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# Georgia Public Service Commission

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June 15, 2026

**RE: DOCKET NO. 42315: Atlanta Gas Light Company's Georgia Rate Adjustment Mechanism ("GRAM"): 2025 GRAM Revenue True Up ("RTU") Filing:**

**Natural Gas Staff's Statement of Confirmation**

## I. Background

O.C.G.A. § 46-2-20(a) provides that the Georgia Public Service Commission ("Commission") has general supervisory authority over gas companies.

O.C.G.A. § 46-2-23 provides that the Commission has exclusive power to determine what are just and reasonable rates and charges to be made by any person, firm or corporation subject to its jurisdiction. The rates for firm distribution service and ancillary services rendered by an electing distribution company must be established in accordance with Article 5 of Title 46, O.C.G.A. §§ 46-4-151 *et seq.*

On February 21, 2017, the Commission approved a Stipulated Agreement between the Staff and Atlanta Gas Light Company ("AGL") for an alternative form of ratemaking in accordance with O.C.G.A. §46-2-23.1. The process was called the Georgia Rate Adjustment Mechanism ("GRAM"). In the February 14, 2020 Final Order in Docket No. 42315, AGL's 2019 rate case, the Commission approved that AGL could continue to use the GRAM with modifications from the originally approved GRAM ratemaking process.

O.C.G.A. § 46-2-23.1(c)(d), provides the following:

**(c)** After notice and hearing the Commission may approve the plan, or approve it with modifications, if the Commission determines that the application is in the public interest and will produce just and reasonable rates, after taking into consideration the extent to which the application:

**(1)** Is designed to and is likely to produce lower prices for consumers of natural gas in Georgia;
**(2)** Will provide incentives for the gas company to lower its costs and rates;
**(3)** Will provide incentives to improve the efficiency and productivity of the gas company;
**(4)** Will foster the long-term provision of natural gas service in a manner that will improve the quality and choices of service;
**(5)** Is consistent with maintenance and enhancement of safe, adequate, and reliable service and will maintain or improve preexisting service quality and consumer protection safeguards;
**(6)** Will not result in cross-subsidization among or between groups of gas company customers;
**(7)** Will not result in cross-subsidization among or between the portion of the gas company's business or operations subject to the alternative form of regulation and any unregulated portion of the business or operations of the gas company or of any of its affiliates;
**(8)** Will reduce regulatory delay and cost; and
**(9)** Will tend to enhance economic activity in the affected service territory.

**(d)** Performance based regulation adopted by the Commission as an alternative form of regulation shall provide for the following:

**(1)** Equal and symmetric opportunities to earn above and below the performance standard;
**(2)** Performance incentives based upon conditions within the control of the management of the gas company; and
**(3)** Adjustments from time to time for the net effect of changes in tax rates, other costs imposed by law, and the cost of capital.

## II. AGL RTU Filing Requirements

AGL's Commission approved tariff in Section 26.6 governs the operation and calculation of the RTU. By March 1st following each Rate Effective Period, January - December, AGL is required to file with the Commission the annual RTU filing consisting of schedules. The schedules will compare the preceding Forward Looking Test Year base rate revenue projections whose rates were in effect during the Rate Effective Period with the actual base rate revenues related to amounts billed during the Rate Effective Period for services that have been provided. These schedules exclude SEED Contracts, special contracts, and revenues from rider recovery programs. If actual base rate revenues exceed base rate revenue projections during the Rate Effective Period, the RTU Filing is required to include an adjustment calculated to lower base rates over a 12-month period by the amount that such actual base rate revenues exceeded projections in the next GRAM filing. If actual base rate revenues are below base rate revenue projections, an adjustment calculated to increase base rates over a 12-month period by the amount that such actual base rate revenues fell short of projections in the next GRAM filing.

The Statement of Confirmation shall be filed no later than June 1st, and it shall include the following:

(a) The total of actual monthly GRAM Model base rate revenues and Peaking Service Rate Model revenues collected;

(b) The total of projected GRAM Model base rate revenues and Peaking Service Rate Model revenues; and

(c) The variance between the total actual GRAM Model revenues and Peaking Service Rate Model revenues and the total projected GRAM Model base rate revenues and Peaking Service Rate Model revenues.

By May 15th, if Staff and AGL cannot agree to a final RTU dollar amount, this item shall go before the Commission for consideration by the first Administrative Session in June.

## III. 2025 Revenue True Up Filing

On March 1, 2026, AGL filed its 2025 RTU filing related to the actual revenues collected for the 2025 GRAM Rate Effective Period of January 1, 2025, through December 31, 2025. AGL listed 20 Distribution Revenue accounts with **$1,000,166,440.48** in actual revenue collections, and AGL listed 16 Miscellaneous Revenue accounts with **$30,656,267.31** in actual revenue collections. The actual Total Base Rate Revenues reported was **$1,030,822,707.79**.

## IV. Staff's Analysis

During 2025, the Staff tracked the Distribution and Miscellaneous revenue accounts filed in AGL's quarterly GRAM reports in the income statement. By March 1, 2026, when AGL filed its 2025 RTU, Staff provided a very detailed assessment and analysis for the comparison of the Distribution and Miscellaneous revenues.

On May 4, 2026, the Staff filed its 53rd Set of Data Requests to gather additional information on items impacting the 2025 GRAM RTU filing. On June 1, 2026, the Staff filed a Statement of Confirmation Notice of Delay to meet the requirement to file by June 1 while waiting for AGL's responses. On June 4, 2026, AGL filed responses to Staff's 53rd Set. AGL's responses confirmed the accuracy of Staff's data, and no additional impacts to AGL's 2025 GRAM RTU filing were identified.

