



GPSC News

Winter 2010

Volume 9 Issue 1

**Extends recovery period by three years to 2025*

**Company would seek to install infrastructure along strategic corridors*

**Company must file quarterly reports*

In this issue

Legislative Update	2
Commission Approves Study of Solar Only Tariff	3
Georgia Power Files Fuel Cost Recovery Case	3
Federal Court Rules for Commission	3
Atmos Rate Case Hearings Get Underway	4
Final Hearing on Vogtle Costs	4
Georgia Power Files IRP	5
Commissioners Speak Before Legislature	5
Staff Visit to Plant McDonough	5
Commission Recognizes Employees	6
Commission News	7
Commission Calendar	8

**Next
Issue
April
2010**

Commission Approves Economic Development Program



The Commission January 19 approved an additional economic development component for the Atlanta Gas Light Company Strategic Infrastructure Development and Enhancement Program known as STRIDE. A majority of the Commission on a 4-1 vote approved the Customer Integration Program, which is designed to employ incentives to attract new customers to connect to the AGLC natural gas system. The Commission approved the initial STRIDE program at its October 6, 2009 Administrative Session. As part of the Commission decision the recovery pe-

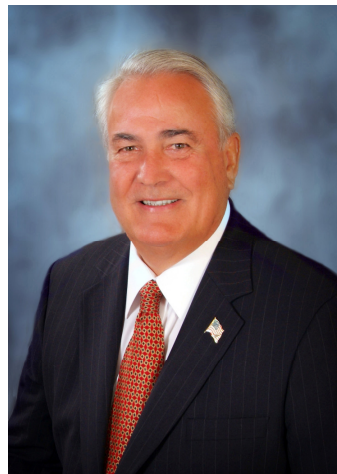
riod for STRIDE would be extended three years from September 30, 2022 to September 30, 2025.

The three year extension could collect up to an additional \$45 million to construct line extensions without customers having to pay a contri-

(Continued on page 2)

McDonald Chairs Commission in 2010

Commissioner Lauren "Bubba" McDonald, Jr. will serve as Chairman of the Commission for 2010, taking the gavel from outgoing Chairman Doug Everett. The Commission Chairmanship is rotated annually among the five Commission members based on Georgia law and Commission rules.



McDonald is serving his second tour on the Commission, having won election in November 2008 to a full six year term. He previously served on the Commission from 1998 to 2002.

Commissioner McDonald's complete biography is on the Commission web site, www.psc.state.ga.us.

(Continued on page 2)

Legislative News

The Governor's Amended Fiscal Year 2010 and Fiscal Year 2011 Budgets released on January 15, 2010 reflect an additional eight percent cut in the Commission's budgets.

The AFY 2010 Budget recommendation calls for an overall cut of \$1,017,361. This includes cutting three fulltime positions which we disagree with.

The FY 2011 budget recommendation calls for an \$872,994 cut in the Commission's budget.

Of course, this is all subject to the Legislature's approval as the budgets move through the legislative process. The budget committees are just beginning their work on the budgets.



is also hopeful that its outside consultant funding bill, House Bill 52 or its Senate substitute, House Bill 244, can pass through the legislature this session. H.B. 52 remains

If you have a story for the next GPSC News, please send to Bill Edge, bille@psc.state.ga.us. Next issue deadline is April 15, 2010.

The Governor's in the House Energy, Utilities revenue estimate and Telecommunications Committee while H.B. 244 is in the Senate Rules Committee.

Other legislation affecting the Commission is H.B. 168 which is the "telecom reform" legislation which passed the Senate on February 9 by a vote of 46-4. Senate Bill 328 would have the Commission resolve disputes over utility pole attachment fees.

House Bill 328, which would have given the Commission regulatory authority over public towing, received a do not pass recommendation on January 26 from the House Motor Vehicles Committee. It is dead for this session.

AGL Economic Development Plan

(Continued from page 1)

bution in aid of construction (CIAC) before service can be established.

Patterned after AGLC's annual Universal Service Fund (USF) process, AGLC would seek permission to install mains along strategic corridors to encourage and facilitate firm industrial and commercial customers, and residential development.

Residential customers' rates in-

creased \$0.39 a month on October 1, 2009 to fund the STRIDE program. Rates will increase another \$0.40 a month on October 1, 2010. Today's decision has no impact on these rates.

The Company is required to file quarterly reports with the Commission of its progress toward the

Program.

The Company is required to file an annual report that will provide an update on the actual expenditures.

The Company will be entitled to recover all costs prudently made as determined by the Commission.



Atlanta Gas Light

McDonald Chairs Commission in 2010

(Continued from page 1)

Chairman McDonald announced that Commissioner Stan Wise will serve as Vice-chairman and made the following committee assignments: Commissioner Stan Wise will chair the Energy Committee; Commissioner Robert Baker will chair the Telecommunications Commit-

tee; Commissioner Chuck Eaton for the regulation of electric, natural gas and telecommunications utilities and transportation companies operating inside Georgia.

