



MEDIA RELEASE

For immediate release:

August 3, 2010

For more information:

Jonathan Shapiro (404) 525-1085 ext. 15

Statewide Public Hearings Scheduled for Georgia Power and AGL Rate Cases

ATLANTA – Georgia Watch applauds today’s decision by the Public Service Commission (PSC) to schedule public hearings across the state so that ratepayers will be able to voice their opinions regarding the Georgia Power and Atlanta Gas Light rate cases pending before the PSC. We encourage consumers to attend the hearings and comment as they see fit, especially given the significant impact of these proposed rate increases.

Amid the worst recession since the Great Depression and state unemployment still topping 10 percent, Georgia Power last month filed a rate increase request of more than \$1 billion. This falls on the heels of two new rate increases added onto customers’ bills over the last year. According to Georgia Power’s latest request, the billion-dollar rate increase would be phased in over the next three years. By February 2013, the average bill for a residential ratepayer would shoot up by almost \$18 per month, or \$216 per year.

In the rate filing, the regulated utility is seeking approval to collect significantly more profit from its 2.35 million customers. Georgia Power’s current return on equity rate is 11.25 percent. It wants to raise that number to nearly 12 percent, meaning the potential to collect roughly \$84 million more of profit per year.

“During one of the worst economic climates since the Great Depression, Georgia Power is filing one of the biggest rate increase requests in history.” said Georgia Watch executive director and former Public Service Commissioner, Angela Speir Phelps. “It’s essential for ratepayers to get involved so they can protect their pocketbooks.”

In addition to a massive rate hike and a higher profit margin, Georgia Power is also proposing a new arrangement in which two-thirds of its annual losses could be offset by imposing higher rates on customers without having to file a formal rate case. As a result, Georgia Power shareholders would be responsible for only a third of all future losses.

“Attempting to shift the financial burden to ratepayers is particularly egregious. It’s unprecedented and would eliminate an established review process for rate increases,” said Speir Phelps. “The Public Service Commission is responsible to the people of Georgia to review and evaluate the fairness of rate increase requests. How can they establish just and reasonable rates without a review?”

The public will also be able to comment on AGL’s rate increase request of \$54 million, which would raise the average residential consumer’s gas bills by about \$3 per month. Although AGL officials claim this would be their first rate increase since 1993, the gas company last year gained PSC approval to add more than \$400 million in surcharges to customer bills over the next 13 years.

For more information on the specifics of each rate case, call Georgia Watch at 404-525-1085, or visit us at www.georgiawatch.org. See below for the PSC public hearing schedule.



Georgia Power Rate Case Public Hearings

August 18, 2010

Beginning at 6:00 p.m., Macon, Georgia

Bibb County Commission Board Room
Bibb County Courthouse
601 Mulberry Street
Room 407
Macon, Georgia 31201

August 31, 2010

Beginning at 6:00 p.m., Savannah, Georgia

City Hall Council Chambers
2 East Bay Street
2nd Floor Council Chambers
Savannah, Georgia 31401

September 22, 2010

Beginning at 6:00 p.m., Rome, Georgia

Rome Civic Center
400 Civic Center Drive
Rome, Georgia 30161

October 4, 2010

Beginning at 6:00 p.m., Atlanta, Georgia

Commission Hearing Room
244 Washington Street
Room 110
Atlanta, Georgia 30334

AGL Rate Case Public Hearings

August 18, 2010

Beginning at 7:00 p.m., Macon, Georgia

Bibb County Commission Board Room
Bibb County Courthouse
601 Mulberry Street
Room 407
Macon, Georgia 31201

August 31, 2010

Beginning at 7:00 p.m., Savannah, Georgia

City Hall Council Chambers
2 East Bay Street
2nd Floor Council Chambers
Savannah, Georgia 31401

September 13, 2010

Beginning at 7:00 p.m., Atlanta, Georgia

Commission Hearing Room
244 Washington Street
Room 110
Atlanta, Georgia 30334

September 22, 2010

Beginning at 7:00 p.m., Rome, Georgia

Rome Civic Center
400 Civic Center Drive
Rome, Georgia 30161

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 for more information.