



MEDIA RELEASE

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After 2.1 Billion Rate Hike, Georgia Power Requests Even Higher Rates Than Already Approved

ATLANTA – Despite receiving approval for its \$2.1 billion dollar rate hike a mere two months ago, Georgia Power is asking state regulators to allow for an even bigger 2011 rate increase than originally agreed upon.

If the Public Service Commission approves the request, it will mean base rates for residential and small business owners will increase from \$8.33 in 2011 to \$9.00. In addition, the rate hike will likely impact other fees and riders that are automatically calculated by using the base rate.

“The company is selling it as a small adjustment but it will lead to even further rate shock for ratepayers. Any base rate increase, whether big or small, leads to a domino effect on customer bills,” said Georgia Watch executive director Angela Speir Phelps, a former PSC commissioner herself. “If the commissioners were doing their job and looking out for the consumer, there’s no way they’d allow this rate rollercoaster to continue.”

The five-member PSC will vote on the matter Monday, February 21st at 9:30 a.m.

The rate request follows last December’s December, the Public Service Commission voted to allow Georgia Power a cumulative rate increase of \$2.1 billion over the next three years, an amount that raises monthly electric bills for the average residential ratepayer this year by more than \$10 per month. That amount increases incrementally to over \$15 per month by 2013.

The 4-1 decision approves a first year total increase of \$562 million, a second year increase of \$752 million, and a third year increase of \$844 million. By 2013, annual electric bills will go up by more than \$175.

PSC Staff is recommending that the base rate be set at \$8.50 per month.

consumers – i.e. the impact on the base charge and riders...i.e. all will be higher than they should be per the stipulation agreed to by the staff, the company, and testified to on the record in the GPC rate case by Georgia Power witness

the amount allowed by the company or had set to Staff recommends that the Basic Service Charge be set at \$8.50 per month and that Georgia Power increase the rate in each Energy Block on an equal percentage to compensate for the reduction in revenue associated with lowering the Basic Service Charge.

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. For more information, call Georgia Watch at 404-525-1085, or visit us at www.georgiawatch.org.