Commissioner McDonald, as Chairman, will head the Administrative Affairs Committee.

The five-member Commission is a constitutional body responsible



PSC Approves Study of Solar Power Only Green Energy Tariff

The Commission November 19 unanimously approved a motion directing the Commission staff and Georgia Power Company to develop a proposed revision to the Company's Green Energy tariff to allow consumers to purchase "solar only" electric power.

Commissioner Lauren "Bubba" McDonald, Jr. made the motion to direct the staff and the Company to bring the revised Green Energy tariff to the Commission within 30 days. "These recommendations should include consideration of the cost of such an offering, any monthly minimum block purchase re-

quirements and any other appropriate contract terms," McDonald said.

"I think there is a market out there that would support a solar only product," McDonald added. He indicated that he has heard from consumers throughout the state who express an increasing interest in renewable resources and green energy.

The Commission on August 17, 2009 approved an increase in the amount of solar energy that can be purchased under the Green Energy tariff, up to 1.5 Megawatts. Under the Company's current Green Energy Tariff, consumers may purchase 100 Kilo-

watt blocks of Green Energy for \$3.50 per block above their regular electric rates. The Large Volume Purchase allows customers who purchase at least 400 blocks under the standard Green Energy offering to contract with Georgia Power for additional renewable energy at a reduced price. Georgia Power contracts individually with each customer to determine the price, quantity, term and source of the additional green energy.

Under the current Regular Green Energy program, the Green Energy product is all biomass, primarily from the Seminole Landfill

(Continued on page 7)

PSC Will Review Georgia Power Fuel Cost Recovery Case

The Commission is reviewing the Georgia Power Company request filed on December 15, 2009 for an increase in its fuel cost recovery rates. Following hearings in February, the Commission will issue a decision on the request in March 2010.

The Company has delayed the filing of this request three times from the original filing date of

March 13, 2009. According to the Company, this action saved consumers about \$300 million due in large part to decreased fuel costs mainly natural gas. The Company's proposal includes two parts: 1. Part A which collects projected fuel costs through May 2011 at a cost of \$3.9 billion; and 2. Part B which collects the cost of fuel that has already been

used to generate electricity but has not yet been recovered from customers at a cost of \$642 million to be collected through May 2012.

Here are some facts about the Georgia Power fuel cost recovery rate case:

The Company is seeking an increase of \$470 million in rates

(Continued on page 6)

Federal and State Courts Rule for Commission

The U.S. District Court for the Northern District of Georgia affirmed the Commission's decision in two telecommunications complaint cases involving the rating of calls as local or toll.

In the first part of 2008, the Commission issued decisions on two related complaint cases in-

volving disputes that Public Service Telephone had with Verizon Wireless and Alltel Wireless. The cases involved calls from Public Service Telephone wireline customers to wireless customers of the two wireless carriers. The calls at issue in the case were to wireless customers with number codes associated with rate centers

that were local to Public Service Telephone. Despite that fact, Public Service Telephone argued the calls should be rated as toll. The Commission sided with the wireless carriers and ordered that these calls should be rated as local.

Public Service Telephone ap-

(Continued on page 6)

Atmos Rate Case Hearings Begin

The Commission held the first of three rounds of hearings in the Atmos Energy rate case in Docket Number 30442 on January 12, 2010.

Atmos Energy filed a request on October 1, 2009 with the Commission to increase its rates. In its filing, Atmos says it is seeking \$3.7 million increase in rates due to changing market conditions and increases in operating costs. If approved, residential customers' monthly bills would increase by approximately \$4.00 or \$48 annually. Any change in rates would take effect April 1, 2010.

Georgia law requires the Commission to issue a decision on any new proposed rates within 180 days of the Company's filing.



The Commission last approved a rate increase for Atmos on September 17, 2008. The remaining schedule for this proceeding is:

on staff and intervenor testimony. March 11, 2010. Hearing on Company rebuttal testimony. March 29, 2010: The Commission issues its decision.

Final Expense Hearings on Plant Vogtle

The Commission held the final hearing on January 26 to review proposed revisions and verification of expenditures for the Georgia Power Company Vogtle Units 3 and 4 nuclear construction projects. Last year, the Commission approved the Company's request to certify the construction of the new nuclear power units at its Plant Vogtle Nuclear Power Plant near Waynesboro, Georgia. Under the agreement, the Company must file semi-annual monitoring and monthly status reports with the Commission. The semi-annual monitoring report includes any proposed revisions to the cost estimate, construction schedule, or project configuration, as well as a report on actual costs incurred during the period covered by the report and an updated comparison of the economics of the certified project. At this time, according to the Company, the project is on schedule and within budget. A Certificate is issued by the Commission upon a finding that there is a need for the proposed capacity and that the resource provides an economical and reliable supply of electric power in accordance

with the current Integrated Resource Plan (IRP). The 2007 IRP stated that the utility would need an additional 2,200 Megawatts of new baseload electric power generation in the 2016 and 2017 timeframe to meet its growing energy needs. Under the IRP statute, new power generation cannot be added to the system without a Certificate of Public Convenience and Nec-

sity issued by this Commission. The remaining schedule for this proceeding is:

February 5, 2010: Proposed briefs and orders due.

