

MEMORANDUM

TO: All Commissioners

CC: Deborah Flannagan, Tom Bond

FROM: Commissioner Advisory Staff (A. Morris, P. Epps, P. Smith, N. Gibson, D. Sewell)

RE: **Commissioner Advisory Staff's Recommendation Regarding Docket No. 40161, Georgia Power Company's 2016 Integrated Resource Plan and Application for Decertification of Plant Mitchell Units 3, 4A and 4B, Plant Kraft Unit 1 CT, and Intercession City CT and Docket No. 40162, Georgia Power Company's Application for the Certification, Decertification, and Amended Demand Side Management Plan**

DATE: July 12, 2016

The Commissioner Advisory Staff provides the following summary and information for your consideration in the matter of Docket No. 40161, Georgia Power Company's 2016 Integrated Resource Plan And Application For Decertification Of Plant Mitchell Units 3, 4A And 4B, Plant Kraft Unit 1 CT, And Intercession City CT And Docket No. 40162, Georgia Power Company's Application For The Certification, Decertification, And Amended Demand Side Management Plan.

On June 23, 2016, Georgia Power Company ("the Company") and the Public Interest Advocacy Staff ("PIA Staff") executed and introduced a Stipulation designed to resolve all the issues that were raised in these two dockets. (See Attachment A) Subsequently, on July 1, 2016, a statement was issued on behalf of Georgia Industrial Group and Georgia Association of Manufacturers indicating that both parties agreed to the Stipulation. Additionally, in its brief filed June 29, 2016, Clean Line Energy Partners expressed support of the Stipulation while respectfully requesting that the Commission remain open to considering additional renewable procurement opportunities as they become available to Georgia Power. The Commercial Group also expressed interest in supporting the Stipulation if there was favorable clarification/resolution of two issues. In Docket No. 40161, the Commercial Group seeks clarifying language in paragraph 12 of the Stipulation stating that Georgia Power shall work with its Commercial & Industrial ("C&I") customers to develop the parameters of the C&I program described in Stipulation Supply Side Plan paragraph 12 by the end of 2016 so that the program can be implemented as soon as the pricing benchmark is known in 2017. In Docket No. 40162, the Commercial Group seeks clarifying language stating that Georgia Power shall include

a submeter suitable for large commercial use as one of its pilot offerings pursuant to Stipulation Demand Side Plan paragraph 12.

During the hearings in Docket No. 40161, testimony was presented by the Company, PIA Staff, Clean Line Energy Partners, Commercial Group, Georgia Interfaith Power & Light and Southface Energy, Georgia Large Scale Solar, Georgia Solar Energy Industries and Vote Solar, Southern Alliance for Clean Energy (“SACE”), Southern Wind Energy Association, and Sierra Club. The following parties intervened in this proceeding but did not file testimony: Biomass for Georgia Coalition, Gas South LLC, Georgia Association of Manufacturers, Georgia Industrial Group, Georgia State Building and Construction Trades, Georgia Watch, and Resource Supply Management.

In the hearings for Docket No. 40162, testimony was presented by the Company, PIA Staff, Commercial Group, Georgia Interfaith Power & Light and Southface Energy, Southern Alliance for Clean Energy, and Sierra Club. The following parties intervened in Docket No. 40162, but did not file testimony: Biomass for Georgia Coalition, Gas South LLC, Georgia Association of Manufacturers, Georgia Industrial Group, Georgia State Building and Construction Trades, Georgia Watch, MZC Foundation dba “The Ray”, and Resource Supply Management.

Signing parties recommend that the Commission approve the Stipulation, without modification, as a fair and reasonable resolution to these proceedings that appropriately balances the interest of all Parties to this proceeding. The Stipulation contains twenty-three provisions pertaining to the Supply Side Plan and fifteen provisions pertaining to the Demand Side Plan as outlined in Attachment A.

As it relates to the issue of new nuclear, paragraph 20 for the supply side plan provides that the decision whether to accept, modify or defer consideration of the Company's request for authority to capitalize additional costs to preserve new nuclear shall be a policy decision for the Commission. It also states that adoption of this provision within this stipulation does not preclude any Party from making any argument for or against the Company's request in this regard, nor does this agreement or this provision within this agreement suggest that the Commission must or should (or should not) consider this question as part of this IRP.

