

**BEFORE THE
GEORGIA PUBLIC SERVICE COMMISSION**

In Re:

Georgia Power Company's	)	Docket No. 56002
2025 Integrated Resource Plan	)	

Georgia Power Company's	)	Docket No. 56003
2025 Application for the Certification,	)	
Decertification, and Amended	)	
Demand-Side Management Plan	)	

DIRECT TESTIMONY OF

DR. ROSS BEPPLER, CARLEY GOFF, A. WILSON MALLARD,

AND ANDY PHILLIPS

FEBRUARY 28, 2025

1 A. My name is Richard Anthony (“Andy”) Phillips. I am the Profitability and
2 Economic Analysis Manager for SCS. My business address is 241 Ralph McGill
3 Boulevard, N.E., Atlanta, Georgia 30308.

4 **Q. DR. BEPLER, PLEASE SUMMARIZE YOUR EDUCATION AND**
5 **PROFESSIONAL EXPERIENCE.**

6 A. I began my academic studies at Clemson University, earning a Bachelor of Science
7 in Electrical Engineering in 2014. Following this, I pursued a PhD in Energy and
8 Environmental Policy from the Georgia Institute of Technology, which I completed
9 in 2019. During my doctoral studies, I gained experience interning at the National
10 Renewable Energy Laboratory, and at the Georgia Public Service Commission
11 (“Commission”). From March 2018 to December 2019, I worked as a Quantitative
12 Analyst with Demand Side Analytics, where I focused on data-driven insights on
13 demand-side programs and technologies.

14 In 2019, I joined SCS as an analyst in the Planning and Regulatory Support
15 organization. In 2022, I advanced to the role of Demand Analysis Manager. As of
16 January 2024, I serve as the Load Flexibility and Analysis Manager, where I am
17 responsible for design and evaluation of load flexibility programs and
18 complimentary economic analysis.

19 **Q. DR. BEPLER, HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE**
20 **COMMISSION?**

21 A. No.

22 **Q. MS. GOFF, PLEASE SUMMARIZE YOUR EDUCATION AND**
23 **PROFESSIONAL EXPERIENCE.**

24 A. I began my career in the energy sector after earning a Bachelor of Science in
25 Finance from the University of Georgia in 2005. Shortly thereafter, I joined SCS as
26 a Financial Analyst, where I worked from 2005 to 2007. In 2007, I transitioned to

1 Georgia Power, serving as a Profitability and Economic Analyst while pursuing my
2 MBA from Emory University, which I completed in 2010.

3 Following my MBA, I continued at Georgia Power as a Financial Analyst from
4 2010 to 2012. I then advanced to the role of Metro East Region Financial
5 Comptroller, a position I held until 2014. My career path then led me to become
6 the Sales Manager for Outdoor Lighting from 2014 to 2015, followed by my role
7 as Resource Management and Budget Manager from 2015 to 2018.

8 From 2018 to 2020, I served as the Assistant to the Executive Vice President, Chief
9 Financial Officer, and Treasurer of Georgia Power. I then took on the role of
10 Environmental Affairs Project Controls Manager from 2020 to 2024. Currently, I
11 am the Director of Demand Planning and Analysis at Southern Company, a position
12 I have held since April 2024.

13 **Q. MS. GOFF, HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE**
14 **COMMISSION?**

15 A. No.

16 **Q. MR. MALLARD, PLEASE SUMMARIZE YOUR EDUCATION AND**
17 **PROFESSIONAL EXPERIENCE.**

18 A. I have a Bachelor of Arts degree in Geography from the University of Georgia and
19 an MBA degree from Mercer University. I began my career with Georgia Power in
20 1997 and have held various positions in Retail Sales and Service, Pricing and Rates,
21 Energy Efficiency, Renewable Development, and Marketing. I served as the first
22 manager of the Company's Green Energy Program, and I helped create the
23 Renewable Development organization in 2013. From 2013 until 2016, I was the
24 Renewable Energy Planning Manager with primary responsibility for renewable
25 energy strategy and program development for both Georgia Power's renewable
26 energy procurement plans and customer solar programs. I managed and oversaw
27 the team responsible for all aspects of analysis, compliance, reporting, and

1 communication related to the Company's renewable energy initiatives.
2 Immediately prior to my current role, I served as Assistant to the Senior Vice
3 President of Marketing for Georgia Power, where I provided oversight and
4 assistance for all of Georgia Power's marketing, energy efficiency, energy services,
5 sales, pricing, and planning activities.

6 Currently, I serve as the Director of Renewable Development for Georgia Power.
7 In this role, I lead the development of renewable strategy and policy for Georgia
8 Power Company, and am responsible for compliance in the administration of
9 renewable programs and procurements.

10 **Q. MR. MALLARD, HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE**
11 **COMMISSION?**

12 A. Yes. I testified in Docket No. 44160, Georgia Power Company's 2022 Integrated
13 Resource Plan ("IRP"); Docket No. 43814, Georgia Power's Application for the
14 Certification of the 2022/2023 Utility Scale Renewable Power Purchase
15 Agreements ("PPAs"); Docket Nos. 4822, 16573, and 19279, the Commission's
16 Review of Georgia Power's PURPA Avoided Cost Methodology; Docket No.
17 42625, Georgia Power's Application for the Certification of the 2020/2021 REDI
18 Utility Scale PPAs; Docket No. 41596, Georgia Power's Application for the
19 Certification of the 2018/2019 REDI Utility Scale PPAs; and Docket No. 41734,
20 Georgia Power's Application for the Certification of the 2018/2019 REDI Utility
21 Scale PPAs for the Commercial and Industrial ("C&I") Program.

22 **Q. MR. PHILLIPS, PLEASE SUMMARIZE YOUR EDUCATION AND**
23 **PROFESSIONAL EXPERIENCE.**

24 A. I graduated in 1996 from the Georgia Institute of Technology with a Bachelor of
25 Science degree in Electrical Engineering. I also attended Emory University's
26 Goizueta Business School, where I graduated with a Master of Business
27 Administration ("MBA") in 2002. I began my career at Georgia Power in 1991 as

1 part of the Co-Operative Education Program. Since 1997, I have held several roles
2 with increasing responsibility in a variety of organizations including Distribution,
3 Customer Service, Sales, and Planning and Pricing. I managed the Company's
4 customer satisfaction programs from 2009 to 2012, served as a Key Accounts Team
5 Manager from 2012 to 2017, and managed four teams within the Sales Organization
6 as the Sales Support Manager from 2017 to 2018. In addition, I managed Georgia
7 Power's electrical transportation programs while serving as the Electrification
8 Manager from 2018 to 2019. I assumed my current role as the Profitability &
9 Economic Analysis Manager in 2019, where I am responsible for leading the
10 economic analysis in support of Georgia Power's energy efficiency programs.

11 **Q. MR. PHILLIPS, HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE**
12 **COMMISSION?**

13 A. Yes. I testified in Docket No. 44160, Georgia Power Company's 2022 IRP.

14 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

15 A. Our testimony supports the Company's 2025 IRP and 2025 Application for the
16 Certification, Decertification and Amended Demand Side Management Plan
17 ("DSM Application") filed on January 31, 2025. We adopt the 2025 IRP and DSM
18 Application as part of our testimony.

19 **Q. PLEASE SUMMARIZE THE TESTIMONY OF THE PANEL.**

20 A. The Company's Demand Side Management ("DSM") plan was developed in
21 accordance with the Commission-approved DSM Program Planning Approach, per
22 Commission orders, and in collaboration with the DSM Working Group
23 ("DSMWG"). The Company developed four DSM cases in this case: the Proposed
24 Case, the DSMWG Advocacy Case, the Supply-Side Case, and the Capacity and
25 Affordability Case. The Company supports the adoption of the Proposed Case,
26 which includes a DSM savings target of at least 0.75% of annual retail sales as
27 required by the Commission's Order Adopting Stipulation in the Vogtle Prudency

1 Proceeding in Docket No. 29849 (“Vogtle Prudence Order”). Each of the other
2 three cases were developed to evaluate the potential for varying levels of DSM
3 investment and their impacts. The Company evaluated the cost effectiveness of
4 these cases considering the impacts of the 111 Greenhouse Gas (“GHG”) Rules by
5 analyzing the economics within the moderate-gas, lower carbon pressure (“MG0”) and moderate gas, zero-dollar carbon with 111 GHG Rules (“111-MG0”) scenarios.

7 In support of its Proposed Case, the Company is seeking Commission approval for
8 its DSM Action Plan, including (i) approval for a certificate of public convenience
9 and necessity for one new residential DSM program, (ii) decertification of three
10 previously certified DSM programs, (iii) amended certificates for four previously
11 certified DSM programs, (iv) a waiver of the TRC requirement for four previously
12 certified DSM programs, and (v) updated program economics for all other
13 previously certified DSM programs. Approval of these DSM programs is projected
14 to result in, on average, approximately 224 megawatts (“MW”) of peak demand
15 reduction and 741 gigawatt hours (“GWh”) of energy reductions annually for
16 2026–2028. Although the economics of these programs are complicated, the
17 Company continues to support offering DSM programs that minimize upward
18 pressure on rates and maximize economic efficiency, especially as those programs
19 contribute to high customer satisfaction.

20 Regarding DSM pilot programs and initiatives, the Company has launched seven
21 residential pilot initiatives and six commercial pilots since the 2022 IRP. These
22 programs inform future energy efficiency program design, and the Company seeks
23 approval of a total of \$3 million to continue these pilot studies as part of its DSM
24 Action Plan. The Company is also requesting modifications to the additional sum
25 methodology for these DSM programs, which will be simpler and likely more stable
26 than the existing methodology.

27 Based on recent experience and customer feedback, the Company is proposing
28 enhancements to its Utility Scale and Distributed Generation (“DG”) renewable
29 procurement processes. For both the Utility Scale and DG requests for proposals

1 (“RFP”), the Company proposes new processes such as a submission refresh
2 process to allow RFP participants the option to “buy down” the total cost of their
3 submission, as well as offering extended RFP periods, which will maximize
4 opportunities for project selection and procurement to meet customer renewable
5 subscription needs. For Utility Scale RFPs specifically, the Company proposes
6 adding flexible Required Commercial Operation Dates (“RCOD”) and will
7 continue to consider the use of operational tools and flexibility as solutions to
8 support interconnection viability for projects. For DG RFPs, the Company proposes
9 to make the energy procured through these RFPs available for subscription and
10 seeks to include solar resources coupled with dispatchable storage as part of the
11 procurement process. The Company also proposes to incorporate locational value
12 to DG resources evaluated during Georgia Power’s DG RFPs. With these
13 enhancements, the Company is seeking to procure energy from up to 4,000 MW of
14 new renewable resources by 2035, beginning with 1,000 MW from Utility Scale
15 Resources through an RFP in 2026, and 100 MW from DG resources.

16 The Company is making several proposals related to its renewable and resiliency
17 customer programs. For the Clean and Renewable Energy Subscription (“CARES”)
18 Utility Scale program, the Company proposes refinements to its Notice of Intent
19 (“NOI”) process, adding greater flexibility, and modifying its pricing methodology
20 to reduce financial risks to non-participating customers. The Company also seeks
21 to expand the CARES program to offer subscriptions to DG resources that are
22 procured through Georgia Power’s DG RFPs.

23 The Company seeks approval of the new Customer-Sited Solar Plus Storage Pilot
24 Program, which will enhance options for customers interested in installing
25 renewable resources at their premises. The Company also seeks to modify the
26 existing Customer Connected Solar Program to add storage resources, increase the
27 size of eligible facilities, and allow customers without billing history to participate.

