental costs to restore the system to normal operating conditions and resume electrical service to customers.

B. The storm system must be continuous in time and geography. The same storm system may last for several days. Separate systems in time and geography will receive unique accounting Project numbers if they exceed the $50,000 minimum.

C. Responsibility for declaration of other emergency situations related to Homeland Security that may have a storm number assigned resides with the Storm Center Manager or the appropriate general manager, vice president or higher-level executive. A major storm number may also be declared when extraordinary situations arise such as the staging of personnel as a part of implementing plans to prepare for a major event to protect the electrical plant systems of the company.

IV. **Major Storm Projects and Tasks:**

A. The GPC Budget Manager or their designee will maintain the major storm number code. Unique accounting Projects will be issued for each storm declared.

B. All Project's will be established on an "As Needed Basis" for each major storm.

C. The following accounting Project and Task's will be used according to the definitions indicated. (Example below)

| | CATEGORY | DESCRIPTION | GPC Project/Task |
|---|---|---|---|
| 1. | Distribution Major Storm Restoration Work – Base Charges | Georgia Power Straight Time labor only to repair distribution lines, facilities, and equipment. | Project 10580181<br>Task 10 Storm Restoration - Dist - Base Charges |
| 2. | Distribution Major Storm Restoration Work - Reserve Charges | GPC Overtime labor, contractor labor (straight time and overtime), materials, and incidental expenses to the storm such as meals and lodging. | Project 10580181<br>Task 11 Storm Restoration - Dist - Reserve Charges |
| 3. | Transmission Major Storm Restoration Work – Base Charges | Georgia Power Straight Time labor only to repair transmission lines, facilities, and equipment. | Project 10580192<br>Task 10 Storm Restoration - Tran - Base Charges |
| 4. | Transmission Major Storm Restoration Work - Reserve Charges | GPC Overtime labor, contractor labor (straight time and overtime), materials, and incidental expenses to the storm such as meals and lodging. | Project 10580192<br>Task 11 Storm Restoration - Tran - Reserve Charges |
| 5. | Transmission Major Storm Restoration Work – for GTC or MEAG assets | GTC and MEAG do not participate in shared storm accounting. The TMC must prepare appropriate forms to collect job costs to bill GTC and MEAG. | Refer to Area Project #'s for GTC/MEAG |
| 6. | MEAG Trans Sub Repairs | | - |
| 7. | GTC T Sub Corrective Repairs | | - |

| 8. | Fiber Template Number | Fiber Line Project Name | Project Number | Task Number |
|---|---|---|---|---|
| | GPC Trans Lines Routine | GPC Fiber - Vogtle to Savannah | 10451887 | 13.07 |
| | GPC Trans Lines Routine | GPC Fiber - Augusta to Vogtle | 10452050 | 13.07 |
| | GPC Trans Lines Routine | GPC Fiber - Albany to Fitzgerald | 10452566 | 13.07 |
| | GPC Trans Lines Routine | GPC Fiber - Hampton to Columbus | 10452567 | 13.07 |
| | GPC Trans Lines Routine | GPC Fiber - Macon-Hmpt | 10452568 | 13.07 |
| | GPC Trans Lines Routine | GPC Fiber - Baxley to Offerman | 10452228 | 13.07 |
| | GPC Trans Lines Routine | GPC Fiber - East Point to Hampton | 10452569 | 13.07 |
| | GPC Trans Lines Routine | GPC Fiber - Hinesville to Kettle Crk | 10451955 | 13.07 |
| | GPC Trans Lines Routine | GPC Fiber - Savannah to Hinesville | 10452500 | 13.07 |
| | GPC Trans Lines Routine | GPC Fiber - Valdosta to Waycross | 10452570 | 13.07 |

V. **Allowable Charges to Major Storms:**

The following guidelines indicate what the appropriate expenses are for major storm work that can be charged to the major storm Project numbers. If the expenses do not meet these criteria, they must be charged to the appropriate functional account number with the appropriate manager's approval. Expenses found to be in a Major Storm Project that are outside these guidelines will be moved to an appropriate O&M account for further review by the appropriate manager.