The Company and PIA Staff each filed briefs in support of their positions on this issue. The Company requests approval of expenditures up to \$174.5 million to investigate the option of pursuing new nuclear generation as a potential future base-load option at a site in Stewart County, Georgia. PIA Staff recommends that the Company's request be rejected at this time and considered during the 2019 IRP. In its brief, SACE supports PIA Staff's recommendation.

In support of its position, among other things, in its brief the Company argues that delaying action until 2019 could place the Company in a position where it is unable to deploy nuclear in a timely manner should it be later identified as the most cost-effective resource for customers. Furthermore, the Company argues that its proposed actions will, at a reasonable cost, provide benefit to customers even if nuclear generation is not selected as a generation resource until sometime beyond 2019 and that taking these

actions now to preserve the option for timely deployment of nuclear generation proactively positions the Company to be able to select the resource that is in the best interest of all customers. Additionally, the Company argues that taking action at this time would allow the Company to capitalize on certain accumulated expertise and would achieve efficiencies by enabling the Company to rely on the same design as is being utilized for Plant Vogtle Units 3 and 4.

In support of its recommendation that the Commission reject the Company's new nuclear proposal, PIA Staff Witnesses Newsome and Hayet, in their testimony, stated that it is not necessary at this time for the Company to begin incurring costs to investigate and license new nuclear generating units and that this decision should wait, at a minimum, until the 2019 IRP. Newsome and Hayet go on to say that under Staff's recommendation holding off on a decision at least until the 2019 IRP would still have significantly longer to complete the process than it did for Vogtle Units 3 and 4. Reconsidering this issue in the 2019 IRP would enable the Commission to make a more informed decision and would provide the Company ample time to perform the investigation and licensing necessary to bring new nuclear online in a timely manner. Additionally, Witnesses Newsome and Hayet testified that given the uncertainty of the final cost and output (MWHs) of Vogtle Units 3 and 4, it would be advisable to wait until Vogtle 3 has completed construction and has some operating history. Furthermore, knowing the final cost of Vogtle Units 3 and 4 would also allow the Commission to make a more informed decision whether to allow the Company to incur investigation and licensing costs for new nuclear units that would be recovered from ratepayers.

In its brief, PIA Staff argues that the earliest possible need date for additional nuclear generation is 17 to 20 years away and that in 2019, the Company will still have between 14 and 17 years before the earliest possible need. However, if, unexpectedly, the Company gathers new information prior to 2019 that indicates an earlier need for nuclear generation, the Company can file an amended IRP prior to three years elapsing.

In the event the Commission wishes to approve in this case some dollar amount for the purpose of preserving the option to build new nuclear generation, in its brief, PIA Staff recommends that the Commission do so in a manner that offers ratepayers the maximum protection against being held responsible for unnecessary costs by taking the following actions: (1) incorporate the ratepayer protections that were included in the Commission's June 27, 2006 Order in Docket No. 22449, Georgia Power Company Request for an Accounting Order, (2) any such approval should only be for costs over a three years period, not a six year period as proposed by the Company, and (3) the cap on that dollar amount to be spent during the three year period prior to the 2019 IRP should be substantially lower than the \$175 million in the Company's proposal. The logical compromise is to cap the dollar amount that the Company can spend in the next three years at the cost of first five activities the Company plans to take in the next five years to preserve the option of adding new nuclear units and no more than the amount necessary to obtain an Early Site Permit from the NRC. Such a compromise would allow the Company to take tangible steps towards the preservation of the option to build additional nuclear generation facilities, while reducing the risk to ratepayers of doing so. In this alternate position, the Commission should condition any spending by the Company for

this purpose on its agreement not to include financing costs in its Annual Surveillance Reports for the years 2016 through 2019, or in future rate cases until the Commission approves the construction of additional nuclear generation.

In support of PIA Staff's recommendation, SACE argued that the Company's request should not be approved because the actual cost of this request is over \$300 million and the cost of Vogtle Units 3 and 4 should be taken into account when considering the development of new nuclear units. SACE further argues that the Commission can reconsider the Company's request in the 2019 IRP proceeding when Vogtle Unit 3 will be complete based on the Company's current commercial operation date that has been reaffirmed in its prudency review filing, and the final cost of Vogtle Units 3 and 4 will be ascertainable and can be used for economic comparisons to other generation options.

Advisory Staff Recommendations

Advisory Staff recommends that the Commission adopt the Stipulation without modifications. The record in the case supports the Stipulation and it offers a reasonable resolution to all of the issues in these dockets.