28 The Distributed Energy Resource (“DER”) Customer Pilot, DER Colocation
29 Program, and DER Customer-Owned Program were all previously approved and

1 are an important component of the Company’s customer program portfolio. The
2 Company is seeking to modify the DER Customer-Owned Program to allow
3 contract terms up to 15 years. Otherwise, the Company is working closely with
4 customers to move forward with projects in these programs and on its DER tariffs.
5 In this 2025 IRP, the Company is proposing the Large Customer Owned Resiliency
6 (“LCOR”) Program, which is aimed at transmission-connected C&I customers.
7 This program allows participants to retain ownership of their DER assets while
8 providing Georgia Power with operational certainty that the assets will respond
9 when called upon.

10 Finally, the Company is proposing a new Vehicle-to-Grid (“V2G”) pilot program,
11 which would enable electric buses at four school customer locations to transfer
12 energy stored in their batteries back to the grid. By implementing this pilot program,
13 the Company hopes to gain a better understanding of the costs associated with
14 managing and administering this type of technology and the capabilities and value
15 this technology provides to the Georgia Power electric system (“System”).

16 **Q. HOW IS YOUR TESTIMONY ORGANIZED?**

17 A. The remainder of our testimony is organized as follows:

- 18 • Section II discusses the Company’s Demand Side Strategy.
- 19 • Section III discusses enhancements to Georgia Power’s Renewable
20 Procurement Strategy.
- 21 • Section IV discusses the Company’s Renewable and Resiliency Customer
22 Programs, which includes a discussion about each of the following:
 - 23 ○ Modifications to the CARES program.
 - 24 ○ Customer Sited Renewable Offerings.
 - 25 ○ Customer Sited Resiliency Programs, including Georgia Power’s
26 DER Programs.
 - 27 ○ Vehicle to Everything Pilot.

II. DEMAND SIDE STRATEGY

Development of the DSM Portfolio

Q. HOW DOES GEORGIA POWER'S CURRENT DSM PORTFOLIO COMPARE TO ITS PROPOSED DSM PORTFOLIO?

A. Georgia Power's current DSM portfolio consists of a combination of energy efficiency programs, a demand response program, pilots, and other DSM activities. The Company's proposed DSM portfolio in the 2025 IRP ("Proposed Case") continues to treat energy efficiency as a priority resource, aligning with Commission policy.

Consistent with the Vogtle Prudence Order, the Company's Proposed Case includes a performance savings target of 0.75% of annual retail sales. Further, in accordance with the Commission's Order Adopting Stipulation in the 2022 IRP (the "2022 IRP Order"), the Company also developed the "Supply-Side Case," modeling DSM programs alongside supply-side resources to identify combinations of supply-side and DSM resources to reliably meet load.

Additionally, the Proposed Case includes a new program offering, modifications to existing programs, and requests to decertify certain programs deemed no longer cost-effective. The Company projects that by 2028, its current DSM portfolio will represent approximately 1,400 MW, or approximately 8% of the Company's current peak demand. In this 2025 IRP, the Company is proposing a DSM plan that will result in an additional 741 GWh of energy reductions annually and 224 MW of peak demand savings for the years 2026–2028.

Q. PLEASE DESCRIBE THE DEVELOPMENT OF THE PROPOSED DSM PLAN.

A. The proposed DSM plan was developed in accordance with the Commission-approved DSM Program Planning Approach, a nine-step process that ensures

1 thorough evaluation and stakeholder engagement. The Company retained third-
2 party consultants to assist with the planning, implementation, and evaluation of the
3 DSM programs certified in the 2022 IRP Order. The Company completed and filed
4 the Achievable Energy Efficiency Potential Assessment in January 2024 (with a
5 subsequent Errata filing in November 2024) in the 2023 Demand Side Management
6 Working Group docket, Docket No. 45051.

7 The Company continues to follow the Commission's economic screening policy
8 outlined in the 2004 IRP Final Order in Docket No. 17687, which directs that the
9 proposed DSM plans minimize upward pressure on rates and maximize economic
10 efficiency. The Company evaluates the impact of its DSM programs on rates
11 through the Rate Impact Measure ("RIM") test and determines the economic
12 efficiency of its DSM programs using the Total Resource Cost ("TRC") test. As
13 demonstrated through the Company's planning processes, DSM is treated as a
14 priority resource and reduces the Company's energy and demand forecast before
15 supply-side alternatives are considered.

16 Georgia Power collaborated with the DSMWG to develop, discuss, and refine DSM
17 program concepts for the 2025 IRP. The DSMWG provided feedback on program
18 design, economic modeling, and customer outreach strategies. The Company
19 engaged with the larger DSMWG eight times since 2022 to discuss proposed
20 program modifications and new initiatives, as well as a subset of the DSMWG to
21 specifically work through program ideation. This process ensured broad
22 stakeholder input in the DSM program development process.

23 Georgia Power's DSM plan also incorporates findings from recent program
24 evaluations, updates to measure impacts, and economic analyses using the TRC and
25 RIM tests. The DSM Program plans have also been informed by developments
26 since the 2023 IRP Update, including the issuance of the Vogtle Prudence Order
27 and an increase in the marginal cost of generating energy. The DSM Program plans
28 included in the DSM Application represent a well-balanced portfolio of residential

1 and commercial DSM programs that are structured to help customers reduce and
2 better manage their energy usage.

3 **Q. DOES THE PLANNING PROCESS THAT THE COMPANY USED TO**
4 **DEVELOP THE PROGRAMS SATISFY THE COMMISSION'S DSM**
5 **EVALUATION RULE?**

6 A. Yes. Georgia Power's planning process adheres to the Commission's DSM
7 evaluation rule. The process included stakeholder engagement, adherence to the
8 DSM Program Planning Approach, and economic screening that aligns with
9 Commission standards. The DSM portfolio was developed through a rigorous
10 assessment of market potential, cost-effectiveness testing, and alignment with
11 regulatory expectations. Completion of the DSM Program Planning Approach,
12 including the filing of the Achievable Energy Efficiency Potentials Assessment,
13 satisfies the requirements of the Commission's DSM Evaluation Rule.

14 **Q. HOW WERE THE PROGRAMS CERTIFIED BY THE COMMISSION IN**
15 **THE 2022 DSM APPLICATION AND THE 2023 IRP UPDATE**
16 **EVALUATED?**

17 A. Georgia Power engaged third-party consultants to assess program performance for
18 both the 2022 DSM programs and those modified in the 2023 IRP Update.
19 Evaluations focused on energy savings, cost-effectiveness, and market impact. The
20 findings informed the program adjustments proposed in the 2025 IRP.

21 **Q. DID THE COMPANY CONSIDER THE POTENTIAL IMPACT OF THE**
22 **SECTION 111 GREEN HOUSE GAS RULES WITH RESPECT TO ITS**
23 **DSM ECONOMIC ANALYSIS?**

24 A. Yes, the Company's DSM program economic analysis includes an evaluation of
25 the MG0 and 111-MG0 scenarios.

1 **Development of the DSM Cases**

2 **Q. HOW DID THE VOGTLE PRUDENCE ORDER INFLUENCE THE**
3 **DEVELOPMENT OF THE DSM PROPOSED CASE IN THIS IRP?**

4 A. In developing the Company's Proposed Case, Georgia Power established the
5 energy savings target in compliance with the Vogtle Prudence Order, which
6 required Georgia Power to propose a DSM performance savings target of at least
7 0.75% of annual retail sales. Consistent with the composition of the Company's
8 current DSM portfolio, these savings were calculated to come from the residential
9 and commercial customer classes only.

10 **Q. DOES THE COMPANY SUPPORT THE PROPOSED CASE?**

11 A. Yes. As explained previously, the Proposed Case provides a comprehensive
12 portfolio of energy efficiency and demand response programs, pilots, and other
13 DSM initiatives prepared through the Commission's DSM Program Planning
14 Approach, consistent the Commission's policy of minimizing upward pressure on
15 rates and maximizing economic efficiency, in compliance with prior Commission
16 orders.

17 **Q. WHAT IS THE CAPACITY AND AFFORDABILITY CASE?**

18 A. The Capacity and Affordability case is a sensitivity developed for informational
19 purposes. Although the Proposed Case provides substantial energy savings, those
20 savings come at an increased cost to customers, the majority of whom do not
21 participate or receive savings from the DSM portfolio. The Company continues to
22 see value in DSM as a priority resource and presents the Capacity and Affordability
23 Case so the Commission can consider how to best balance energy savings and
24 customer rate impacts.

1 **Q. PLEASE DESCRIBE EACH OF THE DSM CASES PRESENTED IN THIS**
2 **IRP.**

3 A. Georgia Power analyzed the following four DSM cases to evaluate the potential for
4 varying levels of DSM investment and their associated impacts, including cost-
5 effectiveness:

- 6 • **Proposed Case:** The Proposed Case adopts the 0.75% of annual retail sales
7 savings target established by the Vogtle Prudence Order. The demand response
8 and energy efficiency programs included in the Proposed Case are projected to
9 achieve approximately -\$16 to \$3 million in annual net TRC benefits while
10 putting upward pressure on rates of approximately \$630 to \$746 million
11 annually under the MG0 economic scenario. For the 111-MG0 economic
12 scenario, the Proposed Case is projected to achieve approximately -\$3 to \$24
13 million in annual net TRC benefits while putting upward pressure on rates of
14 approximately \$609 to \$733 million annually over years 2026, 2027, and 2028.
- 15 • **DSMWG Advocacy Case:** Based on requests made by certain members of the
16 DSMWG, the DSMWG Advocacy Case was developed as a sensitivity to the
17 Proposed Case. The DSMWG Advocacy Case is similar to the Proposed Case
18 but includes an industrial program. The implementation of the DSMWG
19 Advocacy Case would achieve approximately -\$12 to \$8 million in annual net
20 TRC benefits while putting upward pressure on rates of approximately \$641 to
21 \$761 million annually under the MG0 economic scenario and achieve
22 approximately \$1 to \$29 million in annual net TRC benefits while putting
23 upward pressure on rates of approximately \$620 to \$748 million annually under
24 the 111-MG0 economic scenario for years 2026–2028. The Company does not
25 support the inclusion of an industrial DSM program because the Company’s
26 experience has shown that industrial customers generally adopt DSM and
27 energy efficiency measures on their own, without the need for customer-funded
28 incentive programs. As such, the Company does not recommend this case and

1 presents the results of the DSMWG Advocacy Case for informational purposes
2 only.

- 3 • **Supply-Side Case:** As agreed to in the 2022 IRP Stipulation and approved by
4 the Commission, the Supply-Side Case modeled DSM programs alongside
5 supply-side resources to identify the most cost-effective combination of supply-
6 side resources and DSM programs. The Supply-Side Case replaces the
7 previously used Aggressive Case in the DSM Program Planning Process for the
8 2025 IRP. The supply side modeling system, Aurora, evaluates resources on a
9 relative net present value basis, so traditional DSM cost-effectiveness tests are
10 not applicable. Under the 111-MG0 economic scenario, the Supply-Side Case
11 yielded the highest annual costs in the years 2026–2028 of any of the four DSM
12 cases. In addition, the MG0 scenario selected no income-qualified programs for
13 the years 2026–2028. The Company does not recommend adoption of the
14 Supply-Side Case.

- 15 • **Capacity and Affordability Case:** The Capacity and Affordability Case was
16 developed in light of the significant upward pressure on rates resulting from the
17 Proposed Case, and attempts to substantially mitigate the upward pressure on
18 rates associated with the Proposed Case. The Capacity and Affordability Case
19 strikes a balance between customer affordability concerns, capacity constraints,
20 and the value of energy efficiency programs. This case achieves approximately
21 \$80 to \$92 million annually in net TRC benefits from 2026–2028 while putting
22 upward pressure on rates of approximately \$162 to \$211 million annually under
23 the MG0 economic scenario. Under the 111-MG0 scenario, the Capacity and
24 Affordability Case achieves approximately \$84 to \$100 million annually in net
25 TRC benefits while putting upward pressure on rates of approximately \$154 to
26 \$206 million annually from 2026–2028.