A. **Straight time labor** for personnel directly involved in restoration efforts, as directed by the following guidelines:

- Employees who charge all or a portion of their time to capital E&S (FercSub 30802600), their work plan should not be overridden with the Base Storm Number for Straight Time Labor.
- For off-system storms ALL employees' labor should be charged to the appropriate off-system storm Project number.
- Meter department employees should not override their work plans for straight time labor. Cost to remove and install meters is capitalized at the time meters are purchased.
- For all other personnel (Covered Labor, Customer Service, External Affairs, Sales, etc.) straight time labor should be charged to the appropriate Base Storm EWO.
- Managers/Supervisors shall ensure that all straight time storm hours are entered accurately into the timekeeping system using the appropriate Project/Task
- P&C Test Engineers who record their time as "Variable" should charge straight time to the Base Storm Project/Task.

B. Approved **overtime or excess straight time** for personnel described above and directly involved in restoration activities:

- **ALL** personnel working overtime or excess straight time will be required to have their time entered by the timekeepers with the appropriate Reserve Storm Project/Task

- Approved overtime for union and non-exempt personnel shall be in accordance with the appropriate laws, regulations, contractual agreements, and company policies.

- Approved excess straight time for exempt personnel will be in accordance with the "Excess Straight Time for Exempt Employees" Policy as stated below:

  Excess Straight Time for Exempt Employees

- For "Variable" employees, do not charge HQ or TVL time on a time sheet where Reserve Storm Numbers are used.

OFF-SYSTEM Storm Premium Pay adder for Exempt Employees:

The adder is only for off-system storms where the requesting IOU (investor-owned utility) pays their exempt employees a premium beyond excess straight time (EST). When this is applicable, employees will be notified by the Storm Center. Exempt employees who travel will be paid a storm premium pay adder for all hours worked beyond eight hours a day during off- system storms. For details, please reference the Exempt Pay Policy stated below:

Excess Straight Time for Exempt Employees

| Level | Hourly premium pay adder | Earnings Types |
|---|---|---|
| Level 5 & below | **REDACTED** | 172 |
| Levels 6 & 7 | **REDACTED** | 173 |
| Levels 8 & 9 | **REDACTED** | 174 |

C. Meals and travel expenses when traveling to temporary work locations; meals and lodging expenses at temporary work locations; meals while confined to work locations or designated meal sites. **When meals are provided by the company at designated locations employees will utilize these locations unless otherwise approved by local management.** Please use the following chart to ensure that the correct POET account number is used when accounting for the costs of meals used by employees during storm restoration efforts:

| Storm Meal | Resource Type (RT) | | Description | Category |
|---|---|---|---|---|
| Nontaxable Meal to Employee - Off-site | EMN | | Storm related meals provided (off site) at a restaurant where overnight lodging was required. | Meals & Entertainment |
| Nontaxable Meal to Employee - On-Site | EMW | | Storm related meals provided on site. (Includes meals at staging area, work site, and company vehicle.) | Meals Catered |
| Taxable Meal to Employee - Off-Site | EME | | Storm related meals at a restaurant (off site) where overnight lodging was not required. | Meals - Taxable to Employee |
| Nontaxable Meal to Employee - Affiliate Storm Travel, i.e., APC, MPC, or Gulf | EMN | | Storm related Meals for employees working off GPC system, but on another Southern company system. Includes meals provided at restaurant where overnight lodging was required for off-system work | Meals & Entertainment |
| Nontaxable Meal to Employee - Off Southern Company System - Non- Affiliate Storm Travel | EMR | | Storm related Meals for employees working off Southern Company system. Includes meals provided at restaurant where overnight lodging was required for off-system work | Meals - Off System |

D. Details on reimbursement for travel incurred during a storm restoration effort are included below:

When a Non-covered (Non-exempt or Exempt) employee is called out while outside of normal work schedules for a Major Storm (numbered):

- If they are reporting to a location other than their normal work location the employee will be paid Excess Straight Time or Normal Overtime from the time they leave their home or other non-work location and they will be reimbursed for mileage driven to/from the work location.