On the matter of paragraph 20 for the Supply Side Plan, the policy decision as to whether the Commission should accept, modify or defer consideration of the Company's request for authority to capitalize additional costs to preserve new nuclear, Advisory Staff recommends that the Commission defer consideration of the Company's request until the 2019 IRP as recommended by PIA Staff. Advisory Staff agrees that the need for nuclear generation is far enough in the future that there is no compelling reason to commit hundreds of millions of ratepayer dollars at this time to preserve this option and that in 2019 the Commission will be in a better position to make a more informed decision regarding this matter. Advisory Staff also agrees that the regulatory process allows the Company to file an amended IRP prior to three years elapsing if the Company obtains new information prior to 2019 that indicates an earlier need for nuclear generation.

Attachments B and C to Advisory Staff's recommendation are summaries by docket of the recommendations of all parties that submitted testimony and/or briefs or proposed orders in these proceedings arranged by stipulated provision where possible. Briefs and/or proposed orders were filed by ten (10) parties to these proceedings providing recommendations on various issues discussed within these dockets. Georgia State Building and Construction Trades Council filed a letter in lieu of a brief and/or proposed order. To the extent that any parties' recommendations conflict with the provisions of the Stipulation and/or Advisory Staff's recommendation, Advisory Staff recommends that they be denied.

This matter is set for decision at a Special Administrative Session on July 28, 2016 and the statutory deadline is August 2, 2016. If you have any questions, Advisory Staff is available to assist you at any time.

STATE OF GEORGIA
BEFORE THE GEORGIA PUBLIC SERVICE COMMISSION

IN RE:)	
)	
Georgia Power Company's)	Docket No. 40161
2016 Integrated Resource Plan and)	
Application for Decertification of Plant)	
Mitchell Units 3, 4A and 4B, Plant Kraft)	
Unit 1 CT, and Intercession City CT)	
)	
Georgia Power Company's Application for)	Docket No. 40162
the Certification, Decertification, and)	
Amended Demand Side Management Plan)	
)	

Stipulation

The Georgia Public Service Commission (the "Commission") Public Interest Advocacy Staff ("PIA Staff"), Georgia Power Company ("Georgia Power" or the "Company") and the undersigned intervenors (collectively the "Stipulating Parties") agree to the following stipulation as a resolution of the above-styled proceedings to consider the Company's 2016 Integrated Resource Plan (the "2016 IRP") and the Application for the Certification, Decertification, and Amended Demand Side Management Plan (the "2016 DSM Plan"). The Stipulation is intended to resolve all of the issues in these Dockets. The Stipulating Parties agree as follows:

Supply Side Plan

1. The 2016 IRP is approved as amended by this Stipulation.
2. Plant Mitchell Units 3, 4A and 4B, Plant Kraft Unit 1CT and Intercession City CT shall be decertified and retired as provided for in the 2016 IRP.
3. The Renewable Energy Development Initiative ("REDI") is approved and shall be increased such that it will procure 1,200 MW (150 MW of Distributed Generation ("DG") and 1,050 MW of utility scale resources). Utility scale procurement shall take place through two separate Requests For Proposals ("RFP"). The first RFP will be issued to the marketplace in 2017 and will seek 525 MW of renewables with in service dates of 2018 and 2019. The second RFP will be issued to the marketplace in 2019 and will seek 525 MW of renewables with in service dates of 2020 and 2021. No more than a total of 300 MW of wind resources shall be procured through REDI. Bid fees for the utility scale solicitation shall be set at five thousand dollars (\$5,000) or three hundred dollars per MW

(\$300/MW), whichever is greater. The cost to implement and administer the REDI program shall be recovered through the fuel clause. Provided, however, that any costs recovery related to the ASI Prime Program in excess of ongoing ASI Prime costs shall be allocated to REDI and shall not be recovered through the fuel clause. All bid fees collected will be credited to the fuel clause.