1 **Q. WHAT SPECIFIC APPROVAL IS THE COMPANY SEEKING IN THIS**
2 **CASE?**

3 A. Georgia Power seeks Commission approval of the Company's DSM Action Plan
4 for the Proposed Case, which includes (i) approval for a certificate of public
5 convenience and necessity for one new residential DSM program,
6 (ii) decertification of three previously certified DSM programs, (iii) amended
7 certificates for four previously certified DSM programs, (iv) a waiver of the TRC
8 requirement for four previously certified DSM programs, and (v) updated program
9 economics for all other previously certified DSM programs. Further, the Company
10 requests modifications to the additional sum methodology and approval to continue
11 other DSM activities like the Learning Power Education and Energy Efficiency
12 Awareness initiatives and pilot studies.

13 **The DSM Programs**

14 **Q. PLEASE DESCRIBE THE NEW RESIDENTIAL PRODUCTS PROGRAM**
15 **THAT THE COMPANY SEEKS TO CERTIFY.**

16 A. The Residential Products Program is designed to incentivize customers to adopt
17 high-efficiency appliances, electronics, and home energy upgrades by providing
18 rebates for ENERGY STAR-certified HVAC systems, smart thermostats, water
19 heating, and other technologies. The program integrates customer education
20 initiatives to promote long-term efficiency improvements. A key aspect of the
21 Products program is for the customer to achieve energy and demand savings
22 through the installation of energy-efficient measures. Participating customers have
23 multiple channels to access discounts, rebates, and other incentives to purchase
24 energy efficient products that bring additional energy and demand savings to their
25 home.

1 **Q. PLEASE EXPLAIN WHY THE COMPANY SEEKS TO DECERTIFY THE**
2 **RESIDENTIAL REFRIGERATOR RECYCLING PLUS PROGRAM.**

3 A. The Company seeks to decertify the Residential Refrigerator Recycling Plus
4 Program due to several key factors limiting its effectiveness and efficiency. As
5 newer appliances are and have been designed to be more energy-efficient and have
6 entered the marketplace over the last three decades, the potential energy savings
7 from recycling such appliances have become significantly lower than in years past.
8 Additionally, the costs associated with recycling appliances like refrigerators and
9 freezers have increased. This imbalance between decreasing savings and rising
10 costs makes the program less cost-effective. There are also fewer appliance
11 recycling vendors available in the market, complicating the implementation and
12 operation of the recycling program as designed and further reducing its feasibility.

13 Given these considerations, continuing the Residential Refrigerator Recycling Plus
14 Program is no longer practical. The Company aims to reallocate these resources to
15 other programs that can deliver greater energy savings and benefits to our
16 customers.

17 **Q. PLEASE EXPLAIN WHY THE COMPANY SEEKS TO DECERTIFY THE**
18 **RESIDENTIAL SPECIALTY LIGHTING PROGRAM.**

19 A. The Company proposes to decertify the Residential Specialty Lighting Program
20 due to significant changes in the market and regulatory landscape. Over the last
21 several years, there has been a substantial shift towards the widespread availability
22 of residential energy-efficient lighting options, largely driven by market
23 transformation and enhanced federal regulations. Together, these have made
24 energy-efficient lighting products more accessible to consumers.

25 As a result, the need for incentivizing such lighting measures through designated
26 programs has diminished. The energy savings that were once achieved through the
27 program are no longer as significant because consumers can now easily obtain these

1 energy-efficient lighting without additional incentives. Consequently, continuing
2 to support this program is not cost-effective for the Company. By reallocating
3 resources from this program, the Company can focus on other initiatives that offer
4 greater energy savings and benefits to customers.

5 **Q. PLEASE EXPLAIN WHY THE COMPANY SEEKS TO DECERTIFY THE**
6 **COMMERCIAL BEHAVIORAL PROGRAM.**

7 A. The Company requests the decertification of the Commercial Behavioral Program
8 based on findings from a third-party evaluation that the program was not cost-
9 effective. Per the 2022 IRP Order based on program evaluation findings, the
10 Company suspended the implementation of the Commercial Behavioral Program
11 in 2025, pending decertification.

12 **Q. PLEASE DESCRIBE WHY THE COMPANY SEEKS A WAIVER OF**
13 **COMMISSION RULE 515-3-4-.04(4)(A)(3) FOR ONE COMMERCIAL AND**
14 **THREE RESIDENTIAL PROGRAMS.**

15 A. Commission Rule 515-3-4-.04(4)(a)(3) requires that demand-side programs pass
16 the TRC test. The Commercial Custom Program, Residential Home Energy
17 Improvement Program, Residential Energy Assistance for Savings and Efficiency
18 Program, and the Residential Hopeworks Program have demonstrated high
19 customer satisfaction and market potential for energy savings. However, each of
20 these four programs do not reflect positive TRC results for the 2025 IRP cycle due
21 to the costs required to achieve the large energy savings goal represented in the
22 Proposed Case. Therefore, to continue offering these programs to customers as part
23 of the Company's proposed DSM plan, Georgia Power requests a waiver of
24 Commission Rule 515-3-4-.04(4)(a)(3) for these four programs.

1 **Q. FOR WHICH PROGRAMS IS THE COMPANY REQUESTING**
2 **AMENDMENTS TO THE PROGRAM CERTIFICATES?**

3 A. The Company seeks to amend the certificate for each of the four programs for
4 which the Company is seeking a waiver of the TRC requirement. In addition, the
5 Company seeks to amend the program certificates for the Residential Behavioral
6 Program, the Residential Demand Response Program, the Commercial Prescriptive
7 Program, and the Small Commercial Direct Install Program.

8 **Evaluation and Impact of DSM Programs**

9 **Q. WHAT ARE THE EXPECTED IMPACTS OF THE COMPANY'S**
10 **PORTFOLIO OF PROPOSED DSM PROGRAMS ON PEAK DEMAND**
11 **AND ENERGY USAGE?**

12 A. The Company projects that its proposed energy efficiency programs will result, on
13 average, in approximately 224 MW of peak demand reduction and 741 GWh of
14 energy reductions annually for 2026–2028, based on the planned implementation
15 levels.

16 **Q. HOW WILL GEORGIA POWER MEASURE THE SUCCESS OF THESE**
17 **DSM PROGRAMS?**

18 A. The Company will track program performance and progress toward achieving
19 established goals on an ongoing basis. Through a RFP solicitation, Georgia Power
20 will contract with independent, third-party evaluators to conduct comprehensive
21 program evaluations at regular intervals (initially planned for three-year intervals).
22 The evaluations will include market, process, and impact evaluations to review the
23 program's operations, evaluate the program's impact on the local market, and verify
24 the energy and demand savings produced by the program. The Company will begin
25 implementing evaluation results and applying deemed savings to the new program
26 cycle beginning in January 2029 to be consistent with the Company's three-year
27 IRP and DSM planning cycles.

1 **Q. WHAT STEPS DID THE COMPANY TAKE TO BALANCE THE**
2 **INCREASED DSM SAVINGS TARGETS WITH COST-EFFECTIVENESS**
3 **CONSIDERATIONS?**

4 A. The Company performed TRC and RIM analyses to evaluate the cost-effectiveness
5 of various program designs. While some programs remained cost-effective, others
6 required modifications, and the Company is seeking decertification of a few
7 programs due to declining economic viability. The Company designed channels
8 within programs and grouped DSM offerings where possible to enable flexibility
9 and options for obtaining energy savings with minimal program costs.

10 **Q. HOW HAS THE INCREASED DSM SAVINGS TARGET AFFECTED THE**
11 **TRC AND RIM TEST RESULTS FOR THE PROPOSED DSM**
12 **PROGRAMS?**

13 A. The increased savings target has led to declining TRC test results and negative RIM
14 test results for several programs. Higher energy efficiency goals require additional
15 resources, including higher incentives, which increase program costs and impact
16 customer rates.

17 **Q. HOW DID THE COMPANY CONDUCT THE ECONOMIC SCREENING**
18 **FOR THE DSM PROGRAMS IN THE 2025 IRP?**

19 A. The Company continues to follow the Commission's economic screening policy
20 outlined in the 2004 IRP Order in Docket No. 17687. This policy requires the
21 Company to offer a DSM plan that minimizes upward pressure on rates and
22 maximizes economic efficiency. The Company screened each of the four DSM
23 planning cases against the MG0 and 111-MG0 scenarios.

1 **Q. HOW DOES THE COST-EFFECTIVENESS OF THE PROPOSED CASE**
2 **COMPARE TO THE PROPOSED CASE APPROVED IN THE 2022 IRP?**

3 A. Relative to the 2022 IRP economic test results, the TRC test results declined, and
4 RIM test results remain negative for the Company's proposed case. For
5 comparison, in the 2022 IRP, the Company's proposed case achieved
6 approximately \$90 to \$112 million in net TRC benefits, while putting upward
7 pressure on rates of approximately \$325 to \$334 million annually for years 2023–
8 2025.

9 **Q. WHAT IS THE PRIMARY CAUSE OF DECLINING DSM PROGRAM**
10 **ECONOMICS?**

11 A. Even though avoided energy costs have increased since the 2022 IRP, which has a
12 positive impact on energy efficiency economics, both TRC and RIM test results
13 have declined primarily due to the substantial resources and higher incentives
14 needed to achieve high energy savings in the Proposed Case. This trend in declining
15 economics continues to raise concerns for the Company as it strives to balance the
16 economic benefits that DSM programs provide to participating customers with the
17 rate impacts to all residential and commercial customers, whether they participate
18 in the programs or not. The Company plans to monitor program costs and
19 economics through 2028 and will be prepared to modify programs if significant
20 upward pressure on rates continues.

21 **Q. WHY IS THE COMPANY SEEKING APPROVAL TO CONTINUE DSM**
22 **PROGRAMS IF THEY ARE LESS ECONOMIC THAN THEY WERE**
23 **THREE YEARS AGO IN THE 2022 IRP?**

24 A. As stated previously, the Company continues to support offering a DSM plan that
25 minimizes upward pressure on rates and maximizes economic efficiency, consistent
26 with existing Commission policy. The Company used this same philosophy in
27 analyzing the slate of programs considered for certification in the 2022 DSM

1 Application and the 2023 IRP Update. As the net benefits from these programs
2 decline and the cost in terms of rate impact increases, it becomes more challenging
3 to maintain that balance.

4 Nevertheless, in light of DSM program benefits, the Company supports the
5 continuation of DSM as outlined in its DSM Action Plan. These programs are
6 designed to enhance energy efficiency and provide customers with more control
7 over their energy usage. In addition, these DSM programs contribute to high
8 customer satisfaction, and customers expect that the Company will continue
9 making these DSM programs available to them.

10 Building on the momentum from the 2022 IRP, Georgia Power continues to focus
11 on offering additional DSM options for income-qualified customers. The Company
12 is including additional measures, as well as measures for manufactured homes, in
13 its Energy Assistance for Savings and Efficiency (“EASE”) and HopeWorks
14 programs. The Company has also increased the energy savings carve out for
15 income-qualified participants in the Residential Behavioral Program to 33%.
16 Further, the Company has designed EASE to include moderate income customers,
17 who can also participate in the program and receive up to \$5,000 of free energy
18 efficiency improvements. Income level eligibility for these programs will be
19 developed during program implementation based on market best practices, and will
20 enable coordination with other energy efficiency programs, philanthropic groups,
21 and governmental programs.

22 **DSM Pilot Programs & Awareness Initiatives**

23 **Q. WHAT PILOT PROGRAMS WERE CONDUCTED SINCE THE 2022 IRP?**

24 A. Since the 2022 IRP, Georgia Power has launched seven residential pilot initiatives:

- 25 • Income Qualified Portal;
26 • Manufactured Homes;
27 • Phase Change Insulation;

- 1 • EV Managed Charging;
- 2 • All-in-One Heat Pump Washer Dryer;
- 3 • Sense Energy Efficiency; and
- 4 • the Equity Insights and Engagement Research pilot.

