

Notice of Proposed Request to Join Other Local Governments as an “Intervener” in the 2023 Georgia Power Integrated Resource Plan (IRP) Update Process

Purpose

This Notice of Proposed Administrative Action is to advise you that staff propose to join with other local governments in Georgia and apply to be an “Intervener” in the pending “Interim” 2023 Georgia Power IRP Update process and any subsequent Rate Case requests for the purpose of being able to fully participate in all proceedings before the Public Service Commission. The purpose of such participation is to join with the collective efforts of multiple local governments to advocate for energy programs and policies that benefit ACCGov as well as community members. A summary of Georgia Power Company’s (GPC) 2023 IRP Update (interim IRP) request can be found in *Attachment A: 2023 Interim IRP Update Summary as of 11.15.2023*.

Background and History

1. In 1973, the Georgia General Assembly passed the Georgia Territorial Electric Service Act (O.C.G.A. § 46-3-1, et seq.), which provides a comprehensive regulatory framework governing retail electric service in the State of Georgia. Every geographic area within the State is either assigned to an electric supplier or declared unassigned.
2. The purpose of the Territorial Act was to avoid duplication of electric lines and assure efficient and orderly service in the state. There are multiple Power Providers in Georgia.
3. The establishment of services and rates associated with the generation of electricity is regulated by the Public Service Commission (PSC).
4. The requirement for an Integrated Resource Plan (IRP) was included in the Georgia Integrated Resource Planning Act of 1991 (O.C.G.A. § 46-3A-1). The IRP must contain the utility’s electric demand and energy forecast for its service territory for at least a 20-year period and describe the utility’s program for meeting these forecasted requirements in an economical and reliable manner.
5. The IRP Act arose from the challenges inherent in the PSC’s after-the-fact review of utility investments, such as their review of the construction of Plant Vogtle nuclear units in the 1980s.
6. The intent of the IRP process helps ensure that proposed energy investments are needed, provides the utility more certainty in cost recovery of expenditures, and ensures the selected resource mix provides the best value to customers.
7. Georgia Power Company (GP) is required to file an IRP every three years, outlining needs for the next 20 years. Of note, the only binding part of the 20 year projection is the 3 years covered by the IRP.
8. To fulfil its’ IRP planning requirement, GP must project:
 - a. Demographic changes and economic performance
 - b. What generating plants it will decommission (a.k.a. decertify or retire), and when
 - c. The size and type of plants it will build and when or, alternatively, what power purchase agreements it will sign to buy power from someone else, and when

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- d. What transmission infrastructure improvements / expansions are needed to maintain reliable service
 - e. The benefits of adding new renewable energy resources to the system
 - f. How the implementation of demand-side management programs (i.e., energy efficiency and demand response) can cost-effectively reduce the forecasted load
9. In February 2022 Georgia Power Company filed the 2022 IRP with the PSC.
 10. In 2022 ACCGov joined a coalition of five local governments with the goal of promoting ACCGov’s clean and renewable energy goals. Creating the coalition was an historic first and the group was able to both support GPC’s move toward clean energy and to successfully promote local and regional clean energy goals.
 11. On October 27, 2023 GPC filed a 2023 IRP update (PSC docket 55378) asserting it has initiated a 2023 IRP Update because the state and GPC have experienced unprecedented growth in anticipated electrical load, and GPC must act on an expedited basis to secure more capacity than anticipated and to acquire it sooner than anticipated.
 12. The PSC has the authority to modify, reject, or approve a plan for meeting future energy demands prior to any commitments of ratepayer funds.

Facts and Issues

1. An overview of why GPC is filing the 2023 IRP Update is as follows:
 - Robust economic development in the state has driven a 17-fold increase in electricity load growth through 2031 compared to what was forecasted in the 2022 IRP.
 - GPC must acquire new resources starting winter of 2025-2026, three years earlier than projected in 2022 IRP.
 - All-Source RFP should continue (but aimed at new capacity in 2029-2031 timeframe)
 - 2023 IRP update plan elements and Commission actions include:
 - Execute PPA with Mississippi Power
 - Execute PPA with Sant Rosa Energy Center LLC for capacity and energy from NGCC plant
 - Pursue acquisition of additional ownership interest in exiting asset
 - Approve GPC to develop, own, and operate up to 1,000 MW Battery Energy Storage System (BESS), including:
 - Implement BESS with existing military solar
 - Implement new BESS co-located with new solar
 - Approve GPC to develop, own, and operate three Current Transformers, or CTs, (up to 1,400 MW) at Plant Yates
 - Add and expand Distributed Energy Resources (DER) and Distributed Resources (DR) programs, including:
 - Approve two new customer-sited DER programs
 - Approve one new tariff-based demand response program
 - Approve amended certificate for one existing demand response demand-side management (“DSM”) program

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- Approve “Flex Capacity” framework whereby GPC can procure additional capacity ahead of 2025 IRP, if needed.
 - Expand transmission system to accommodate above-requested resources.
 - GPC requires that all new development projects pass the Ratepayer Impact Measure (RIM) test and have project net benefits for all GPC customers.
- 2. As in 2022, staff is requesting permission to become an intervener in the GPC 2023 IRP Update and any subsequent potential Rate Case.
- 3. When the Public Service Commission schedules hearings on GPC’s 2023 IRP Update, local governments will have 30 days to notify the PSC that they intend to intervene. As a local government, to be accepted by the PSC as an official intervener, the Mayor and Commission must acknowledge that they are officially intervening. The NOPAA fulfils this requirement.
- 4. Joining with the local coalition as an intervener in the GPC 2023 IRP Update enables ACCGov to continue supporting and promoting clean energy initiatives that benefit community members as well as those of fellow Georgians.
- 5. With the uncertainties associated with holiday season schedules, staff is requesting permission to officially declare the intent to intervene once the dates are established by the PSC. Mayor and Commission approval ensures that ACCGov will be ready to declare whenever the dates are set, just as ACCGov did in the 2022 IRP process.

Proposed Administrative Action:

It is proposed that DeKalb County join with other local governments in Georgia and apply to be an “Intervener” in the Georgia Power 2023 IRP Update process and any subsequent Rate Case for the purpose of being able to fully participate in all proceedings before the Public Service Commission and promote energy programs and policies embodied in ACCGov’s Clean and Renewable Energy Plan with a goal of benefiting local community members as well as ACCGov.