BEFORE THE GEORGIA PUBLIC SERVICE COMMISSION

STATE OF GEORGIA

IN RE:	)	
	)	
Real Time Pricing ("RTP")	)	**Docket No. 57171**
Revenue Credit and	)	
Allocation Methodology	)	

Testimony Of Jim Clarkson

October 15, 2026

Q. STATE YOUR NAME, ADDRESS AND RELEVENT EXPERIENCE.

A. I am Jim Clarkson President of Resource Supply Management. My business address is 135 Emerald Lake Rd. Columbia SC 29209.

I have an engineering degree from Clemson and an MBA the University of West Georgia College. At times I have been a licensed Professional Engineer in Georgia and several other states. I worked the Southwire Company as Energy Manager for 15 years. For the last 25 years I have assisted commercial and industrial customers with energy management, demand control and procurement of energy supply. I assist contractors with energy supply arrangements for Amazon facilities and for data centers. I have participated in regulatory proceedings in Georgia and other states.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The economic impacts of the Real Time Pricing rate have been discussed by the Georgia Power panel of witnesses and the subject of cross examination in this case. I have experience in dealing with this rate since its inception in 1992. This background and my participation in rate cases gives me the ability to emphasize certain aspects of the rate from the end user prospective.

Q. THE COMPANY WITNESSES' TESTIMONY IN THIS CASE ASSERTS AT PAGE 10 LINES 3 &4 THAT "Access to marginal cost-based rates makes RTP a driver of new economic development activity and has been an important tool in attracting incremental load to the state."

A. I agree. When we assist new customers locating in Georgia we seek offers from Georgia Power, Municipal utilities and Electric Membership Corporations. We find the prices are very close. Other service factors usually determine the choice of utility supplier.

I advocate for open competition in the marketplace because it provides the most benefit to the economy, businesses, and consumers. The development of the RTP rates in the1990s was a rationale and innovative business response to the large surplus of off-peak capacity available on the Georgia Power system. Mainly large industrial customers immediately recognized the economic benefit of lowering energy costs by using RTP rates to shift production to off-peak periods and curtailing energy usage during peak demand periods. Over time a broad and diverse array of businesses and institutions have adopted RTP pricing for some or most of their electric load.

To preserve this valuable pricing mechanism and expand its availability to both new and existing customers changes must be made on a regular basis to the cost allocation methodology to accurately allocate appropriate costs and revenues to the RTP rates and not unfairly burden other customer rate classes.

Q. EXPLAIN MORE ABOUT COMPETITION FOR CUSTOMERS IN GEORGIA.

A. There is robust competition between the 87 or so retail electricity suppliers in Georgia. The Municipals and EMCs can offer their customers access to market electricity prices from several wholesale suppliers. This market access gives these other potential suppliers some amenities not offered by Georgia Power. Acting through the local distributor an energy marketer can give 5- and 10-year fixed prices. There is no curtailment demonstration required for access to hourly prices. For commercial loads there is no Demand Side Measures rate adder. For larger loads some of the non-Georgia Power suppliers will allow a "bring your own power" arrangement. Of course, Municipals and EMCs do not place any of the cost to serve new customers on their existing customers.

With the larger customers having access to the competitive wholesale market, we are entering a period where retail electricity prices will be set more by market conditions than by administrative decisions. We have the example of Georgia's natural gas market where regulators advised by experts no longer set the cost of the energy commodity.

Q. DOES GEORGIA POWER'S RTP RATE POLICY GIVE NEW CUSTOMERS AN UNFAIR ADVANTAGE OVER EXISTING CUSTOMERS WHO WOULD QUALIFY FOR RTP SERVICE?

A. Yes. There is a major flaw in Georgia Power policies. A new customer may be offered, for example, the RTP rate with 50% of the usage on a standard base rate and 50% marginal cost rate. An existing customer with a 100% existing base rate is not given this option.

At page 8, lines 8-11 the Company witness's testimony states: "The Company's RTP tariffs are available to commercial and industrial customers with a minimum demand of 250 kilowatts ("kW") (RTP-DA) or 5 megawatts ("MW")(RTP-HA)." This does not fully explain that existing customers can only have marginal cost rates for loads above existing levels. This puts existing customers, who while qualifying for RTP service, cannot benefit from the same marginal cost amounts of power as a new customer can. This is economic discrimination between similar customers based on new verses old customers.

This discrimination of not allowing existing loads to be price responsive deprives the system of greater ability to meet peak demand and to avoid the need for additional investment in peaking generation and battery storage.

Q. CAN THE RTP RATE BE USED TO AVOID MORE INVESTMENT IN BATTERY STRORAGE AND PEAKING GENERATIONS?

A. The RTP rate should be offered to existing customers to allow more standard base rate load to be demand responsive. In several past rate cases the Company has allowed certain amounts of power demand under base rates to convert to marginal cost. So, this suggestion is not without precedent. It is forecast that much of the new power use in the state will be to serve data centers. So far, data centers cannot be responsive and cut use during peak demand periods. Therefore, it is important the Georgia Power turn to its existing customers to obtain more price-responsive load.

There are customer owned generators that are now idle that under the proper policy can also be used to avoid more utility investment in peaking generation.

Q. HOW CAN GEORGIA POWER'S RTP POLICIES BE IMPROVED?

A. Marginal cost pricing should be available to all customers, not just new customer loads. The untapped demand response capacity of existing loads now forbidden from using the RTP rate should be utilized to offset the need for additional investment in peaking generation and batteries.

This concludes my testimony.