5 Additionally, the Company launched six commercial pilots:

- 6 • Energy Monitoring and Intelligence;
- 7 • Digital Twin Energy Management;
- 8 • IoT Building Management;
- 9 • Aeroseal Duct Insulation;
- 10 • Small Commercial Induction Cooking; and
- 11 • Small Commercial Direct Install Equity and Engagement Research pilot.

12 These pilots inform future energy efficiency program design with measurement and
13 verification of emerging technology and customer satisfaction. They directly
14 influence innovative DSM pilot and program delivery mechanisms. Some of these
15 pilots continue to focus on providing historically under-represented customers and
16 small and medium business customers access and participate in energy efficiency
17 programs. The Company seeks Commission approval to continue pursuing DSM
18 pilot studies as part of its DSM Action plan.

19 **Q. WHAT IS THE COMPANY’S REQUESTED BUDGET FOR DSM PILOT**
20 **STUDIES?**

21 A. The Company seeks Commission approval for \$1.5 million for residential and
22 \$1.5 million for commercial pilot studies annually, which is equal to the amounts
23 approved in the 2019 and 2022 IRPs.

1 **Q. IS THE COMPANY PROPOSING TO CONTINUE ITS ENERGY**
2 **EFFICIENCY AWARENESS INITIATIVES?**

3 A. Yes. The Company proposes to continue offering its energy efficiency awareness
4 initiatives to customers, which promote the benefits of energy efficiency and
5 educate customers about ways to save energy. Based on the continued success of
6 this program and the high customer satisfaction derived from these initiatives, the
7 Company has requested continued funding for these activities, consistent with what
8 the Commission approved in the 2022 IRP.

9 **Q. IS GEORGIA POWER PROPOSING TO CONTINUE ITS LEARNING**
10 **POWER INITIATIVE?**

11 A. Yes. The curriculum of the Learning Power Initiative promotes a grassroots
12 understanding of energy and energy efficiency, with lessons for grades pre-K
13 through 12. The program is highly interactive and hands-on, with lessons taught by
14 skilled Georgia Power Education Coordinators. Education Coordinators are
15 assigned a geographic region of the state, with an equitable distribution of students
16 and schools. Between 2011 and December 31, 2024, the Company delivered 42,124
17 Learning Power Education Initiative programs to over 1.3 million students in
18 Georgia. Based on the continued success of this program and the positive feedback
19 from educators, the Company has requested continued funding for these activities,
20 consistent with what the Commission approved in the 2022 IRP.

21 **Regulatory Treatment of DSM Program Costs and Additional Sum**

22 **Q. PLEASE DESCRIBE THE COMPANY’S REQUEST REGARDING DSM**
23 **COST APPROVAL.**

24 A. The Company is requesting Commission approval of the costs for all approved and
25 certified DSM programs, pilots, and other DSM activities. In addition, the
26 Company requests the continued collection of an additional sum. The budgets and
27 costs for the Company’s DSM programs are set forth in Appendix C to the DSM

1 Application, and the additional sum amounts are set forth in Appendix F to the
2 DSM Application.

3 **Q. PLEASE DESCRIBE GEORGIA POWER'S ADDITIONAL SUM**
4 **REQUEST FOR THE PROPOSED CASE.**

5 A. As stated in the DSM Application, the Company requests an additional sum equal
6 to four cents for every kilowatt hour ("kWh") saved using verified net energy
7 savings values applied to all certified DSM programs in the residential and
8 commercial DSM portfolios. Any authorized additional sum will be specific to the
9 corresponding customer class and will be collected through the residential and
10 commercial DSM tariffs. The additional sum included in the DSM tariffs will apply
11 the four cents per kWh saved to the total net energy savings estimated in the
12 Proposed Case.

13 **Q. WHY DOES THE COMPANY WANT TO CHANGE THE ADDITIONAL**
14 **SUM METHODOLOGY?**

15 A. The proposed additional sum methodology is simpler than the existing
16 methodology and likely to be more stable. The proposed change in methodology
17 also better aligns the additional sum with the energy savings achieved from the
18 customer classes eligible to participate in the Company's residential and
19 commercial DSM programs. Further, the proposed methodology will value energy
20 savings from every program equally as opposed to the current methodology, where
21 Georgia Power receives little to no additional sum from residential DSM programs
22 that deliver kWh savings. The Company believes the proposed approach will also
23 help streamline the reporting process and provide additional clarity around the
24 annual DSM tariff true-up process.

1 **Q. IF THE COMPANY IS USING VERIFIED NET ENERGY SAVINGS IN ITS**
2 **CALCULATION OF THE ADDITIONAL SUM, ARE MARKET EFFECTS**
3 **ALREADY TAKEN INTO ACCOUNT?**

4 A. Yes. Market effects such as free-ridership and spillover are recognized in the
5 industry as important data points for evaluating DSM programs and deciding
6 whether to modify or continue DSM programs. Market effects are useful for
7 program evaluations and modifications, as well as future program design and
8 system planning.

9 **Q. HOW DOES THE COMPANY PROPOSE TO COLLECT DSM PROGRAM**
10 **COSTS AND THE PROPOSED ADDITIONAL SUM?**

11 A. Georgia Power proposes to collect the costs of approved and certified DSM
12 programs and activities, as well as the additional sum amount for certified DSM
13 programs, through the existing residential and commercial DSM tariffs. These
14 tariffs would be filed as part of the Company's next base rate case and would be
15 implemented with any approved change in rates thereafter.

16 **Q. WILL THE DSM TARIFFS BE TRUED UP?**

17 A. Yes. Consistent with current practice, the DSM tariffs will initially be based on
18 projected program costs and participation levels, and projected additional sum
19 values approved in the 2025 IRP and DSM Application. Subsequently, the DSM
20 tariffs should be trued-up annually based on actual program costs and participation
21 levels, and actual revenues collected using the true-up methodology agreed to by
22 the Company and Commission Staff.

1 **III. RENEWABLE PROCUREMENT AND PROGRAM STRATEGY**

2 **Renewable Procurement Strategy**

3 **Q. PLEASE DESCRIBE GEORGIA POWER’S NEED TO ENHANCE ITS**
4 **RENEWABLE PROCUREMENT PROCESSES.**

5 A. Georgia Power takes pride in the measured and disciplined approach it has taken
6 over the last decade to responsibly integrate additional renewable resources onto its
7 System for the benefit of all customers. Planning models indicate the continued
8 addition of economic renewable resources offers value to all customers across
9 multiple scenarios, and the actions of the Commission, the market, and the
10 Company have delivered economic renewable resources to the System.
11 Additionally, as the number of customers with sustainability goals increases, the
12 Company has adapted its renewable procurement strategies to evolve with changing
13 customer demand and the sustained interest in renewable subscription programs.

14 Through market interaction and recent RFP experience, the Company has identified
15 several challenges and opportunities that necessitate modifications to further
16 enhance its procurement processes. For example, changing interconnection
17 processes and requirements, impacts from regulatory uncertainty and policy
18 changes (tariffs, tax credits, grants, etc.), increasing scrutiny on land use, supply
19 chain issues, and a difference in the timelines of proposed renewable procurements
20 and transmission system improvements have all limited the Company’s ability to
21 meet its renewable RFP targets.

22 Further, the Company received feedback from market participants indicating a need
23 for additional flexibility to navigate changing regulatory policies and supply chain
24 dynamics, including modifications to RCODs. These market conditions, combined
25 with customer desires for subscriptions to incremental renewable resources, drive
26 the need for more flexibility in the Company’s RFP process, including
27 consideration of customer identified resources.

1 As a result of these challenges and the feedback received, Georgia Power's RFPs
2 must become more flexible and adaptable to capture the value that renewable
3 resources can offer to customers. To that end, the Company's proposed
4 enhancements apply these lessons learned and are aimed at improving the
5 efficiency and success of its renewable procurements.

6 **Q. PLEASE DESCRIBE THE COMPANY'S PROPOSED ENHANCEMENTS**
7 **TO THE RENEWABLE PROCUREMENT PROCESS.**

8 A. Georgia Power proposes to modify its renewable procurement strategy by
9 introducing several enhancements to its Utility Scale and DG RFPs. For both the
10 Utility Scale and DG RFPs, the Company will continue using a best-cost evaluation
11 methodology but will also introduce new processes such as (1) a submission refresh
12 option to "buy down" project cost and (2) an extended RFP period designed to
13 maximize opportunities for project selection and procurement to meet customer
14 needs.

15 In the Utility Scale RFP process, the Company proposes adding flexible RCODs,
16 allowing projects to have a wider range of acceptable in-service dates and enabling
17 RFP participants and the Company to navigate market challenges such as supply
18 chain disruptions and changing policy landscapes. Additionally, the Company will
19 continue to consider the use of Transmission System operational tools and
20 flexibility that support interconnection viability for projects and portfolios of
21 projects.

22 For DG RFPs, the Company proposes to make the energy procured available for
23 subscription and also seeks to include solar resources coupled with dispatchable
24 storage to deliver additional capacity value to benefit all customers. Finally, the
25 Company proposes to enhance its locational guidance to customers by updating the
26 RCB framework used in the DG evaluation process to assign value to projects based
27 on their geographic location. By incorporating locational value into the DG RFP
28 evaluation, the Company aims to incentivize strategic siting decisions of flexible,

1 dispatchable resources to better support the System when and where it is needed
2 most.

3 **Utility Scale RFPs**

4 **Q. WILL THE COMPANY CONTINUE TO USE THE BEST COST**
5 **METHODOLOGY IN ITS UTILITY SCALE RFP EVALUATIONS?**

6 A. Yes. As approved in the 2022 IRP Order, the Company's ongoing RFPs are
7 evaluated using the best-cost methodology, which enables procurement of
8 renewable resources at the best cost for Georgia Power customers. This approach
9 to the evaluation process considers all benefits delivered by proposals in relation to
10 multiple planning scenarios. This process provides more flexibility for the
11 Company, in conjunction with Staff and the Independent Evaluator, supporting a
12 selection process that is more likely to meet RFP procurement targets.

13 **Q. PLEASE DESCRIBE THE MULTI-PHASE RFP PROCESS PROPOSED BY**
14 **THE COMPANY FOR ITS UTILITY SCALE PROCUREMENTS.**

15 A. The Company proposes enhancing its utility scale procurements by implementing
16 a two-phase process. In Phase I, the Company would implement a traditional RFP
17 to procure resources. Phase I would also include an added submission refresh
18 process to allow projects to "buy down" their project costs to provide the ability for
19 more projects to be procured as needed.

20 Phase II is an optional phase in which the RFP remains active for an extended
21 period and offers additional customer subscription opportunities. Phase II would
22 only be available, if necessary, to address customer needs that may remain after the
23 conclusion of Phase I.

1 **Q. PLEASE EXPLAIN THE COMPANY’S PHASE I PROPOSAL.**

2 A. As noted above, Phase I consists of a traditional competitive solicitation conducted
3 in accordance with the Commission’s RFP rules consistent with past practice. Each
4 proposal submitted into an RFP is evaluated and ranked based on the levelized total
5 net benefits to Georgia Power’s customers on a dollar per MW hour (\$/MWh)
6 basis.¹ RFP submissions are then further evaluated by the Company and an
7 Independent Evaluator for transmission and environmental impacts. Competitive
8 submissions that meet the Company’s best cost threshold are deemed to provide net
9 benefits for customers are moved to a Short List. Short List proposals comprise the
10 winning portfolio of resources that proceed to contract execution.

11 If customer subscription needs remain after the Company identifies the Short List
12 in the traditional portion of the Phase I RFP, the Company proposes to then return
13 to the fully evaluated list of proposals not selected for the Short List. These
14 submissions will then be offered the opportunity to execute a contract or otherwise
15 move forward in the process if the participant can refresh the submission price such
16 that the net benefit of the project is equal to the average total net benefit of the Short
17 List portfolio of resources originally selected. This submission price refresh process
18 will be designed in compliance with Commission RFP rules to ensure that any
19 additional projects selected through this process meet the Commission’s
20 certification requirements.