February 18, 2010: The Commission issues its decision.



Governor Names Stair to Advisory Committee

Governor Sonny Perdue named **Jeff Stair** on January 28 as the Chairman of the Commission's Georgia Utilities Advisory Committee. The Committee hears cases involving violations of the state's dig law.

Georgia Power Files IRP

Every three years, Georgia Power Company files its Integrated Resources Plan with the Commission to provide the way ahead on providing Georgia's electric energy needs. The Company filed its latest IRP on January 29, 2010.

The Commission will hold hearings beginning on April 13 and 14, 2010 on the Company's proposal. There will also be hearings in May and June.

Under Georgia law, the Commission must issue a decision on the Company's 180 days after the Company pays the fee to the Commission.

Commissioners Appear Before Legislative Committees



Commissioners **Chuck Eaton and Stan Wise** made appearances before legislative committees to express Commission viewpoints on a transportation bill and the Commission's budget request.

Commissioner Eaton spoke January 26 at a House Motor Vehicles Committee hearing on House Bill 328. The Committee gave the bill a do not pass recommendation. Commissioner Wise on January 29 presented the Commission's budget for the Amended 2010 Fiscal Year, House Bill 947.



Staff Visits Georgia Power Plant McDonough

Commission staff visited Georgia Power's Plant McDonough in Cobb County on September 2, 2009 as part of the construction monitoring process to get a first hand look at the new construction.

Plant McDonough Units 4, 5, and 6 are currently under construction. Units 4 and 5 are scheduled to meet capacity and



energy needs in 2011. Unit 6 is scheduled to go online



beginning in 2012.

King Day Tribute at the Capitol

The State of Georgia held its 25th annual Martin Luther King, Jr. Tribute at the State Capitol on January 14, 2010.

Former Georgia Supreme Court Chief Justice Leah Ward Sears was the event's keynote speaker. Governor Sonny Perdue presented the King Day Proclamation while greet-



Chairman McDonald attends Tribute

ings were delivered by Representative Emanuel Jones of the Georgia Legislative Black Caucus, Lt. Governor Casey Cagle, House Speaker David Ralston and Atlanta Mayor Kasim Reed.

Commission Chairman Lauren "Bubba" McDonald, Jr. represented the Commission at the Tribute.

Commission Recognizes Employees

The Commission December 8 recognized employees for their faithful service and held the annual Holiday Luncheon. The following employees received the Faithful Service Awards:

Five Years

Monique P. Andrews
Carolyn S. Harrison
Onterio K. Johnson
Tonika M. Starks
Victoria L. Taylor

10 Years

John Philip Bedingfield
Jada Brock
Joyce L. Lewis
Gary L. Mason
Ann McCullough



Cathy W. Nesbitt
Jeffrey C. Stair

15 Years

Jamie C. Barber
Thomas K. Bond
John P. McCarter
Allison S. Morris



30 Years

Dorothy Buckner
Veronica Thomas
Julia M. Truss

Commissioner Doug Everett opened the festivities, then **Commissioner Lauren**

(Continued on page 7)

Courts Rule for Commission

(Continued from page 3)

pealed and asked the District Court to enjoin the Commission's order. In 2008, the Court denied Public Service Telephone's request for a preliminary injunction. After oral argument held on December 18 the Court denied PST's request for a permanent injunction.

Congratulations to **Phil Smith** and the Commission for issuing

the Initial Decisions and orders that correctly resolved the issues in this case. Also, thanks to **Leon Bowles, Patrick Reinhardt and Shaun Rosemond** for all of their assistance in this matter.

In the Fulton County Case, Fulton Superior Court Judge Marvin Arrington granted the Commission's Motion for Summary Judgment in Fulton

County Taxpayers versus the Commission and issued his order on December 23, 2009. In the suit by the Southern Alliance for Clean Energy v. PSC, the case was reassigned to Judge Wendy Shoob after Judge Arrington recused himself at SACE's request. There has not been any action taken since the reassignment. The Fulton County court cases stem from the Commis-

Georgia Power Files Fuel Case

(Continued from page 3)

to recover its increased costs for fuel, primarily coal, used to generate electricity. If approved, this request would increase the average residential customers' monthly bill by an estimated \$6.98.