- If they are reporting to their normal work location, their work time begins when they arrive at the office but they will be reimbursed for their commute mileage incurred (see "Business Mileage Reimbursement for Non- Covered Employees for Call Out" in the Business Expense Policy).

- Please insure that the provisions of the Business Expense Policy followed pertaining to the taxable and "gross-up" applicability of the mileage incurred during trouble response.

E. Equipment, tools, or supplies (rental or purchase) that will be used for restoration efforts only and will not continue to be used for other than restoration efforts afterwards.

F. Contractor charges for system restoration efforts such as line crews, tree crews, aerial support, etc. Contractor personnel will comply with all applicable storm accounting guidelines.

G. Expenses related to Major Storm Work Preparation:

- Storeroom items that are considered to be expendable such as batteries, lubricants, paper towels, and other supplies will only be charged as needed for storm restoration.

- In the event that personnel and crews are asked to prepare to respond or travel in the immediate future to commence storm restoration activities, the following procedure shall be used for charging materials:

**For GPC System Storm Events – Region and Network Underground storerooms**

- Major Material items: Charge Major Material items to the Declared Storm Project with the local HQ organization department code. Any major material items charged out but not used during the Storm should be credited back to the Declared Storm Project.

- Minor Material items: Charge all Minor Material items to Project 10124331 & Task 100.05 for Region and Lighting locations with the local HQ/Department. Network Underground crews should charge all minor materials for Network repair work to their normal Minor Material account Project 10124330 & Task 100.11 for Line and Task 100.12 for substations with the Network Department. This applies to minor materials charged out in "preparation for storm deployment" as well as replenishment of the HQ Minor Material bins. Any minor materials returned at the conclusion of the storm should be credited to the normal minor materials account number for the headquarters. Restocking the trucks should be charged Project 10124330 & Task 100.11 for Line and Task 100.12 for substations.

**For GPC System Storm Events – Materials Distribution Center (MDC)**

- During large Storms, the Materials Distribution Center (MDC) sometimes issues large quantities of STORM materials that are delivered directly to the impacted areas of the state. In these situations, the MDC should charge all materials (Major and Minor items) to the Declared Storm Project and MDC Department. Materials charged to the MDC Department do not receive a Minor Material allocation. Materials returned to the MDC after the storm should be credited back to the GPC Storm Account and MDC Department.

**For Out of State (off GPC System) Storm Events:**

- Major Material items: Charge Major Material items to the Declared Storm Project with the local HQ Department. Any major material items charged out but not used on the Storm should be credited back to the Declared Storm Project.

- Stocking up company trucks with Minor Materials as we leave to work at other Southern Operating Companies and other utilities should be charged to the normal Minor Materials accounts. Restocking of company trucks when we return from the storm should be charged to Declared Storm Project assigned to the out of state storm event.

- Managers & Supervisors should ensure that only **storm-damaged PPE** or **storm-damaged**

**small tools** should be replaced and charged against the Storm Project, up to a limit of $250 per item. It is not permissible, in general, for new PPE or new tools to be issued to an individual and charged against the storm number if this is not done as an action to replace a lost or damaged item due to storm response. Tools that cost over $250 **MUST** be approved by the Storm Center if charged to a system Storm Project or **MUST** be approved by the host utility when traveling off system.

- Other expenses such as hotel reservations, rental vehicles, miscellaneous supplies, etc. should only be charged to the Declared Storm Project when the approval is given from the Storm Center.