¹ The total net benefit of a proposal is calculated by comparing the costs customers will pay if the proposal advances to the projected costs customers would otherwise incur if the proposal were not advanced (“Total Net Benefit”).

1 **Q. PLEASE EXPLAIN THE COMPANY’S PHASE II PROPOSAL.**

2 A. The Company proposes to add a second phase to the Utility Scale RFP process,
3 which extends the RFP and allows new projects to be submitted at or below a price
4 target that results in a Total Net Benefit that is greater than or equal to the average
5 Total Net Benefit of the winning portfolio of resources from the Phase I
6 procurement. As part of this Phase II process, customers interested in subscribing
7 to the Company’s CARES program can work with developers to self-identify
8 resources and submit additional proposals to meet additional customer subscription
9 demand not otherwise satisfied by Phase I of the proposed RFP process (“Customer
10 Identified Resources” or “CIRs”).

11 Project developers and potential subscribers can collaborate to submit proposals to
12 meet a price target that ensures new projects will deliver a Net Benefit greater than
13 or equal to the original portfolio’s Total Net Benefits. Additionally, RFP
14 participants can submit new proposals in this extended RFP process independently,
15 offering potential subscribers the opportunity to subscribe to additional projects at
16 prices that ensure no costs are shifted to non-participating customers. Proposals
17 submitted into Phase II will undergo a full evaluation, including a transmission
18 analysis, in order to provide final pricing that ensures such projects deliver value to
19 all customers.

20 Phase II would only be made available if there are unmet CARES Utility Scale
21 customer subscription needs. Thus, this additional phase provides additional
22 customer subscription opportunities, if necessary, while simultaneously securing
23 additional renewable resources in a manner that preserves benefits and protects all
24 customers.

1 **Q. WHAT DOES IT MEAN THAT THE COMPANY WILL OFFER**
2 **FLEXIBLE CODS?**

3 A. The Company will incorporate a range of RCODs sought in its RFPs rather than
4 limiting resources to only one, specific COD window. Based on the outcomes of
5 recent RFPs, Georgia Power has proposed to use a range of COD years to
6 incorporate additional flexibility for participants and for the Company in its
7 competitive solicitations.

8 **Distributed Generation RFPs**

9 **Q. WHICH ENHANCEMENTS TO THE UTILITY SCALE PROCESS WILL**
10 **ALSO BE APPLIED TO THE DG PROCUREMENT PROCESS?**

11 A. The Company proposes to continue utilizing the best cost-methodology in its DG
12 procurement process. Additionally, the Company proposes implementing the same
13 two-phase RFP approach outlined above to the DG procurement process, including
14 the Phase I plus the submission refresh process and the additional Phase II CIR
15 process. As with the utility scale RFP process, the submission refresh option
16 enhancement to buy down project costs in Phase I and the Phase II CIR process
17 would be available only if there continues to be an unmet customer subscription
18 need after the initial CARES DG RFP, including the need to supply the proposed
19 Residential DG Community Solar Program.

20 **Q. WHAT OTHER ENHANCEMENTS HAS THE COMPANY PROPOSED**
21 **FOR ITS DG RFP?**

22 A. The Company is proposing two additional enhancements that are new to the DG
23 RFP process. First, the Company proposes adding the option for flexible DG
24 resources that include battery energy storage systems (“BESS”) as part of its
25 procurement strategy. Second, the Company is proposing to offer more information
26 to help RFP participants effectively locate projects through the use of locational
27 value as part of the evaluation process.

1 **Q. WHAT IS THE COMPANY PROPOSING WITH RESPECT TO FLEXIBLE**
2 **DG SOLAR PROCUREMENT THAT INCLUDES BESS RESOURCES?**

3 A. The Company proposes to procure flexible DG resources, with the opportunity to
4 co-locate distribution-connected BESS resources, as part of its DG procurement
5 process. With increasing solar penetration, operational flexibility and control at the
6 distribution level is vital to ensure System reliability. Further, dispatchable BESS
7 resources can deliver much needed capacity to the System and provide value to all
8 customers. The ability to add solar charged or grid charged dispatchable BESS
9 technology to solar facilities will enhance System capabilities and will afford more
10 flexibility and control at the distribution level. Flexible DG resources will be
11 recognized for the additional value delivered as part of the RFP evaluation process.

12 **Q. WHAT LOCATIONAL GUIDANCE DOES THE COMPANY GIVE DG**
13 **RFP PARTICIPANTS TODAY?**

14 A. The Company implemented the statewide solar DG Hosting Capacity Tool in
15 November 2023. This tool is a “heat map” that uses results from different feeder
16 studies to help RFP participants locate potential sites for projects. The System is
17 dynamic and is updated as new resources are added; therefore, the Company
18 updates the Hosting Capacity Tool periodically to reflect such changes. The first
19 annual update to the tool was released in December 2024 and the Company expects
20 to update the tool on a semi-annual basis beginning in 2025.

21 Additionally, the Company offers interconnection guidance to assist developers in
22 determining the feasibility of installing DG resources within the Georgia Power
23 service territory. Together, the DG Hosting Capacity tool and the Company’s
24 existing interconnection guidance help RFP participants site projects in favorable
25 locations.

1 **Q. WHAT NEW LOCATIONAL VALUE CONSIDERATIONS WOULD THE**
2 **COMPANY CONSIDER AS PART OF ITS PROPOSED ENHANCEMENT?**

3 A. The updated RCB Framework introduces new locational value considerations into
4 the Company's evaluation of renewable DG RFP submissions. To aid in the
5 development of renewable DG resources in areas with more favorable
6 interconnection conditions, the Company has replaced the deferred transmission
7 investment component of the RCB Framework, which is applied to all resources
8 regardless of location, with a geographically differentiated transmission system
9 cost benefit factor in the DG RFP evaluation process to ensure the portfolio of
10 resources selected provides the maximum benefits to Georgia Power customers.

11 **Q. HOW WOULD THE COMPANY DETERMINE LOCATIONAL VALUE**
12 **UNDER ITS PROPOSED ENHANCEMENT?**

13 A. The locational value is determined by evaluating two alternative future system
14 scenarios, one with and one without additional DG resources for each identified
15 geographic region. The transmission investments and in service timing of projects
16 are determined for each scenario's study horizon. The resulting differences in
17 transmission project identification and timing are evaluated in an economic analysis
18 that results in a benefit or cost attributed to DG resources.

19 **Q. HOW WOULD THE PROPOSED LOCATIONAL VALUE CHANGES**
20 **HELP RFP PARTICIPANTS SITE PROJECTS MORE EFFECTIVELY?**

21 A. The proposed locational value changes would allow the Company to apply
22 geographically differentiated transmission system costs and benefits to the
23 evaluation process. By communicating those values to RFP participants as they
24 consider project location, the Company expects to receive a portfolio of proposals
25 that offer greater overall value to all customers, which would increase the chance
26 those proposals are selected as winning resources in the procurement process.

1 **Proposed Renewable Procurements**

2 **Q. WHAT DOES THE COMPANY SEEK TO PROCURE FROM**
3 **RENEWABLE RESOURCES AS PART OF THE 2025 IRP?**

4 A. Through the proposed enhanced procurement processes, the Company is seeking to
5 competitively procure energy from up to 4,000 MW of new renewable resources
6 by 2035, beginning with 1,000 MW from Utility Scale resources through an RFP
7 to be issued in 2026; and 100 MW from DG resources. This amount represents an
8 appropriate level of near-term procurement of new resources as the Company
9 navigates the challenges of renewable integration, while maintaining a long-term
10 renewable target amount that benefits all customers. At this level of procurement,
11 the Company continues its measured and disciplined approach to renewable
12 resource procurement for the benefit of all customers.

13 **Q. HOW MANY RFPS IS THE COMPANY PROPOSING TO OFFER AND**
14 **WHEN WILL THEY BE ISSUED?**

15 A. The Company proposes to issue three RFPs, maintaining a steady cadence of
16 solicitations while also providing for flexibility and adaptability in the procurement
17 processes. First, the Company proposes to issue a Utility Scale RFP in 2026 that
18 targets 1,000 MW of renewable resources anticipated to be online between
19 November 30, 2030, and November 30, 2032, as part of a flexible COD window.
20 Leveraging the proposed multi-phase RFP approach, this procurement would begin
21 with the proposed Phase I of the Utility Scale RFP. To retain the flexibility to meet
22 additional, unmet customer demand, the Company would initiate Phase II of its
23 proposed process to procure up to an additional 3,000 MW by 2035, thus offering
24 the ability for RFP participants and subscribing customers alike to contribute to the
25 cost effectiveness of individual projects and support additional renewable
26 resources.

1 Second, Georgia Power proposes to issue two DG RFPs, one in 2026 and one in
2 2027, each seeking 50 MW of resources with commercial operation in 2027, 2028,
3 and 2029. Both DG RFPs would occur under the proposed Phase I of the DG RFP
4 process and would add an additional Phase II procurement opportunity as proposed
5 and if needed to meet customer demand.

6 The table below summarizes the Company’s proposed RFPs:

RFP	Expected Issuance	Target (MW)	Expected COD
Utility Scale	2026	1,000	2030–2032
Distributed Generation	2026	50	2027–2028
Distributed Generation	2027	50	2029

7

8 **Q. WHAT ADDITIONAL SUM DOES THE COMPANY REQUEST FOR ITS**
9 **UTILITY SCALE AND DG RFPs?**

10 A. Consistent with the additional sum approved in the 2022 IRP, the Company
11 requests a levelized \$4.00 per kilowatt-year (“kW-yr”) AC of the procured amount
12 annually for the term of each PPA entered into as a result of its Utility Scale and
13 DG RFPs. Such an additional sum appropriately incents the Company to
14 competitively procure additional resources and fairly considers lost revenues,
15 changed risks, and an equitable sharing of benefits consistent with the additional
16 sum authorized by statute.²

² See O.C.G.A. 46-3A-9 (“The approved or actual cost, whichever is less, of any certificated demand-side capacity option shall be recovered by the utility in rates, along with an additional sum as determined by the commission to encourage the development of such resources.”).

1 **Q. HOW DOES THE COMPANY PROPOSE TO RECOVER THE COSTS**
2 **RELATED TO ITS RENEWABLE PROCUREMENTS?**

3 A. Consistent with past practice, the Company proposes to recover the costs related to
4 the procurement of renewable energy through the fuel cost recovery (“FCR”)
5 clause. Any participation charges designed to recover associated costs and paid by
6 subscribing customer(s) (as described below) would be applied to the fuel clause to
7 reduce FCR costs.

8 **IV. RENEWABLE AND RESILIENCY CUSTOMER PROGRAMS**

9 **Customer Renewable Subscription Programs**

10 **Q. WHY IS THE COMPANY PROPOSING TO MAKE ALL THE ENERGY**
11 **PROCURED THROUGH THE UTILITY SCALE AND DG RFPS**
12 **AVAILABLE FOR SUBSCRIPTION?**

13 A. Many Georgia Power customers continue to express increased interest in renewable
14 energy programs. Consistent with the approach taken in the 2022 IRP and in
15 response to growing customer demand, the Company proposes to continue to make
16 the energy from every MW procured by the Utility Scale and DG RFPs available
17 for subscription by qualifying customers. Through the Company’s competitive
18 procurement and subscription processes, renewable energy is procured to the
19 benefit of all customers, while also allowing interested individual customers to
20 access the attributes of these resources directly.

