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Georgia Public Service Commission

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NEWS RELEASE

FROM THE OFFICE OF COMMISSIONER LAUREN "BUBBA" MCDONALD

Remarks by Commissioner Lauren "Bubba" McDonald at the U.S. Environmental Protection Agency Hearing in Atlanta, Georgia

ATLANTA, July 29, 2014 – I appreciate the opportunity to make some comments on EPA's Proposed GHG Emission Guidelines. We in Georgia and at the Public Service Commission do not take this new regulation lightly. However we are proud to announce Georgia has already made great strides in compliance. The first point I would like to make is that each state is different as to geographical location, size, altitude, climate and natural resources. The right energy mix for Georgia may not be the same as California or Massachusetts.

In Georgia we have already made big investments in carbon-free energy by building new nuclear and solar resources. We chose to do this and we set our own goals without waiting for the EPA to tell us to. Regrettably, EPA's proposal doesn't give Georgia enough credit for the smart nuclear investments we have already made. Georgia is leading the nation in building nuclear technology. Nuclear energy is America's most powerful source of carbon-free electricity. And the fuel is abundant. In 2013, nuclear energy accounted for 63 percent of zero-carbon electricity generation in the United States. That is three times more emission-free electricity than hydropower, and nearly five times more than wind energy.

Here in Georgia, our two new state-of-the-art reactors will produce approximately 2,200 megawatts of reliable, emission-free electricity around the clock.

This represents a multi-billion dollar investment on the part of Georgia ratepayers that will benefit everyone on the planet by reducing emissions. Does this say that we are not protective of our climate? I think not. Georgia cares about the world we live in.

EPA's approach to new nuclear units like these in Georgia is unacceptable. If EPA's objective is to reduce CO2 emissions, then EPA should not penalize the citizens of Georgia for investing billions in more nuclear power by not giving us full credit for this carbon free energy source.

Georgia has also taken big steps to grow our renewable energy portfolio. We have done this responsibly without raising rates so customers don't see their utility bills go up. And, we've done it without mandates or state subsidies. Look at how much we have approved already:

- * We have over 200 megawatts of biomass generation, including landfill methane gas and over 1,000 megawatts of hydro generation.
- * And we approved contracts for another 200 MW of new biomass capacity to be developed in Georgia by 2017.
- * We recently approved 250 megawatts of new wind energy that will begin serving Georgians by 2016.
- * And, of course, our solar programs are now on track to bring nearly 900 megawatts of solar onto the grid by 2017.
- * That's a big number for solar. So big that Georgia recently jumped up to being ranked as the 7th biggest state market for solar in the United States.

Our renewable programs have resulted in the <u>largest voluntary</u> expansion of renewable energy resources in the United States. We didn't need mandates. We took advantage of market forces and falling solar prices, and we let the free enterprise system take care of the development. We did this with no state subsidies or higher costs that are passed on to customers for decades to come.

We've already made smart investments here in Georgia for clean energy, and there is more to come. We're blessed with a valuable natural resource of plentiful solar in our state, and we are looking at how to improve our programs to encourage market incentives to grow solar even more.

One example of this is encouraging local communities to promote solar farms to locate in their counties. I have been working with local officials and with solar developers, to figure out how we can make sure that the investments we make in new solar farms pay a solar dividend in the form of full millage rates on the solar property to the local communities where they are built. Revenues from a new solar farm can help fund the local school system, or promote more economic development in rural parts of this state that need it most.

Here in Georgia, we believe in setting our own goals for a cleaner, modern energy mix that matches the resources and needs of our state. We have put our money where the need is by investing in new nuclear and solar projects to get us to abundant carbon-free electricity. I believe we are on the right path, and we are moving at the right pace and there is more to come.

With this being said: Please leave us alone! We see the goals ourselves and know how to achieve them. Reward us completely for our efforts; do not penalize us with partial credits.

Commissioner McDonald is in the sixth year of his term on the Commission. He was elected in 2008. His full biography can be found at http://www.psc.state.ga.us/content.aspx?c=/commissioners/lauren-mcdonald-jr/?tab=2.

The Georgia Public Service Commission is a constitutional agency that exercises its authority and influence to ensure that consumers receive safe, reliable, and reasonably priced telecommunications, electric and natural gas services from financially viable and technically competent companies. Additional information can be found on the Commission web site, www.psc.state.ga.us.

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