- Personal items for personnel assigned to temporary work locations such as tobacco products, personal hygiene, medications, "energy" type drinks, prescription drugs, clothing, and other items of a personal nature should not be charged to the Declared Storm Project unless specifically approved by the Storm Center. During smaller storms when the Storm Center has not been opened, local Georgia Power supervisors must approve the purchase of these items if they are deemed to serve a valid business purpose.

- Submit receipts for ALL applicable storm related expenses, no matter what the dollar amount. This is necessary to recover our expenses from host utilities following an off-system storm deployment and it allows for backup documentation for possible auditing for in-state storm expenses.

- Process all storm related expenses into Oracle as a separate submittal that is only related to the appropriate Declared Storm Project. This enables expense items to be pulled for auditing or expense justification more efficiently.

  For **Off-System storms (non-GPC locations)**, when submitting support documentation (bar code sheet and receipts) to Account Payable, please select the appropriate email address, Service Account, S-APGPC georgiapowerinvoices@southernco.com or Oracle button on your Xerox Copier AND add the GPC CSO Storm Accounting email, G2GPCCSOSA@southernco.com, as a second address to send the information. If you are faxing the report, you will need to scan and email a copy of the report to the GPC CSO Storm Accounting.

- Storm Lodging – Reward points are offered by some hotel chains to individuals staying in their hotels. These Reward points may be claimed by the person staying in the hotel room but shall not be claimed by any individual who acquired the reservations in support of the storm team but are not occupying the room.

## H. Accounting for Capital Work done during storm restoration

The labor and materials necessary to replace T&D Capital equipment that is damaged during a Declared Major Storm shall be charged to the Declared Storm Project. As soon as practical, after the storm restoration is complete, the necessary steps shall be taken to move the costs associated with Capital replacements from the Declared Storm Project to an appropriate T or D Capital Project. See Appendix I and Appendix II.

## I. Reimbursement for forfeited personal expense costs/deposits

Due to major storms or system emergencies, it may be necessary for management to require an employee to cancel plans where the employee has paid a non-refundable deposit. Employees seeking reimbursement must notify their supervisor of the expense at the time vacation is being cancelled and must include a summary justification with their expenses to indicate they were called in for storm restoration and had to cancel their vacation plans. They can enter this in the expense justification on the expense statement or add a statement with expense documentation that is scanned into Oracle. Such as:

**This **company expense** is a reimbursement for **employee's personal expenses** due to the employee being called in to work for storm restoration efforts.

Off Southern Company system storm restoration is normally assigned to volunteers only so these expenses should not be charged to an off-system storm.

Expense statement should be routed to manager and manager should forward to their GM for approval. The manager's forwarding to the GM signifies the manager has reviewed and approves the reimbursement request.

## J. Obtaining Cash Advance from P-Card

Circumstances may dictate that several team members on a deployed storm restoration team are asked to obtain a cash advance using their Georgia Power P-Card. The steps required to accomplish this are listed below:

- Have management or the storm center send an email to rfholcom@southernco.com need to verify contact (Southern Accounts Payable) stating that the employee will be requesting a cash advance. The email should include the cardholder's name and management's approval for cash.
- Cash advances will be set up for $2,500
- Once the cash has been set up on the card, an email will be sent to the cardholder and management or storm center, if applicable
- If the card has already been activated and a pin number set up, the card will be valid for cash immediately.
- If the card has not been activated, the Cardholder will contact Wells Fargo at the Customer Service number on the back of the card. They will enter the card account number and then select options 2-1-2. The unique identifier requested will be the last 5 digits of the employee number. Once the security questions are answered, the cardholder can set up a 4-digit pin. This needs to be something they will remember as neither AP nor Wells Fargo has access to this code. If they forget, it will require calling Wells Fargo again and setting it up again. Cash will be available immediately upon setting up the pin number.
- If the cardholder does not remember the pin number or the pin number has not yet been set up and they are unable to access a phone to reset their pin, the cardholder can go into the bankwith proper ID and obtain cash.

## VI. Field Responsibility

Field personnel including engineering, support, supervision, and management are responsible for insuring compliance with this procedure by personnel assigned to their areas involved in restoration efforts.