21 **Q. PLEASE DESCRIBE THE PROPOSED MODIFICATIONS TO THE**
22 **CARES PROGRAM.**

23 A. The Company proposes enhancements to the CARES program to increase
24 flexibility, expand customer participation, and align renewable procurement with
25 demand while mitigating financial risks to non-participating customers. The Utility
26 Scale RFP process has been modified to allow for additional procurement

1 opportunities if customer subscription demand is not met through the traditional
2 RFP process, ensuring that interested customers have the opportunity to drive
3 additional renewable procurement beyond initial targets. To improve the
4 subscription process, the Company proposes to refine the NOI process, enabling
5 greater customer participation through a Commission-approved methodology.
6 Subscription terms now range from 10 to 30 years in five-year increments, with
7 customers offered two pricing options: a renewable energy credit (“REC”)-based
8 fixed program portfolio charge without an hourly energy credit, or a fixed program
9 charge based on the PPA price with an associated hourly energy credit.

10 To reduce financial risks to non-participating customers, the pricing methodology
11 for the hourly energy credit will be modified, introducing reimbursement thresholds
12 to ensure fairness and prevent negative impacts to nonparticipants. Increased
13 subscription flexibility has also been incorporated to allow for increased
14 procurement through the Phase I submission refresh process to buy down project
15 costs if customer demand exceeds the initial megawatts procured. This enables
16 additional projects from the competitive tier or target list, as appropriate, to revise
17 their submission prices in a way that maintains or improves overall program
18 benefits. If further subscription needs remain unmet, the RFP process will be
19 extended through the proposed Phase II process to allow additional projects to be
20 submitted for consideration. Through this process, customers would have the option
21 to propose specific renewable resources for procurement through a CIR option,
22 negotiating directly with developers, as well as the ability to subscribe to
23 incremental resources at higher subscription prices that offset higher PPA costs.
24 Successful proposals in this process will result in a PPA between Georgia Power
25 and the facility owner, and a corresponding CARES Customer Agreement between
26 Georgia Power and the subscribing customer. All RECs from these CIRs will be
27 retired on behalf of the subscribing customer.

1 **Q. PLEASE DESCRIBE THE CARES DG SUBSCRIPTION PROGRAM.**

2 A. The Company proposes to expand the CARES program by offering subscriptions
3 to resources procured through Georgia Power's DG RFPs. This expansion will
4 provide more Georgia Power customers with the opportunity to participate in the
5 CARES Program, as this part of the program will be available to eligible C&I
6 customers with an aggregate demand between 1 MW and 3 MW, as well as
7 Residential customers. Initial subscriptions will be available to eligible C&I
8 customers from the initial procurement phase of each DG RFP. These customers
9 will participate in the CARES NOI process similar to the Utility Scale CARES
10 program. If C&I customer demand for subscriptions exceeds the MW procured
11 through the DG RFP, the Company will initiate the Phase I submission refresh
12 process (described previously) and Phase II of the DG RFP, if needed.

13 The DG Community Solar Program will allocate up to 10 MW of the initial 50 MW
14 target from each DG RFP for subscription by residential customers. This Program
15 will provide customers with access to solar from new DG facilities using a
16 simplified CARES subscription methodology. Under this approach, residential
17 customers will subscribe to solar energy through a pricing mechanism based on the
18 PPA price, with energy credits calculated from the average value of the facility's
19 production, factoring in Georgia Power's hourly operating costs of incremental
20 generation per kWh. RECs will be retired on behalf of participating customers
21 based on the actual output of the facilities.

22 Georgia Power is exploring opportunities to partner with third parties to reduce
23 subscription prices for lower-income customers, thereby enhancing the value
24 proposition for eligible participants. If demand exceeds the available MW
25 allocation for residential customers, or if additional demand for DG subscriptions
26 is identified from other customers, additional resources may be procured through
27 the extended RFP process, which will allow developers the opportunity to bring in
28 new subscribers and drive the need for incremental projects.

1 **Customer-Sited Renewable Programs**

2 **Q. DOES THE COMPANY PROPOSE ANY CUSTOMER-SITED**
3 **RENEWABLE PROGRAMS?**

4 A. Yes. The Company seeks Commission approval of the Customer-Sited Solar Plus
5 Storage Pilot, which will enhance options for customers interested in installing
6 renewable resources at their premises. Additionally, the Company seeks to modify
7 the existing Customer Connected Solar Program to add storage resources, increase
8 the size of eligible facilities, and allow customers without billing history to
9 participate. These programs expand upon Georgia Power's existing portfolio of
10 customer-sited options to now include storage resources, enhancing customer
11 resiliency and grid value through dispatchable capacity-benefitting resources.

12 **Q. PLEASE DESCRIBE THE CUSTOMER-SITED SOLAR PLUS STORAGE**
13 **PILOT PROGRAM.**

14 A. The Customer-Sited Solar Plus Storage Pilot Program is designed to encourage the
15 installation of solar plus battery storage at residential and small commercial sites.
16 The pilot targets 50 MW of capacity, divided equally into two participation
17 pathways: Customer-Directed and Company-Directed. Participants in either
18 pathway can enroll systems up to 20 kW (residential) or 250 kW (small
19 commercial). The systems will be interconnected behind the meter ("BTM"), can
20 be owned by the participating customer or a third party, and will be dispatched by
21 the Company to deliver capacity value to the System. The pilot aims to improve
22 grid reliability, evaluate customer preferences, and enhance economic viability of
23 dispatchable customer-sited solar-plus-storage resources.

24 **Q. DESCRIBE EACH PARTICIPATION PATHWAY FOR THE CUSTOMER-**
25 **SITED SOLAR PLUS STORAGE PILOT.**

26 A. Under the Customer-Directed model, customers direct the use of the battery and
27 can respond to discrete utility-called events to receive incentive payments. In

1 addition to an annual enrollment incentive of \$15/kW, participating customers will
2 receive payments based on the asset performance during called events of
3 \$1.50/kWh. New or existing assets are eligible to participate in this program.

4 Under the Company-Directed model, Georgia Power will monitor and control the
5 BESS and operate it based on System needs. In exchange, customers receive a one-
6 time upfront incentive of \$750/kW for a 10-year commitment. Only new assets will
7 be eligible to participate, and systems must pair solar and storage. In both models,
8 the BESS is available for resiliency use by the customer in times of grid outage.

9 **Q. ARE THERE ANY RATE LIMITATIONS ON WHICH CUSTOMERS CAN**
10 **PARTICIPATE?**

11 A. Yes. Although participating customers will retain their rate options, there are two
12 proposed rate limitations: (1) participating residential customers cannot be on the
13 residential (“R”) rate, and (2) participating commercial customers cannot be on the
14 general service (“GS”) rate. These energy-only rates do not provide an appropriate
15 time-of-use (“TOU”) or demand signal to incentivize operation of the solar and
16 battery resources to maximize System benefit. Participating customers will be
17 eligible for other riders, including the renewable and nonrenewable resources
18 (“RNR”) rate.

19 **Q. IS THERE A PARTICIPATION CAP ON THE PILOT?**

20 A. The Company has not proposed a cap on participation, but rather presented a target
21 enrollment it believes is feasible to implement over the IRP cycle. In the event the
22 Company reaches the target enrollment before the 2028 IRP, the Company will
23 present to the Commission potential program modifications based on lessons
24 learned and seek approval to continue adding interested customers. This “check-in”
25 approach would allow for feedback and learnings to be incorporated without
26 signaling an anticipated end to, or ceiling on, enrollment.

1 **Q. DID THE COMPANY COLLABORATE WITH STAKEHOLDERS IN**
2 **DEVELOPING THE SOLAR PLUS STORAGE PILOT?**

3 A. Yes. The Company participated in two collaboration sessions at the Commission
4 and received additional feedback from participating stakeholders following those
5 meetings. In addition, the Company had conversations with original equipment
6 manufacturers (“OEMs”), installers, program facilitators, sources of potential
7 complimentary funding, and customers. The Company also reviewed peer
8 programs and talked with other utilities in the development process.

9 **Q. DOES THE PILOT PROGRAM DESIGN ADDRESS FEEDBACK THE**
10 **COMPANY RECEIVED THROUGH THE COLLABORATION PROCESS?**

11 A. Yes. As described more fully in the IRP Main Document, the pilot program features
12 a hybrid of upfront and ongoing compensation with incentives that are clear and
13 simple to understand. As proposed, the pilot program allows for broad customer
14 participation including those enrolled in time-varying rates, the RNR tariff, and
15 other utility programs, and includes special consideration for low to moderate
16 income customers. The pilot will leverage the battery inverter for measuring
17 performance and does not penalize customers for non-performance. The program
18 will support participation from multiple battery manufacturers; standalone storage;
19 and existing systems. The pilot ensures at least 20% of battery capacity remains
20 available for local resiliency, and provides for optionality to meet individual needs.
21 By incorporating program design elements in consideration of direct feedback from
22 stakeholders, that Company seeks to deliver a program that meets System, market,
23 and customer needs.

24 **Q. HOW DID THE COMPANY DETERMINE THE INCENTIVE VALUES TO**
25 **BE OFFERED FOR PROGRAM PARTICIPATION?**

26 A. The incentive values were calculated based on the forecasted avoided generation
27 capacity value associated with assets participating in each pathway. The net present

1 value over the term was discounted to 75%, applying a shared savings model
2 consistent with other DER programs. The Company intends this design to ensure
3 participating customers receive sufficient incentive to install dispatchable resources
4 and participate in the program, while also ensuring non-participating customers
5 receive value and do not subsidize implementation and program administration
6 costs.

7 In recognition of the unique needs of low-to-moderate income residential and
8 municipal, university, school and hospital (“MUSH”) commercial customers, the
9 discount factor was not applied to derive incentives for customers in these
10 segments. Further, the program was designed to allow and enable stacking of
11 additional funding sources including resources specifically targeting these groups
12 of customers.

13 **Q. WHAT DOES THE COMPANY HOPE TO LEARN OR ACHIEVE**
14 **THROUGH THIS PILOT PROGRAM?**

15 A. The Company has designed the Customer-Sited Solar Plus Storage Pilot Program
16 to provide the Company with valuable information regarding the technical
17 capabilities, value, and market acceptance of customer-sited solar plus storage.

18 Additionally, as described in the Main panel, the Company has requested enhanced
19 control through its Distributed Energy Resource Management System (“DERMS”).
20 The parallel participation pathways allow for validation of the benefits
21 accompanying enhanced control. The Company’s DERMS will have the capability
22 to dispatch DERs within program parameters, such that the Company will be able
23 to optimize the operation to realize anticipated capacity value and explore
24 additional use cases for solar plus storage and other programs.

1 **Q. PLEASE DESCRIBE THE PROPOSED MODIFICATIONS TO THE**
2 **CUSTOMER CONNECTED SOLAR PROGRAM.**

3 A. Georgia Power proposes modifying the Customer Connected Solar Program by
4 (1) increasing the facility site criteria to a 250 kW minimum and 6 MW maximum,
5 (2) expanding the resource types to include BESS co-located with solar, and
6 (3) allowing new customers to participate. The proposed enhancements are driven
7 by stakeholder feedback. By expanding the eligibility criteria, the Company aims
8 to fill the remaining 23+ MW to meet customer resiliency needs through this
9 expanded front of the meter option. The capacity value created by the dispatchable
10 storage systems will benefit all Georgia Power customers through enhanced
11 reliability and affordability, will support customer resiliency goals, and support the
12 growth of a sustainable customer-sited DG market in Georgia.

13 ***Other Customer Renewable Program Options***

14 **Q. ARE THE CARES SUBSCRIPTION AND CUSTOMER-SITED**
15 **PROGRAMS THE ONLY OPTIONS AVAILABLE FOR CUSTOMERS TO**
16 **SUPPORT RENEWABLE RESOURCES?**

17 A. No. As stated in the 2025 IRP Main Document, customers will continue to have
18 options to offset their own energy consumption using BTM customer-sited
19 resources, offset their own energy consumption and sell any excess output through
20 the RNR tariff, participate in Community Solar or one of the Company's REC
21 purchase programs, or sell renewable energy to Georgia Power as a Qualifying
22 Facility ("QF") under the Public Utility Regulatory Policies Act of 1978
23 ("PURPA"). Georgia Power has interconnected more than 12,000 solar projects to
24 date, including customer generators who choose to offset energy usage with BTM
25 solar installations, through RNR or as a QF.

