**STATE OF GEORGIA**

**BEFORE THE**

**GEORGIA PUBLIC SERVICE COMMISSION**

**In Re:**

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| **Georgia Power Company's 2022 Rate Case** | **)** | **Docket No. 44280** |

# REBUTTAL TESTIMONY OF

# AARON P. ABRAMOVITZ AND MATTHEW S. BERRIGAN

# IN SUPPORT OF THE STIPULATION TO EXTEND

# THE ALTERNATE RATE PLAN

**JUNE 20, 2025**

**REBUTTAL TESTIMONY OF**
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## I. INTRODUCTION

**Q. PLEASE STATE YOUR NAMES, TITLES, AND BUSINESS ADDRESSES.**

A. Aaron P. Abramovitz. I am the Executive Vice President, Chief Financial Officer, and Treasurer for Georgia Power Company ("Georgia Power" or the "Company"). My business address is 241 Ralph McGill Boulevard N.E., Atlanta, Georgia 30308.

A. Matthew S. Berrigan. I am the Assistant Comptroller for Georgia Power. My business address is 241 Ralph McGill Boulevard N.E., Atlanta, Georgia 30308.

**Q. DID THIS PANEL PREVIOUSLY PRESENT DIRECT TESTIMONY ON BEHALF OF GEORGIA POWER IN THESE PROCEEDINGS?**

A. Yes.

**Q. WHAT IS THE PURPOSE OF THE PANEL'S REBUTTAL TESTIMONY?**

A. We are filing this rebuttal testimony[1] to respond to the direct testimony and comments of certain Intervenors. Specifically, we respond to the testimony filed on June 12, 2025, by Justin Barnes on behalf of Georgia Interfaith Power & Light

[1] The Procedural and Scheduling Order in this case required the Company's rebuttal testimony to be filed no later than 4:00 p.m. on June 19th; however, due to the Juneteenth state holiday, the Company is filing this rebuttal testimony one day later. *See* Commission Rule 515-2-1-.04(3)(a) (in the event that a testimony deadline falls on a state holiday, "testimony and accompanying exhibits shall be pre-filed on the next working day").

("GIPL") and John D. Wilson on behalf of the Natural Resources Defense Council ("NRDC"), Sierra Club, and Southern Alliance for Clean Energy ("SACE") (collectively, "NRDC/Sierra Club/SACE"). We also respond to the comments filed by Americans for Affordable Clean Energy ("AACE") on June 12, 2025.

**Q. DID ANY OTHER PARTIES FILE TESTIMONY?**

A. Yes. Walmart filed the direct testimony of Steve Chriss in this proceeding. In his testimony, Witness Chriss confirmed that Walmart does not oppose Commission approval of the Stipulation to Extend the Alternate Rate Plan ("ARP").[2] Witness Chriss also testified that Walmart appreciates the work of the Public Interest Advocacy Staff ("PIA Staff") and Georgia Power to avoid a rate case filing and resulting base rate increases.[3] Witness Chriss further testified that the Joint Petition is a better means to minimize bill cost increases than what could result from a litigated rate case.[4]

## II. RESPONSE TO GIPL WITNESS JUSTIN BARNES

**Q. WHAT IS THE PURPOSE OF GIPL WITNESS JUSTIN BARNES' TESTIMONY?**

A. The stated purpose of Witness Barnes' testimony is "to evaluate the likelihood and extent of the risk that residential and small commercial customers would subsidize new and expanding large load customers like data centers," but he claims that he is unable to offer an opinion on that point at this time due to lack of information.[5] Witness Barnes goes on to recommend that Georgia Power provide certain information to the Commission—including load data, generation data, real-time

[2] *Direct Testimony and Exhibits of Steve W. Chriss on Behalf of Walmart Inc.*, Docket No. 44280 (June 12, 2025) at 4, lines 1–4.
[3] *Id.* at 5, lines 13–15.
[4] *Id.* at 5, line 18 through 6, line 2.
[5] *Direct Testimony of Justin Barnes on Behalf of Georgia Interfaith Power & Light*, Docket No. 44280 (June 12, 2025) at 1, lines 9–13.