**A.** Ensure the correct Project/Tasks are used as directed.

**B.** Ensure that only appropriate charges go to a Declared Storm Project.

**C.** Ensure that the appropriate Plant Accounting procedures are followed in determining what items are to be capitalized and what items are to be expensed. **In general, there are no special circumstances that would alter compliance to the Plant Accounting procedures. What is capitalized during normal operations is what is capitalized during storm restoration efforts. See Appendix I & II.**

## VII. GPC Budget Manger Responsibilities:

A. The GPC Budget Manager will ensure the designated staff person coordinates the activities needed to complete the accounting for major storm activities by the field.

B. The GPC Budget Manager or designated staff member will ensure that the appropriate Power Delivery personnel complete a Storm Distribution Work Order or General Work Order to move all applicable capital charges from the reserve and the performing business unit's operation and maintenance accounts into the correct capital retirement units – See Appendix I & II. The GPC Budget Manager or designee will ensure that only appropriate Power Delivery storm related charges are accounted for regarding the Storm Reserve account.

C. Invoices/Expense statements are to be processed using the following guidelines below:

Southern Company Business Expense Guidelines

GAP 54 – Procurement Methods and Payment Approvals

GAP 73 – Approval Limits

***Appendix I***

**Distribution Storm Work Order Estimation Procedure:**

When an "official" storm is declared by the company, there are several rules to follow in creating a WO to account for labor and materials used. This is particularly important for property accounting for statistical data and for transfer of dollars from O&M to capital.

A separate WO is required for each quarter's storms unless a single storm WO is requested. The address or description should describe the particular storms. There will only be one JETS WO per job for the entire state. The corporate office – Distribution Systems & Standards will have the responsibility to create this WO using a list of materials issued during the storm.

The foreman for these jobs must be "Major Storm". The Type Customer must be "Storms (Official Storms)".

The following is a list of the steps for creating the JETS estimate:

1) Get a MAXIMO listing of all materials charged to the storm. Exclude items inappropriately charged to the storm and O&M items.
2) Use Location GP999 to estimate the DWO and Org GPC2392. For the E&S rate, use the current E&S rate for the statewide average. This must be done each time a storm DWO is estimated as the rate changes each month. Specify it in JETS under Calculation Adjustments, EOH labor and EOH material. Check repair allowance on the Work Order screen.
3) Estimate the DWO using current funding project for the current storm. Get it from Martha Hale. The JETS estimate is used to calculate plant retirement units as well as amounts for the journal.
4) Estimate all labor as GPC labor.
5) Determine the JETS ID for each item left on the list from #1 above. Estimate a Remove and Install for each item. You will not be able to assign JETS ID's for minor material.
6) It may be helpful to organize your data such that like items are all in a particular JETS location, with different locations for each grouping. For example, transformers of a particular voltage would be assigned to one location and transformers of a different voltage would be assigned to a different location.
7) A certain percentage of hardware, wire, and poles should be classified as "Congested" or "Inaccessible" for purposes of estimating the correct labor. 50% was used by agreement. Lights should not be classified as such.
8) Do not estimate any salvage.
9) Incidental maintenance should be zero or close to it.
10) Authorize the job and add the appropriate tax areas.
11) Construction Complete the DWO, but do not Field Close it.
12) Email a copy to of the estimate to the appropriate Financial Analyst responsible for Distribution Capital.
13) The Financial Analyst responsible for Distribution Capital will make the journal transfers using the Journal Name CSO-50360.
14) After the dollar transfers, DS&S will field close the job.

## ***Appendix II***

### *Transmission Storm Capital JV Process*

Transmission storm journals move actual storm charges which should be capitalized from a Storm project to the TEAMS (Transmission Estimating and Management System) generated capital Project.

The steps below are a generalized format for the Transmission Storm JV Process.

Obtain declared storm Project numbers.

- E-mails from GPC Budget Manager or designated individual sending out storm numbers.