4. In 2017, the Company shall issue an RFP for 100 MW of DG greater than 1kW but not more than 3 MW with a commercial operation date of 2018 or 2019. Contract terms will be up to 35 years and solar DG projects must interconnect at Georgia Power's owned distribution system. Bid fees for the DG solicitations shall be set at \$4/kW.
5. By the end of 2018, the Company shall procure an additional 50 MWs of customer sited DG projects. Such projects shall be greater than 1kW but not more than 3 MW and must have an installed DC capacity that is less than or equal to 125% of the actual annual peak demand of the customer's Premises in 2015 and be a current GPC customer at the time of award. Procurement shall be done through an application process and if oversubscribed, a lottery will be conducted. Participant fees for the DG solicitations shall be set at \$3/kW. Any MWs that are unsubscribed from the customer sited program shall be allocated to the DG RFP reserve list. Customer sited projects will be paid avoided costs using the process as described below in item 8(a).
6. The specific process that will be utilized for the evaluation (such as whether to use a project and/or portfolio analysis) for projects submitted into REDI will be finalized during the review and approval of the REDI RFP documents.
7. The Renewable Cost Benefit framework ("RCB") as provided in paragraph 8(a) shall be utilized in the evaluation of bids received through the REDI RFPs for utility scale and DG projects. The Company and Staff will work collaboratively to develop a process and recommendations for the continued implementation of RCB. Within (4) months from the issuance of the Final Order in this case, the Company and Staff will file their proposal with the Commission for implementation of RCB. If an agreement is reached between the Company and Staff on implementation of RCB, the Company and Staff can recommend to the Commission utilization of the full RCB in REDI.
8. The RCB shall be modified for use in the REDI program as follows:
 - (a) The Company shall evaluate the bids received in response to REDI RFPs using the RCB. The evaluation of REDI proposals will be limited to the consideration of Avoided Energy and Deferred Generation Capacity cost components consistent with the Framework methodology. Further, the Company will evaluate the appropriate transmission and distribution costs and benefits on a case by case basis as proposed in the Framework document.
 - (b) Once the evaluation in 8(a) is concluded the Company will conduct, for information purposes only, an evaluation using the entire RCB as filed by the Company to allow Staff

and the Independent Evaluator ("IE") to gain familiarity with the RCB. The evaluation will include all aspects of the Framework including specifically, Generation Remix, Support Capacity, and Bottom Out Adjustments. The Company will file its results with the Commission.

9. The Additional Sum for utility scale resources procured through REDI shall be set at 8.5% of shared savings. This amount shall be levelized and recovered annually for the term of the PPA.
10. The Company's closed ash pond solar demonstration project is approved as filed by the Company. The Company will be required to file quarterly construction monitoring reports and will be required to demonstrate the reasonableness and prudence of any recovery in excess of the budget for this project filed in the 2016 IRP. The Simple Solar program is approved with the modifications to the sourcing of the program as recommended by Staff.

In addition, the Company's High Wind Study is approved as filed. The Company agrees to file quarterly reports providing the status of the High Wind Study. The Staff and Company will collaborate on what, if any, information from the wind study will be made available to interested parties.

11. The Commission approves an additional 200 MW of self-build capacity for use by the Company to develop additional renewable projects in collaboration with customers, including potential projects at Robins Air Force Base and Fort Benning. The projects must be at or below the Company's avoided costs. No more than 75 MW of the 200 MWs provided for in this provision may be used for non-military customer projects. For the non-military customer projects, the Company must demonstrate that the project meets a special public interest need and could not reasonably be achieved using the competitive bid process. The RECs for the non-military customer projects shall accrue to the benefit of all customers.
12. The Company shall consider the development of a renewable Commercial and Industrial Program. No more than 200 MW shall be allocated for such a program and such program must be approved by the Commission before implementation. The Company shall only consider program options that will result in delivering value to all of its customers and will benchmark such programs to the last accepted proposal from the Company's utility scale REDI program.
13. Staff and the Company shall work together to address retirement study and other modeling issues. This process should begin within six months of the final order being issued in this proceeding and must conclude at least 12 months prior to the Company's filing of the 2019 IRP.
14. For purposes of the Company's IRP evaluations the long term Southern System planning reserve margin shall be raised to 16.25%. The Company shall meet with Commission Staff within 6 months of a final order in this case to discuss the timing of future Expected

Unserved Energy studies. The Company will report to Staff once all operating companies have approved for utilization the long term planning reserve margin adopted by this provision.