In **Table-1** below, the comparison of the 2025 RTU Filing revenue categories and actual dollar amounts are compared to the 2025 GRAM Schedule-11b forecasted revenues. The table and its contents were confirmed in AGL's response to STF-53-1 in the Staff's 53rd Set of Data Requests. The table shows that the overall actual 2025 Distribution Revenues were **$1,417,102.08** above the forecast, and the 2025 Miscellaneous Revenues were $1,804,499.90 below the revenue forecast. The total 2025 Rate Base Revenues were **$387,397.82** below the forecast.

**Table-1: 2025 GRAM RTU Filing & 2025 GRAM Schedule-11b Comparison**

| Revenue Categories | Column-I<br>2025 GRAM RTU Filing Actual Revenues | Column-II<br>2024 GRAM Final Model Schedule-11b Forecasted | Variance: Column-I minus Column-II | |
|---|---|---|---|---|
| **Distribution Revenues** | | | | |
| R-1 Residential | $748,718,025.27 | $753,836,017.98 | ($5,117,992.71) | -0.68% |
| G-10 Multi-Family | $13,518,064.60 | $13,717,984.23 | ($199,919.63) | -1.46% |
| G-11,12, and 13 Commercial & Industrial | $189,256,551.48 | $182,264,946.97 | $6,991,604.51 | 3.84% |
| AG-1 Agricultural | $2,135,472.18 | $1,889,940.32 | $245,531.86 | 12.99% |
| S-51 Seasonal | $28,011.63 | $33,995.15 | ($5,983.52) | -17.60% |
| TS-1 General Transportation Service | $87,568.60 | $104,936.83 | ($17,368.23) | -16.55% |
| TS-2 General transportation Service | $132,835.80 | $132,835.80 | $0.00 | 0.00% |
| Peaking | $50,276,177.33 | $50,057,293.69 | $218,883.64 | 0.44% |
| Marta and NGV | $1,945,940.88 | $2,662,826.98 | ($716,886.10) | -26.92% |
| Synergy Savings Total | ($5,932,207.29) | ($5,951,439.55) | $19,232.26 | -0.32% |
| **Total 2025 GRAM Distribution Revenues** | **$1,000,166,440.48** | **$998,749,338.40** | **$1,417,102.08** | **0.14%** |
| | | | | |
| **Miscellaneous Revenues** | | | | |
| LNG Trucking Revenues (LDTS) | $0.00 | $1,354,196.26 | ($1,354,196.26) | -100.00% |
| Meter Reading | $14,136,348.22 | $14,319,051.78 | ($182,703.56) | -1.28% |
| Reconnect Charges | $1,792,050.00 | $2,129,425.00 | ($337,375.00) | -15.84% |
| **Total Seasonal Reconnect Charges** | $1,339,655.00 | $1,260,386.67 | $79,268.33 | 6.29% |
| Turn On Charges | $6,909,280.00 | $7,158,525.00 | ($249,245.00) | -3.48% |
| **Total Meter Set** | $744,163.98 | $917,485.00 | ($173,321.02) | -18.89% |
| Damage Billing | $5,392,171.35 | $5,625,600.00 | ($233,428.65) | -4.15% |
| Switching | $11,480.00 | $17,597.50 | ($6,117.50) | -34.76% |
| Late Payment Charge - Pooler | $18,716.41 | $33,600.00 | ($14,883.59) | -44.30% |
| Jurisdictional Expansion Prog (SEED) | $515,100.00 | $515,100.00 | $0.00 | 0.00% |
| Right-Of-Way Fees | $14,400.00 | $0.00 | $14,400.00 | #DIV/0! |
| Misc Rev Gas | ($13,000.00) | $0.00 | ($13,000.00) | #DIV/0! |
| Returned Check Fees | $0.00 | $0.00 | $0.00 | #DIV/0! |
| Other Miscellaneous - Purchased Gas Exp | ($204,097.65) | ($870,200.00) | $666,102.35 | -76.55% |
| | | | | |
| **Total 2025 GRAM Miscellaneous Revenues** | **$30,656,267.31** | **$32,460,767.21** | **($1,804,499.90)** | **-5.56%** |
| | | | | |
| **Total 2025 GRAM Base Rate Revenues** | **$1,030,822,707.79** | **$1,031,210,105.61** | **($387,397.82)** | **-0.04%** |
| | | | | |
| Interest Carrying Charges | | | 9,036.17 | |
| Equity Carrying Charges | | | 30,985.58 | |
| | | | | |
| **2025 GRAM RTU Amount with Carrging Charges to be Applied to 2026 GRAM Filing Schedule-11 (Increase to GRAM)** | | | **($427,419.57)** | |

## V. Statement of Confirmation

Based on AGL's 2025 GRAM RTU filing made on March 1, 2025, the Staff agrees with the dollar amounts below that were provided in Worksheet-1.

| | |
|---|---|
| Actual 2025 GRAM Base Rate Revenues Collected: | $1,030,822,707.79 |
| 2025 GRAM Approved RTU Revenue Tracking Shecule-11b: | $1,031,210,105.61 |
| | |
| 2025 GRAM Revenues Under-Collection: | $387,397.82 |
| | |
| Interest Carrying Charge Debt: | $9,036.17 |
| Interest Carrying Charge Equity: | $30,982.58 |
| | |
| **Total 2025 GRAM RTU Shortfall in 2027 GRAM:** | **$427,419.57** |

The 2025 GRAM RTU total shortfall of **$427,419.57** will be applied as an increase to revenue requirement in the 2027 GRAM filing in Schedule-11a to be filed on July 1, 2026.

Sincerely,

Tony Wackerly

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