



## MEDIA RELEASE

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### **Responding to Public Pressure, PSC Delays Vote on \$25 million Pipeline to Resort**

**ATLANTA** – The Public Service Commission today responded to scrutiny over Atlanta Gas Light’s proposed pipeline expansion to the Reynolds resort in Greene County, voting to delay the project until more financial data is provided by AGL.

The 40-mile pipeline would have to cross two counties in order to serve the Reynolds resort, which is home to a Ritz-Carlton hotel and several private golf courses.

Georgia Watch Deputy Director Danny Orrock spoke before the Public Service Commission at a committee meeting last week, arguing that the project – whose estimated cost is \$25 million, but could balloon to as high as \$75 million - is unnecessary and not in the public interest.

“It’s a bad deal for the consumer, plain and simple. It doesn’t make a bit of sense for ratepayers to subsidize a 40-mile AGL pipeline to a luxury resort when local suppliers can do it for much cheaper. Even a fifth grader could see the folly in that,” said Orrock.

Officials from the Municipal Gas Authority of Georgia agreed, saying several local gas distribution companies could serve that portion of Greene County at a significantly lower cost.

In today’s vote, the PSC did approve two smaller expansion projects into White and Bryan counties at an estimated cost of \$21 million, a figure that includes finance charges of approximately \$14 million.

The projects will be paid for by the controversial STRIDE surcharge, which was approved by the PSC last October and will cost AGL customers an additional \$200-\$400 million on their utility bills over the next 15 years.

As a condition of the Commission’s approval of the new surcharge, AGL must prove that each STRIDE-funded project is in the public interest.

AGL is seeking to use STRIDE funds for the Greene County pipeline, which company officials say will spur economic development and pay for itself in 10 to 30 years.

But Georgia Watch executive director Angela Speir Phelps says the project is a bad deal for AGL’s 1.5 million customers.

“It’s a financial boondoggle, a speculative project that will cost ratepayers millions. If AGL wants to lay down pipes, then the cost burden should be on AGL and their shareholders, not on ratepayers,” says Speir Phelps.

A vote on the Greene County project could come as early as next month.

*Founded in 2002, Georgia Watch is a nonprofit, nonpartisan 501-(c)(3) watchdog group focusing on consumer education and research in the areas of health care, insurance, identity theft, consumer energy issues and personal finance. Visit [www.GeorgiaWatch.org](http://www.GeorgiaWatch.org) for more information.*