15. The Company agrees to minimize all capital expenditures on Plant McIntosh Unit 1 and Plant Hammond Units 1-4 through July 31, 2019. The Company agrees to annual limits on all capital expenditures of \$1 million for McIntosh 1 and \$5 million for Hammond 1-4¹. The Company agrees to make a filing with the Commission prior to incurring expenditures that exceed the annual limit.
16. The measures taken to comply with the existing government imposed environmental mandates necessary for the Company to implement its environmental and compliance plan as presented in Technical Appendix Volume 2, Summary of Capital Expenditures, Closures, and O&M Expenses filed as part of the 2016 IRP are approved subject to the limits outlined in No. 15 above regarding Plant McIntosh Unit 1 and Hammond Units 1-4. This approval does not preclude the Commission from reviewing prudence of the actual expenditures made to effectuate the compliance plan.
17. The remaining net book values of Plant Mitchell Unit 3 shall be reclassified as a regulatory asset and the Company shall continue to provide for amortization expense at the same rate as determined in the Company's 2013 base rate case. Recovery of the remaining balance as of December 31, 2019 will be deferred for consideration in the Company's 2019 base rate case. The Stipulating Parties reserve the right to make any arguments, including policy and legal arguments, on the recovery mechanism and appropriate period in which the costs should be recovered if applicable. Parties may argue their respective positions on that issue in the 2019 base rate case.

Any unusable M&S inventory balance remaining at the date of the unit retirement shall be reclassified as a regulatory asset and deferred for consideration in the Company's 2019 base rate case. The Stipulating Parties reserve the right to make any arguments, including policy and legal arguments, on the recovery mechanism and appropriate period in which the costs should be recovered if applicable. Parties may argue their respective positions on that issue in the 2019 base rate case.

18. Any over or under recovered cost of removal balances for each Retirement Unit shall be deferred for consideration until the Company's 2019 base rate case. The Stipulating Parties reserve the right to make any arguments, including policy and legal arguments, on the appropriate period in which the costs should be recovered. Parties may argue their respective positions on that issue in the 2019 base rate case.

¹ The Hammond Units 1-4 \$5 million value represents the cumulative annual amount for all four units. This provision does not apply to expenditures required for retirement obligations.

19. The Company shall report to the Commission concerning progress on the dismantlement and remediation of the Plant Kraft generating plant site and the Company shall provide the Commission with appraised values of any land at that site that the Company would propose to donate to the Georgia Ports Authority, including information regarding whether the appraised value exceeds the Company's net book value of such land.
20. The decision whether to accept, modify or defer consideration of the Company's request for authority to capitalize additional costs to preserve new nuclear shall be a policy decision for the Commission. Adoption of this provision within this stipulation does not preclude any Party from making any argument for or against the Company's request in this regard, nor does this agreement or this provision within this agreement suggest that the Commission must or should (or should not) consider this question as part of this IRP.
21. When filing the 2019 IRP or when filing any updates to the IRP prior to the 2019 IRP filing, the Company agrees to provide the Commission Staff working copies of all models used in the development of that IRP, with each configured to replicate inputs used to derive results incorporated in its base case scenario within 10 days after the IRP or update to the IRP is filed.
22. In conjunction with the ongoing level of review and analysis required by this agreement, Georgia Power will agree to pay for any reasonably necessary specialized assistance to the Staff in an amount not to exceed \$300,000 annually. This amount paid by Georgia Power under this paragraph shall be deemed as necessary cost of providing service and the Company shall be entitled to recover the full amount of any costs charged to the utility.
23. The Electric Transportation Initiatives and associated costs identified in the 2016 IRP are not, and have not been converted into, jurisdictional expenses that become the responsibility of ratepayers. Each party reserves the right to address these costs and the merits of the program through the Annual Surveillance Report process and future rate cases.

Demand Side Plan

1. The Company's 2016 Demand Side Management ("DSM") Plan and Application for Certification, Decertification and Amended DSM Plan is approved as amended by this Stipulation.
2. Georgia Power will continue to treat DSM as a priority resource in accordance with prior Commission precedent. For the calculation of long term percentage rate impacts, the Company will work with Commission Staff to come up with a methodology within 12 months of the issuance of the final order.