pricing ("RTP") energy pricing data, data on new data center loads, and illustrative cost of service study ("COSS") analyses.[6] GIPL argues that this information is "essential to an adequate review of cost allocation" and is necessary "to ensure that [large load customers] are not subsidized by existing residential and small commercial Georgia Power customers[.]"[7]

**Q. WHAT IS YOUR RESPONSE TO WITNESS BARNES' RECOMMENDATIONS?**

A. The purpose of this proceeding is to consider the Stipulation to Extend the ARP, which provides for base rates, with the limited exception of recovery of storm costs, to remain stable over the next three years for the benefit of customers. As a result of that, the Company is forgoing its right to file a base rate case, where a cost-of-service study would be filed to present allocation of costs to various rate groups in consideration of rate design. Under the Stipulation to Extend the ARP, the base rates are not adjusted or redesigned. Therefore, the cost-of-service evaluation Witness Barnes seeks to undertake is not applicable under this circumstance.

**Q. WHAT EFFORTS ARE THE COMPANY AND COMMISSION UNDERTAKING TO ENSURE THE LARGE LOAD CUSTOMERS ARE APPROPRIATELY PAYING FOR THEIR COSTS?**

A. First, the Commission has already approved revisions to the Company's Rules and Regulations that protect existing customers from bearing any of the costs of adding large load customers. The Commission has likewise approved the large load contracting framework and implemented a contract review process that protects and benefits existing customers. This robust process provides for PIA Staff review of large load contracts and the minimum bill amounts utilized for large load

[6] *Id.* at 2, line 14 through 4, line 18.
[7] *Id.* at 2, lines 16–18.

customers. Commission approval of the Stipulation to Extend the ARP does not impact the Commission-approved revisions to the Rules and Regulations or the large load contracting process that protect existing customers from the potential cross-subsidization that Witness Barnes asserts he was asked to evaluate.

In addition, the Stipulation to Extend the ARP renews the Company's commitment from the 2023 IRP Update proceeding to provide additional cost-of-service data at the appropriate time, which is when the Company files its next base rate case. As described in Paragraph 15 of the Stipulation, such information will provide sufficient detail to show how the Company is allocating costs and revenues associated with new capacity for large load customers to the various customer rate groups. The Company will work with PIA Staff to provide the information that is needed, and there is no reason to add additional requirements at this time as Witness Barnes recommends.

**Q. WHAT IS YOUR RESPONSE TO WITNESS BARNES' CLAIMS REGARDING THE ADEQUACY OF INFORMATION AVAILABLE IN THIS CASE?**

A. The Company has provided significant support for the Commission's consideration of the Stipulation to Extend the ARP. In this proceeding alone, the Company has filed the Company and PIA Staff's Joint Petition to Extend the ARP, the Stipulation to Extend the ARP, supporting testimony and exhibits, and the assumptions and inputs that underlie the exhibits, including the Company's preliminary rate case filing assumptions.[8]

Moreover, as a result of the ARPs approved by the Commission since 1995, and through reporting since 2022 under the current ARP, the Commission has

[8] *See* STF-PIA-30-1.

considerable information and details on the operations, investments, and earnings of the Company. The extensive amount of information available to the Commission and PIA Staff to evaluate the Stipulation to Extend the ARP is highlighted by the various annual and semiannual reporting that is required by the Commission. These open and transparent processes include Annual Surveillance Reporting filings, monthly operating report schedules, annual Environmental Compliance Strategy filings, annual 10-year Transmission Planning filings, semi-annual Grid Investment Plan reporting, semi-annual Hydro Modernization reporting, semi-annual Coal Combustion Residuals Assets Retirement Obligation reporting, quarterly and semi-annual construction monitoring reports for Battery Energy Storage Systems and Plant Yates Units 8–10, monthly bad debt reporting, and others. In addition to annual and semi-annual reporting, the Company has responded to numerous data requests over the course of the current ARP. Many hundreds of pages of information have been reviewed over countless hours by the Commission, PIA Staff, and PIA Staff consultants. Such reporting and oversight will continue during the ARP Extension Period.