1 **Q. IS THE COMPANY PROPOSING TO MAKE ANY CHANGES TO THE**
2 **COMMUNITY SOLAR PROGRAM?**

3 A. No, Georgia Power is not requesting any modifications to the existing Community
4 Solar Program. However, as described above, the Company has proposed the new
5 DG Community Solar Program as an additional subscription option for residential
6 customers.

7 **Q. PLEASE DESCRIBE GEORGIA POWER'S EXISTING CUSTOMER-**
8 **SITED RENEWABLE PROGRAMS.**

9 A. The Company interconnects and receives energy from customer generators through
10 several Commission approved options. The Energy Offset option exists for
11 customers who wish to install on-site generation without compensation for energy
12 pushed back to the grid. The RNR program enrolls customer generators who offset
13 some of their usage with renewable energy generated onsite and compensates these
14 generators for energy pushed back to the grid at the Company's Renewable Cost
15 Benefit adjusted Solar Avoided cost, plus a \$0.04 adder pursuant to the 2022 Rate
16 Case. This adder creates additional costs for all customers as it pays customer
17 generators more than the Company's avoided cost for this energy. Approximately
18 5,000 customer generators are compensated at retail rates for all the energy
19 produced from customer sited generation through the fully subscribed Monthly
20 Netting program. This program also creates significant upward rate pressure for
21 non-participating customers by compensating above the avoided cost value.
22 Finally, the Company complies with its purchase obligations pursuant to PURPA
23 through standard offer purchases from QFs. The pricing for these transactions is
24 based on the Company's projected day ahead hourly avoided costs and holds other
25 customers harmless.

1 **Q. PLEASE DESCRIBE THE EXISTING REC PROGRAMS.**

2 A. The Simple Solar Program is available to residential, commercial, and industrial
3 customers, allowing them to match either 50% or 100% of their monthly energy
4 usage with solar RECs retired on their behalf. The program operates on a monthly
5 basis with no long-term commitment required. Since its launch in 2022, it has
6 consistently served around 1,800 customers, resulting in approximately 27,000
7 RECs being retired annually.

8 The Flex REC Program originated in the 2022 IRP as a replacement for the Simple
9 Solar Large Volume program. It enables Georgia Power to procure larger quantities
10 of RECs to meet increasing customer demand. This program sources RECs from a
11 diverse range of renewable resources, including solar and wind, and potentially
12 other renewable sources. Since its inception, Flex REC has maintained an average
13 of 16 customers per month, retiring about 300,000 RECs annually on behalf of
14 participating customers.

15 The Retail REC Retirement (“R3”) program is designed for C&I customers who
16 wish to claim renewable benefits from certain existing renewable resources. It
17 allows these customers to subscribe to RECs from System resources that are either
18 already operational or under construction. The RECs and associated environmental
19 attributes, which would typically be retired on behalf of all customers, are instead
20 retired specifically on behalf of the participating customer. Currently, there are no
21 participants in this program, but it is expected to become a viable option as more
22 customers aim to meet their carbon reduction goals within the next five years.

23 The Company is not proposing any modifications to these programs at this time.

1 **Existing Customer Resiliency Programs**

2 **Q. PLEASE DESCRIBE THE DER CUSTOMER PILOT PROGRAM THAT**
3 **THE COMMISSION APPROVED IN THE 2022 IRP.**

4 A. Following the 2022 IRP, the Company developed the DER Customer Pilot Program
5 alongside Commission Staff and intervenors, resulting in the Resiliency Asset
6 Service (“RAS-1”) and Demand Response Credit (“DRC-1”) tariffs. These tariffs,
7 approved in January 2023, provide a framework for customers seeking resiliency-
8 focused solutions. For customers participating on RAS-1, Georgia Power will
9 install and operate a dispatchable DER behind the customer’s meter. Participating
10 customers pay a monthly service charge for that resiliency benefit. Customers
11 participating in RAS-1 also have the option to participate in DRC-1, in which
12 Georgia Power will provide a credit in exchange for the Company’s ability to use
13 the DER for demand response during System reliability events.

14 **Q. PLEASE DESCRIBE THE DER COLOCATION PROGRAM THAT THE**
15 **COMMISSION APPROVED IN THE 2023 IRP UPDATE.**

16 A. The DER Colocation program, as approved in the 2023 IRP Update Order, is an
17 optional tariff available to qualifying C&I customers. Under this program, Georgia
18 Power owns, operates, maintains, and controls dispatchable DERs located on
19 customer premises, which are then economically dispatched to provide energy and
20 capacity benefits to all customers. The DER systems are interconnected to the
21 electric grid, allowing for energy transmission while also serving as a resiliency
22 resource for participating customers during outages. Participating customers pay
23 rates that ensure the DER investment remains below its system value, thereby
24 providing financial benefits to all customers. The DER technology used in this
25 program may include combustion turbines, reciprocating internal combustion
26 engines (“RICE”), and other dispatchable technology with a firm fuel supply.

1 **Q. PLEASE DESCRIBE THE DER CUSTOMER-OWNED PROGRAM THAT**
2 **THE COMMISSION APPROVED IN THE 2023 IRP UPDATE.**

3 A. The DER Customer-Owned Program is an optional program designed for
4 qualifying C&I customers who own dispatchable DERs less than 10 MW. Under
5 the DER Customer-Owned tariff (“DCO-1”), participating customers receive bill
6 credits based on the capacity and energy value of their DERs. The program ensures
7 that DER interconnections support the electric grid while also providing backup
8 power during outages. Similar to the DER Colocation Program, a key difference
9 under the DER Customer-Owned Program is that the customer retains ownership
10 of the DER asset, while Georgia Power operates and controls the resource for
11 economic dispatch.

12 **Q. WHAT ARE THE COMPANY’S OBJECTIVES IN OFFERING THESE**
13 **DER PROGRAMS TO CUSTOMERS?**

14 A. DER programs are an important component of the Company’s portfolio of customer
15 programs. The Company is in regular communication with customers and continues
16 to modify its suite of DER options to better align with customer interest and
17 Company needs. The design of the Company’s DER programs is intended to
18 maximize mutual benefits among customers looking to make these types of onsite
19 investments while leveraging the resilience and reliability benefits to the grid and
20 all retail customers. In addition, the Company aims to encourage customers
21 considering adding these resources to adopt cleaner resources.

22 **Q. ARE ANY CUSTOMERS ENROLLED ON THESE DER TARIFFS?**

23 A. Not yet, but the Company is working closely with customers to move forward with
24 projects on its DER tariffs. Discussions are ongoing and several potential customers
25 have progressed to evaluating contract language and site design elements.

1 **Q. IS THE COMPANY PROPOSING ANY MODIFICATIONS TO EXISTING**
2 **DER PROGRAMS?**

3 A. Georgia Power is seeking to modify the DER Customer-Owned Program in the
4 2025 IRP to allow contract terms up to 15 years. Previous tariff language restricted
5 contracts through 2031. Extending the potential contract duration increases the
6 value proposition for both participating and non-participating customers.
7 Participating customers will have increased certainty on the value stream to justify
8 additional costs associated with participation. Non-participating customers receive
9 the benefits of capacity locked in and procured at a discounted rate for an extended
10 duration.

11 **Proposed Customer Resiliency Program**

12 **Q. PLEASE DESCRIBE THE LARGE CUSTOMER OWNED RESILIENCY**
13 **PROGRAM THAT GEORGIA POWER IS PROPOSING IN THE 2025 IRP.**

14 A. The LCOR Program is a newly proposed program aimed at transmission-connected
15 C&I customers. This program allows these customers to retain ownership of their
16 DER assets while providing Georgia Power with operational certainty that
17 contracted response will materialize when called upon by the Company for utility
18 use. These assets are not intended to push back onto the grid and the resources do
19 not need to be separately metered. Participating customers will be responsible for
20 all fuel and O&M costs associated with the assets. As with the Company's other
21 DER programs, assets must be dispatchable with firm fuel supply and permitted for
22 non-emergency use. By expanding its DER offerings, Georgia Power aims to
23 provide a robust portfolio of options for customers with diverse energy needs while
24 ensuring grid resilience and affordability.

1 **Q. WHAT ARE THE BENEFITS OF THE LCOR PROGRAM?**

2 A. Benefits of the LCOR Program include:

- 3 • Economic Compensation: Participating customers are compensated for
4 providing firm load reductions to the System and Georgia Power's need for
5 additional capital expenditures is reduced.
- 6 • Faster Capacity Recognition: Unlike the supply-side DER programs that are
7 subject to FERC-dictated interconnection timelines and requirements, this
8 program accelerates the timeframe in which co-located resources can be utilized
9 to meet capacity needs.
- 10 • Reliability Enhancement: The program ensures that load reductions materialize
11 when needed, reducing uncertainty, increasing efficiency, and improving grid
12 stability.
- 13 • Cost Savings for Non-Participants: Since the program operates under a shared
14 savings model, the cost of procuring capacity is lower than traditional
15 generation expansion, reducing costs for all customers.

16 **Q. WHICH CUSTOMERS ARE ELIGIBLE TO PARTICIPATE IN THE LCOR**
17 **PROGRAM?**

18 A. The LCOR Program is designed for large C&I customers who meet the following
19 eligibility criteria:

- 20 • Customers must own and operate dispatchable DERs with a firm fuel supply
21 permitted for non-emergency use.
- 22 • The DERs must be connected to Georgia Power's grid and be available to
23 respond based on System needs during a contracted number of hours.
- 24 • Customers must enter into a contractual agreement with Georgia Power to
25 provide demand response contributions.
- 26 • Participants must meet the minimum capacity commitment during events as
27 defined in the customer contract.

1 This program is particularly suited for businesses with critical energy needs, such
2 as data centers, manufacturing facilities, hospitals, and logistics hubs, where
3 backup power and load flexibility can be leveraged for grid resiliency.

4 **Electric Transportation**

5 **Q. WHAT IS VEHICLE-TO-EVERYTHING TECHNOLOGY?**

6 A. Vehicle-to-everything (“V2X”) technology refers to the use of bi-directional
7 charging technology that enables electric vehicles (“EVs”) to transfer energy stored
8 in their batteries back to buildings, houses, or the grid. With increasing EV
9 deployment, a significant number of batteries will be in the market, and unused
10 energy in those batteries could be beneficial as a grid asset.

11 **Q. PLEASE DESCRIBE THE COMPANY’S PROPOSAL FOR A VEHICLE**
12 **TO GRID PILOT PROGRAM.**

13 A. The Company seeks to install up to 10 bi-directional chargers for a grid-specific, or
14 V2G, pilot program across up to four customer locations. The pilot will be available
15 to public school systems served by Georgia Power that utilize or plan to utilize
16 electric school buses as part of their fleet.

17 **Q. WHY IS A V2G SCHOOL BUS PILOT AN APPROPRIATE STARTING**
18 **POINT TO EXPLORE V2X TECHNOLOGY?**

19 A. School systems are particularly well-suited for V2G pilot programs for several
20 reasons. First, school buses have regular, predictable schedules. They are typically
21 in use during the morning and afternoon, idle for long periods during the day and
22 overnight, and may not be in use at all during summer peak periods. This
23 predictability makes it easier to manage charging and discharging cycles and utilize
24 electric buses as a grid resource without impacting the school customer’s
25 transportation availability.

26 Second, school buses have large batteries that can store significant amounts of
27 energy. This makes them ideal for providing substantial power back to the grid

1 during peak demand times, and the scale of available capacity justifies
2 interconnection and equipment costs.

