

# Ga. Power legislation would boost rates

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**ATLANTA** -- Georgia Power customers would see their rates rise under a bill filed Friday in the state Senate.

The legislation from state Sen. Don Balfour, chairman of the Senate Rules Committee, allows Georgia Power to begin collecting interest early for the construction of two new nuclear reactors at Plant Vogtle near Augusta. The \$14 billion expansion won't be completed until 2017 at the earliest. But under Balfour's bill, the utility could start charging customers for the interest when construction begins in 2011.

Balfour, a Republican from Snellville, said the average homeowner would see his or her Georgia Power bill rise by about an \$1.32 a month in 2011. That would increase to about \$10 more per month by 2017.

Without the early interest collection, power bills would jump by \$12 in 2017, a company spokeswoman said.

Balfour said Georgia's fast growing population badly needs additional power supplies and customers will pay for the interest costs eventually.

"If we pay the interest now, we're saving money," he said.

Georgia Power spokeswoman Carol Boatright said allowing for the early recovery of the interest costs would shave about \$300 million off the total price.

But consumer groups dispute that. They complain that taxpayers will be paying for the plant long before they ever see a benefit from it. Some residents could pay the fee and leave the state, or even die, before the plant comes on line.

"Times are tough for everybody," said Will Phillips, a spokesman for the Georgia chapter of the AARP. "For folks who aren't sure what's going to happen tomorrow, the prospect of paying now is not easy."

Traditionally, utilities charge customers for new plants only after they are operating.

Georgia Power operates nuclear-powered Plant Vogtle with three other power companies that are not regulated by the Public Service Commission. Georgia Power's share of the \$14 billion expansion price tag is \$6.4 billion, \$2 billion of that interest.

The state Public Service Commission is also considering Georgia Power's request. Commission staff who have examined it have recommended the panel deny the financing plan. The commission is expected to decide the case in March. Officials could not immediately say what would happen if the PSC turns down the financing plan and the legislation authorizing the plan passes.

Boatright said the expansion and financing plan each need PSC approval. The legislative action would go a step further and codify the company's ability to recover the costs early. She argued that several other states allow for the early collection of costs on major construction projects.