## III. RESPONSE TO NRDC/SIERRA CLUB/SACE WITNESS WILSON

**Q. WHAT IS THE PURPOSE OF NRDC/SIERRA CLUB/SACE WITNESS WILSON'S TESTIMONY?**

A. The stated purpose of Witness Wilson's testimony is to "[review] the sufficiency of consumer protections given the growth in large loads, particularly data centers and manufacturing."[9] Witness Wilson recommends that the Commission direct Georgia Power to file an illustrative COSS and updated resource procurement practices to address his concerns around the Company's discretion in implementing updated rules and regulations, as well as concerns around the process to review

[9] *Direct Testimony of John D. Wilson on Behalf of Natural Resources Defense Council, Sierra Club, and the Southern Alliance for Clean Energy*, Docket No. 44280 (June 12, 2025) at 3, lines 7 through 8.

cost-of-service data and its effectiveness in protecting existing customers.[10] In relevant part, Witness Wilson suggests that:

> The illustrative cost-of-service study should include actual costs for a test year, forecasted costs relating to the new generation and transmission capacity for large load customers, and the forecasted revenues for those same large load customers. The filing should be sufficient for parties to understand how customer rates could be affected by both increases in actual costs and the forecasted costs related to the large load customers. This illustrative study would allow the Commission to direct any necessary changes to the classification of which costs should be borne by large load customers and any other methods that it determines merit adjustment.[11]

**Q. WHAT HAS THE COMMISSION DONE TO PROTECT EXISTING CUSTOMERS FROM BEARING THE COSTS OF NEW LARGE LOAD CUSTOMERS?**

A. As stated previously in regards to GIPL witness Barnes' testimony, the Commission has already approved revised Rules and Regulations and the large load contract framework, which are designed to ensure that large load customers pay their incremental cost to serve and to protect existing customers from the cost of serving new large load customers. It appears that Witness Wilson is attempting to utilize this proceeding to challenge or amend the protections that have already been implemented by the Commission.

[10] *Id.* at 6, line 33 through 7, line 27.
[11] *Id.* at 7, lines 28–35.

**Q. WHAT IS THE COMPANY'S RESPONSE TO WITNESS WILSON'S RECOMMENDATION?**

A. For the reasons discussed previously in response to Witness Barnes' recommendation to file an illustrative COSS, Witness Wilson's recommendation for an illustrative COSS and updated resource procurement practices should be denied. An illustrative COSS is neither necessary nor germane to the determination of whether the Stipulation to Extend the ARP should be approved given that base rates are not being adjusted for the next three years, with the limited exception of recovery of storm costs. In addition, the existing Commission Orders on large load contracting, together with the requirements in the Stipulation to Extend the ARP, properly address large load cost allocation and ensure that PIA Staff will have the information needed to properly evaluate cost-of-service in the next base rate case.

**Q. WHAT IS THE COMPANY'S RESPONSE TO WITNESS WILSON'S COMMENTS REGARDING THE SUFFICIENCY OF INFORMATION PROVIDED IN THIS CASE?**

A. As discussed previously, the Company has provided the support needed for the Commission to approve the Stipulation to Extend the ARP in this proceeding. Witness Wilson's critique seems to ignore the information the Company has provided in support of the Stipulation to Extend the ARP as well as the volume of information the Company routinely files with the Commission regarding its operations, investments, and earnings. Under the constructive regulatory framework in Georgia, the Commission has the information needed to consider the benefits of the Stipulation to Extend the ARP.