3 Third, school systems have already purchased electric buses and expressed interest
4 in participating in a Georgia Power V2G program. Stakeholders submitted a V2G
5 bus pilot idea as part of the DSMWG, and other utilities have launched pilots that
6 can serve as a guide for implementation. Finally implementing V2G technology in
7 school systems can serve as a model for other community-based projects,
8 promoting broader adoption and awareness of V2G capabilities.

9 **Q. WHAT DOES THE COMPANY HOPE TO LEARN FROM THE V2G**
10 **PILOT?**

11 A. The Company hopes to gain a better understanding of the infrastructure costs
12 required to support V2G and the ongoing costs to manage and administer such
13 technology. The Company also seeks to learn about the capabilities of V2G and the
14 value of vehicles as a grid resource to provide capacity during peak periods and
15 other use cases. Finally, the Company seeks to understand how customer behavior
16 and preferences will impact the potential for vehicles to serve as a reliable grid
17 resource while being used primarily as a transportation solution.

18

19 **V. CONCLUSION**

20 **Q. WHAT ARE GEORGIA POWER'S REQUESTS FOR RENEWABLE**
21 **RESOURCE PROCUREMENTS IN THIS CASE?**

22 A. Georgia Power seeks Commission approval of the following renewable resource
23 procurement requests:

24 1. The updated Utility Scale RFP process to procure energy from 1,000 MW
25 of new Utility Scale renewable energy resources, along with the ability to
26 procure additional resources above the initial MW target to meet the needs
27 of subscribing customers.

28 2. The updated DG RFP process to procure energy from 100 MW of new DG
29 solar resources through two separate RFPs (50 MW each), including the

incorporation of locational value in DG procurement evaluations and the ability to procure additional resources above the initial MW targets to meet the needs of subscribing customers.

3. The levelized additional sum of \$4.00 / kW-yr AC of the total capacity amount from which renewable energy is procured from the Utility Scale and DG RFPs proposed in this IRP, annually for the term of each PPA.

Q. WHAT ARE GEORGIA POWER'S REQUESTS AS IT RELATES TO CUSTOMER PROGRAMS IN THIS CASE?

A. Georgia Power seeks Commission approval of the following requests regarding its DSM Action Plan for the Proposed Case, DER Resiliency Programs, and customer renewable programs:

DSM:

1. Grant a certificate for the Residential Products program.
2. Decertify the Residential Refrigerator Recycling Plus program, the Residential Specialty Lighting program, and the Commercial Behavioral program.
3. Amend the certificate for four (4) previously certified programs:
 - i. the Residential Behavioral program;
 - ii. the Residential Demand Response program;
 - iii. the Commercial Prescriptive Program; and
 - iv. the Small Commercial Direct Install program.
4. Grant a waiver of the TRC requirement within Commission Rule 515-3-4-.04(4)(a)(3) for four (4) previously certified programs:
 - i. the Residential HopeWorks program;
 - ii. the Residential Home Energy Improvement program;
 - iii. the Residential Energy Assistance for Savings and Efficiency program; and
 - iv. the Commercial Custom program.
5. Approve the updated program economics for all previously certified DSM programs.

6. Approve the revised additional sum calculation methodology collected through the DSM programs certified in the 2025 DSM Application.
7. Approve the Company's other DSM activities as further specified in the Company's 2025 IRP in Docket No. 56002, including the Energy Efficiency Awareness Initiative, pilot studies, and Learning Power Education Initiative.

DER Resiliency Programs:

1. Approve the modification of the DER Customer Owned Program to allow contracting up to 15 years.
2. Approve the new Large Customer Owned Resiliency Program as described in the 2025 IRP.
3. Approve an additional sum of \$4/kW-year AC for new demand response and new DER programs, including the Large Customer Owned Resiliency Program, Solar + Storage Pilot Program, and modified Customer Connected Solar Program.
4. Approve the V2G Pilot.

Customer Renewable Programs:

1. Approve the enhanced CARES subscription program, including the ability for participating customers to subscribe to smaller, DG resources; the opportunity for residential customers to subscribe through the DG Community Solar Program; more flexible participation provisions; and the ability for customers to identify renewable resources to be considered for procurement, as described in the 2025 IRP.
2. Approve modifications to the Customer Connected Solar Program as described in the 2025 IRP.
3. Approve the small commercial and residential Customer-Sited Solar Plus Storage Pilot Program as described in the 2025 IRP.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

**ELECTRIC SERVICE TARIFF:****CARES CARBON FREE ENERGY - AROUND THE CLOCK SCHEDULE: "CFE-ATC-1"**

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AVAILABILITY:

Available throughout Georgia Power Company's service area from existing lines of adequate capacity.

APPLICABILITY:

Available to existing or new Commercial and Industrial customers that are adding incremental new electric load of twenty-five (25) megawatts (MW) or greater or are currently taking electric service from Georgia Power and have a minimum annual aggregate peak demand of twenty-five (25) MW. Projections for new electric load must be assessed and verified by Georgia Power in order to confirm the twenty-five (25) MW minimum threshold. Customers that have more than one premises served by Georgia Power may aggregate the demand at each such premises to meet this requirement, provided that (i) the aggregated peak demand of the premises is greater than or equal to twenty-five (25) MW and (ii) the premises are under common ownership or under common control. Premises may have service points at different standard voltages.

PARTICIPATION FEE:

An eligible customer wishing to subscribe to the Clean and Renewable Energy Subscription (CARES) Carbon Free Energy – Around the Clock (CFE-ATC) tariff must submit a Notice of Intent (NOI) in Georgia Power's CARES CFE-ATC NOI process and pay a one-time \$10,000 application fee. The Company will accept subscription requests from eligible applicants during the CARES CFE-ATC NOI period.

DESCRIPTION:

Through this tariff, participating customers may purchase a subscription in connection with a portfolio of renewable energy facilities, paired with battery energy storage, that are procured through Georgia Power's renewable utility scale request for proposals process (CARES CFE-ATC Portfolio). Each participating customer will pay a monthly CARES CFE-ATC tariff charge (Portfolio Price) that will be separate and in addition to the cost of electric service under the customer's retail electric service tariff. In exchange for payment of the Portfolio Price, each participating customer will receive Hourly Credits and a monthly fixed Capacity Credit in an amount based on the customer's subscription level and the corresponding pro-rata share of the output of the CARES CFE-ATC Portfolio, as measured in kilowatt-hours (kWh).

The Portfolio Price, Hourly Credits and Capacity Credit will be calculated and applied consistent with the formula and values set forth below in connection with the monthly CARES CFE-ATC amount (CARES CFE-ATC M_o) for each customer. Georgia Power will retire renewable energy credits (RECs) associated with the output of the CARES CFE-ATC Portfolio on behalf of participating customers according to each customer's subscription level and the corresponding pro-rata share of the output of the CARES CFE-ATC Portfolio. The energy produced by the CARES CFE-ATC Portfolio will be transmitted onto Georgia Power's electric system and will not be distributed directly to participating customers. Customers subscribing to the CARES CFE-ATC tariff will continue to be served on a network basis from all energy resources generating into or otherwise supplying the Company's electric system.

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SUBSCRIPTION LEVEL:

Each participating customer's subscription level will be limited to one hundred percent (100%) of the customer's preceding year's total annual energy consumption at the premises served under this tariff or the projected total annual energy consumption at the premises served under this tariff, as applicable. If a customer elects to qualify for subscription to this tariff by aggregating the peak demand for more than one of the customer's premises, then that customer's subscription level will be limited to one hundred percent (100%) of the customer's total aggregate annual energy consumption for each of the premises combined, as applicable. Customer load eligible for subscription may not include load already associated with participation in any other Georgia Power renewable subscription program. Once established, the customer's subscription level will be fixed for the term of the customer's required CARES CFE-ATC Customer Agreement, as further described below, unless reduced in accordance with the terms of the Agreement. A participating customer's subscription level will be subject to review and may be adjusted as defined in the customer's required CARES CFE-ATC Customer Agreement.

PRICING & BILL DETERMINATION:

The Portfolio Price is a fixed price per kWh charge comprised of a levelized weighted average supply cost of the CARES CFE-ATC Portfolio, a levelized transmission cost, a Renewable Integration Cost, a levelized additional sum, an Administrative Fee, and an Optional Community Adder Fee. Billing for each month's service under this tariff will be settled one month in arrears according to each customer's subscription level and in accordance with the formula set forth below:

A monthly CARES CFE-ATC amount (CARES CFE-ATC $_{Mo.}$) will be calculated for each customer using the following formula:

$$\text{CARES CFE-ATC }_{Mo.} = \sum [\text{CARES CFE-ATC Portfolio Production }_{Hr.} \times (\text{Portfolio Price} - \text{Hourly Credit }_{Hr.})] - \text{Capacity Credit }_{Mo.}$$

Where:

Σ = Sum over all hours of the monthly billing period.

CARES CFE-ATC Portfolio Production $_{Hr.}$ = Customer's pro-rata subscription share in kWh of the output produced from the CARES CFE-ATC Portfolio on an hourly basis as measured at the point of interconnection.

Portfolio Price = Fixed price per kWh charge comprised of a levelized weighted average supply cost of the CARES CFE-ATC Portfolio, a levelized transmission cost, a Renewable Integration Cost, a levelized additional sum, an Administrative Fee, and the Optional Community Adder Fee. The Portfolio Price will be applied according to the customer's subscription level and consistent with the CARES CFE-ATC $_{Mo.}$ calculation set forth above. In the instance where the customer term does not align with the asset term a risk cost adjustment will be included.

Hourly Credit $_{Hr.}$ = Company's hourly operating costs of incremental generation per kWh. Hourly Credits will be applied according to the customer's subscription level and consistent with the CARES CFE-ATC $_{Mo.}$ calculation set forth above. Hourly Credits will be applied to generation as measured at the point of interconnection.

Capacity Credit $_{Mo.}$ = Customer's pro-rata subscription share in \$/kW of the CARES CFE-ATC Portfolio avoided or deferred generation capacity.

Renewable Integration Cost = \$0.00193 per kWh applicable to solar generation exceeding the customer's pro rata kW subscription share. Integration cost accounts for the operating reserves cost required on the system to mitigate the impacts of solar intermittency.

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Administrative Fee = \$0.00025 per kWh applied throughout the participating customer's contract term as defined in the CARES CFE-ATC Customer Agreement.

Optional Community Adder Fee = Fixed price per kWh decided by the participating customer at the time of contract. The Community Adder Fee revenue will be used to fund a dedicated community-based program.

MUNICIPAL FRANCHISE FEE:

The bill calculated under this tariff will be increased under the provisions of the Company's effective Municipal Franchise Fee Schedule, including any applicable adjustments.

TERM OF CONTRACT:

The term of contract will be specific to each participating customer and set forth in the CARES CFE-ATC Customer Agreement.

Customers may elect to terminate participation under the CARES CFE-ATC program prior to the end of the CARES CFE-ATC Customer Agreement by providing written notice of the intent to terminate the Agreement to Georgia Power two years in advance of such termination. If a customer terminates its CARES CFE-ATC Customer Agreement prior to the end of the term, the customer's responsibility for compensating the Company for its damages associated with early termination, as determined in accordance with the customer's CARES CFE-ATC Agreement.

GENERAL TERMS AND CONDITIONS:

The charges and payments calculated under this tariff are subject to change in such an amount as may be amended and approved by the Georgia Public Service Commission. The Company reserves the right to terminate any or all contracts and this tariff at any time and without penalty, at the Company's discretion.

Service hereunder is subject to the Georgia Power Company Rules and Regulations for Electric Service on file with the Georgia Public Service Commission and as they may be amended from time to time.

If state or federal laws or regulations are instituted requiring Georgia Power to provide renewable resources, RECs, or otherwise meet a renewable compliance standard, the Company reserves the right to cancel all contracts and sales through this tariff and CARES CFE-ATC Customer Agreement, without penalty.