A request for an increase in the fuel cost is not the same as a request for an increase in base

rates. Georgia law allows electric utilities to recover their fuel costs, prudently incurred, on a dollar for dollar basis. The utilities are not allowed to make a profit on their fuel costs.

Georgia law requires the Commission to issue a decision on the Company's request within 90 days of the Company's filing. Otherwise, the Company's request goes into effect.

The Company is proposing sea-

sonal fuel rates which would collect a higher rate during the summer and a lower rate during the winter.

An Interim Fuel Rider would allow the Company to adjust fuel rates by a maximum of 10 percent to limit fuel cost under recovery. The last time the Company requested a fuel cost rate increase was in February 2008. In that case, Georgia

(Continued on page 7)

Employee News

Sympathy

Our condolences go out to **Pat Welcome** on the loss of her father, Ben E. Singleton January 5 in an auto accident in Baltimore, Maryland. The funeral was held January 19 in Baltimore with burial in Ft. Meade National Cemetery.

Pat also lost her stepfather, William Pickett, on February 10. The funeral was held in Haw-

kinsville, Georgia.

We extend our sympathy to **Gary Mason** on the death of his father-in-law, Clarence A. Heath on November 18, 2009. The funeral was held November 21, 2009 in Cartersville, Georgia.



New Employee

We welcome **Shemetha Jones** to the Commission as part of the ARRA group under Internal Consultants. Shemetha is a native of New Orleans, La. and relocated to Atlanta after Hurricane Katrina. Before joining the Commission, she worked in public accounting for three and half years. She has a Master's degree in Accounting and an active CPA license.

Farewell

Claire MaGuire resigned December 31 to pursue other opportunities. Claire had been with the Commission since November 2005 as an Administrative Attorney.

Bob Vaughan retired November 1 after 34 years of service. Bob most recently worked in the Internal Consultants Unit.

Media Appearances

Commissioner Chuck Eaton was interviewed by Bill Crane on WSB Radio for Sunday AM on February 7. The topic was the Nuclear Waste Fund.

Sam Ahmed was interviewed on WXIA-TV for a report on the Toyota recalls due to faulty accelerator pedals.

Holiday Luncheon



Commissioners McDonald and Wise

Good Luck!

(Continued from page 6)

"Bubba" McDonald, Jr. handed out the Faithful Service Awards. A delicious Holiday Luncheon capped off the day's festivities.

Solar Only Tariff

(Continued from page 3)

in DeKalb County and contains no solar or wind energy at this time. However, the Company offers a Premium Green Energy Product at \$4.50 per block which receives at least two percent of its energy from solar resources.



Georgia Power Files Fuel Case

(Continued from page 6)

Power sought an annual increase of \$222 million in revenues. Ultimately, the Commission accepted a staff recommendation to approve a stipulation with the Company that reduced the Company's request by \$7 million.

At its November 19, 2009 Administrative Session, the Commission set the filing and hearing schedule for this case, Docket Number 28945.

The schedule is:

January 29, 2010 – Commission staff and intervenors file testimony

February 8, 2010 – Company files rebuttal testimony

February 22-23, 2010 – Commission conducts hearings

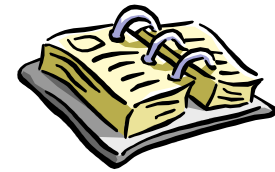
March 11, 2010 – Commission issues its decision in Special Administrative Session,

The legal deadline in this case for a Commission decision is March 15, 2010.

Commission News



Commission Calendar



Georgia State Holidays For 2010

New Year's Day
Martin Luther King, Jr. Birthday
Confederate Memorial Day
Memorial Day
Independence Day
Labor Day
Columbus Day
Veterans Day
Thanksgiving
Robert E. Lee's Birthday
Washington's Birthday
Christmas

January 1
January 18
April 26
May 31
July 2
September 6
October 11
November 11
November 25
November 26
December 23
December 24

February 2010

2-Administrative Session
 11-Committees
 18-Administrative Session
 25-Committees

March 2010

2-Administrative Session
 11-Committees
 16-Administrative Session

April 2010

1-Committees
 6-Administrative Session
 15-Committees

Commission Calendar

20-Administrative Session
 29-Committees

May 2010

4-Administrative Session
 13-Committees
 18-Administrative Session
 27-Committees

June 2010

1-Administrative Session
 10-Committees
 15-Administrative Session

NARUC

Winter Meeting 2010

February 14-17, 2010
 Washington, D.C.

Summer Meeting 2010

July 18-21, 2010
 Sacramento, California

Annual Convention 2009

November 15-18, 2010
 Atlanta, Georgia

SEARUC

Annual Meeting 2010

June 21-24, 2010
 Point Clear, Alabama



GPSC ONLINE: psc.state.ga.us

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