**Q. WHAT IS YOUR RESPONSE TO WITNESS WILSON'S ASSERTION THAT THE ARP STIPULATION IS NOT COMPLIANT WITH THE STIPULATION APPROVED BY THE COMMISSION IN THE 2023 IRP UPDATE PROCEEDING?**

A. The Stipulation to Extend the ARP is not a rate case filing; it is a request to extend the current 2022 ARP. If the 2022 ARP is extended, then the need for the Company to file a rate case on July 1, 2025, has been eliminated, and the technical requirement of filing a revenue forecast that includes the estimated benefit from large load customers from the 2023 IRP Update is also eliminated.

Even though the Company no longer plans to file its 2025 Rate Case, the incremental revenues from Georgia's extraordinary growth were an important variable that was included in the preliminary revenue deficiency provided in our direct testimony as Exhibit APA/MSB-2. In fact, considering both the level of revenues estimated from large load customers, along with the incremental costs to serve those customers during the ARP Extension period, the customer benefit included in the Company's preliminary revenue deficiency exhibit was almost twice as large as what was committed to as a part of the 2023 IRP Update Stipulation. Even accounting for that projected large load customer benefit, the Company's projected retail revenue deficiency totaled $2.6 billion over the three-year period, as shown in Exhibit APA/MSB-2. As stated in our direct testimony, the cost pressures related to updated depreciation rates, higher interest costs, the impact of continued inflation, continuation of the Grid Investment Plan, and increases to account for Demand Side Management tariff expenses filed in the 2025 IRP, among other items, more than offset the benefit of large load customers.

Simply said, the Company considered and included all the benefit associated with forecasted large load customer revenues, and with the inclusion of this value, customers will benefit from this Stipulation to Extend the ARP through stable and

predictable base rates for the next three years. Any benefits from large load customers and a growing Georgia will be reflected in the Company's future base rate case filings.

## IV. RESPONSE TO COMMENTS SUBMITTED BY AACE

**Q. PLEASE DESCRIBE THE COMMENTS SUBMITTED BY AACE.**

A. AACE comments that it does not oppose approval of the Stipulation to Extend the ARP, but seeks confirmation that the Community Charging program will be reviewed in 2025.

**Q. WHAT IS THE COMPANY'S RESPONSE TO AACE'S REQUEST FOR CONFIRMATION?**

A. The Electric Transportation Term Sheet ("ET Term Sheet"), which was included as Attachment 2 to the Settlement Agreement approved in the Company's 2022 base rate case,[12] sets forth the terms and conditions of the Company's Make-Ready and Community Charging programs. The ET Term Sheet expressly states that "the need for a Community Charging program will be reviewed in the Company's next base rate case."[13] The plain language of the ET Term Sheet refers to the "next base rate case"; should the Commission approve the Stipulation to Extend the ARP, the Company's next base rate case will occur in 2028. It is therefore the Company's position that the approved investment for the Community Charging program will continue through the ARP Extension Period, and the ET Term Sheet will be reviewed when the Company next files a base rate case.

## V. CONCLUSION

[12] *See Order Adopting Settlement Agreement As Modified*, Docket No. 44280 (Dec. 30, 2022) at 43–44.
[13] *Id.* at 44.

**Q. WHY SHOULD THE COMMISSION APPROVE THIS STIPULATION WITHOUT MODIFICATION?**

A. As discussed in our Direct Testimony, with approval of this Stipulation, customer rates will remain stable and predictable for the next three years, and Georgia Power will continue providing customers with reliable and affordable electric service. Georgia's constructive regulatory framework provides the foundation to extend the benefits of the 2022 ARP, and approval of this Stipulation would build upon that framework. This Stipulation incentivizes Georgia Power to manage and optimize costs to serve customers while supporting the energy needs of a growing Georgia so that all customers benefit from the extraordinary economic growth taking place in our state.

**Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

A. Yes.