Using SmartView, Oracle ERP, PowerPlan or SOAR obtain total costs of Transmission Storm Projects.

- Use no delimiters, pull the total cost of the Transmission projects.
- Pull costs for Transmission utilizing TCC – STMCO on a T Storm Template.
- XXX is the storm number.

Gather the following information from Project Managers, Field Support, and/or Financial Analyst.

  - TEAMS generated project where storm charges should be journaled.
  - Declared storm number where initial charges were made.
  - Charges which are part of the capital work and should be moved to the TEAMS project.
  - Total dollar amount of charges to be moved.
  - Any other data pertinent for journaling charges and to use as journal backup data.

Create JV PowerPlan

- Use **Journal Name TRN-53021 JUNE-23 (dates for actual date of storm activity)**
  - Create a manual journal entry.
    **OR**
  - Create a journal entry via the Power Plan Spreadsheet Template and Upload Document to create the journal entry.
  - Use the links below for the PowerPlan Journal Spreadsheet Template and Upload Document.
    - PowerPlant Journal Spreadsheet Template
    - Perform Journal Spreadsheet Upload

- Attach back up documentation to JV in PowerPlan.
- Review entries and ensure account validation.
- Send for approval.

## ***Appendix III***

### *Generation & Other Assets Storm Declaration Process*

- Confirm a Major Storm Declaration has been issued for Power Delivery.
- Ascertain if damages were a direct result of a major storm.
- Gather adequate backup support (digital photos, locations, timestamps, ALL invoices, work scope plans) to justify billing storm account.
- Appraise major materials, contractor support and OT hours to determine if they are material in nature. If so, these will be allocated to the storm reserve account. ST labor will **NOT** be billed to the base storm account but rather to the business unit's normal operating project.
- Acquire final approval from storm director and corporate budget manager.
- Contact corporate budget manager for Lake/Generation/Facilities specific storm POET segments. Reference example below.

| | | | |
|---|---|---|---|
| Per the GPC Storm Center Director, a major system event has been declared for the period described below. | | | |
| Storm Number 2023-*** includes all directly related activities in support of outage restoration associated with High-Winds, Severe Weather on Sunday, June 25th 4:00PM – Monday, June 26th 6:00AM, 2023. This storm number will cover all cleanup work in the state of Georgia until all customers have been restored and all damages have been repaired. This storm declaration will activate the Service Entrance Repair Program. This document will be updated if the time period changes. Extreme care should be taken to ensure only damage resulting from the storm system should be charged to this Project/Task. | | | |
| **Georgia Power Personnel**<br>Use GPC Project/Task below | | SCS Personnel<br>Use the storm SCS Project/Task below unless otherwise noted | |
| **Southern Company Services Work Orders:** | | **Use P/T below for SCS Support including environmental support.** | |
| **Accounting Information:** | For additional information call the number(s) listed below. | | |
| | TBD ***-***-**** | **or** | TBD ***-***-**** |

| | CATEGORY | DESCRIPTION | GPC Project/Task |
|---|---|---|---|
| 1. | **Lakes Major Storm Restoration Work - Reserve Charges** | GPC Overtime labor, contractor labor (straight time and overtime), materials, and incidental expenses to the storm such as meals and lodging. | **Project ********<br>**Task 11 Storm Restoration - Lakes - Reserve Charges** |
| 2. | **Generation Major Storm Restoration Work - Reserve Charges** | GPC Overtime labor, contractor labor (straight time and overtime), materials, and incidental expenses to the storm such as meals and lodging. | **Project ********<br>**Task 11 Storm Restoration - Generation - Reserve Charges** |
| 3. | **Facilities General Plant Major Storm Restoration Work - Reserve Charges** | GPC Overtime labor, contractor labor (straight time and overtime), materials, and incidental expenses to the storm such as meals and lodging. | **Project ********<br>**Task 11 Storm Restoration - Facilities General Plant - Reserve Charges** |