3. Georgia Power will enter discussions over the next three years with Staff and DSMWG members on the value of a Residential Mid-Stream Retail Products Program.
4. Georgia Power will develop a Technical Reference Manual prior to the Company's next IRP filing and will update it every three years thereafter. The Company will work closely with Staff and members of the DSMWG and DSMWG members may also propose new measures to be added at any point in the measure evaluation process. The DSM Program Planning Approach filed as Staff Exhibit BSK8 will otherwise remain unchanged other than "Technology Catalog" will be replaced with "Technical Reference Manual" and the dates will be updated to reflect 2017 through 2019.
5. Georgia Power will agree to the budget adjustments as provided in exhibit 8 attached to this Stipulation as amended.
6. Georgia Power will receive an Additional Sum equal to 8.5% of actual net benefits based on net energy savings from the Program Administrators Cost Test ("PACT"). Once the Additional Sum amount as calculated exceeds the annual program costs, the portion of the Additional Sum that exceeds the program cost shall be calculated based on 4% of the actual net benefits based on net energy savings from the PACT.
7. Georgia Power will work with Staff and the Company's implementation contractor for the Residential Behavioral Program to find ways to include more customers in the program.
8. The Company will make a concerted effort to obtain at least 25% of portfolio savings each year from the Residential sector.
9. Once a program implementer is selected and plans for all proposed programs are drafted and completed, the plans will be provided to Staff for review prior to implementation of the programs. The current review and approval process reached in an agreement between Staff and the Company in 2014 will continue, and the Company agrees to discuss further refinements and revisions to the process. In order to change the process both Staff and the Company must agree to the recommended changes.
10. The Company will provide detailed evaluation plans for each of the approved DSM programs within 120 days of the selection of Program Implementers for each of the certified programs. If necessary, the Company may request, and Staff may unilaterally grant, additional time to complete the detailed evaluation plans for each of the approved DSM proposals.
11. The Company will agree to a Commercial and Residential Building Usage Data awareness option at the cost of \$300,000 for 2017 and \$100,000 annually for 2018 and 2019, and such costs will be added to the DSM Consumer Awareness budget. This option will be available to customers within one year from the date of the final order in

this docket. There will be no assumed energy savings or goals attributed to this customer awareness option.

12. The Company and Staff agree to a \$2.5 million annual pilot budget for DSM and energy efficiency pilot programs. Staff will be notified before the start of such pilots.
13. The Company agrees to the Staff recommendation for the Learning Power program annual budget to be \$3 million.
14. The Company agrees to the Staff recommendation against shifting residential and commercial customer awareness to cross-cutting costs.
15. The current DSM true-up process filed in Docket No. 36499 on October 18, 2013, will continue through 2020. Although the DSM tariffs will remain at current levels until rates are adjusted in 2020, the true-up review process will continue on an annual basis.

Agreed to this 23rd day of June, 2016.


Jeffrey Stair

On behalf of the Georgia Public Service Commission
Public Interest Advocacy Staff


Brandon F. Marzo

On behalf of Georgia Power Company

Commercial Prescriptive and Commercial Custom Programs

For the Commercial Prescriptive and Commercial Custom Programs, Staff has the following recommended budget reductions:

- Reduction in costs associated with these two programs by \$3 million over the next 3 years.
- The Company will also agree to a reduction in the evaluation costs by approximately \$500,000 dollars over the next three years.

Power Credit

For the Power Credit Program, Staff has the following recommended budget reductions:

- Reducing the level of Program Manager FTE equivalents associated with the Power Credit Program by approximately 66%.
- Reduction of 50% to the Company's proposed incentive budget.
- Reduction of 50% to the program evaluation budget.

Residential Lighting Program

For the Residential Lighting Program, Staff has the following recommended budget reductions:

- Reduction in the estimated costs for LED residential screw-in bulb prices of 5.0%, annually from 2017-2019.

Cross-cutting Costs

For Cross-cutting costs, Staff has the following recommended budget reductions:

- Reduction in the proposed spending for Outreach / Education / Training budget by a total of \$350,000 annually.

Other Recommendations

Staff has the following additional proposed reduction:

Reduction of 50% related to the labor associated with Corporate Communications Staff.

Docket No. 40161
Georgia Power Company's 2016 IRP

Post-Stipulation Positions of the Parties – Based on Testimony &/or Briefs and Proposed Orders

Paragraph

1. The 2016 IRP is approved as amended by this Stipulation
2. Plant Mitchell Units 3, 4A and 4B, Plant Kraft Unit 1 CT and Intercession City CT shall be decertified and retired as provided for in the 2016 IRP.
3. The Renewable Energy Development Initiative (“REDI”) is approved and shall be increased such that it will procure 1,200 MW (150 MW of Distributed Generation (“DG”) and 1,050 MW of utility scale resources). Utility scale procurement shall take place through two separate Requests For Proposals (“RFP”). The first RFP will be issued to the marketplace in 2017 and will seek 525 MW of renewables with in service dates of 2018 and 2019. The second RFP will be issued to the marketplace in 2019 and will seek 525 MW of renewables with in service dates of 2020 and 2021. No more than a total of 300 MW of wind resources shall be procured through REDI. Bid fees for the utility scale solicitation shall be set at five thousand dollars (\$5,000) or three hundred dollars per MW (\$300/MW), whichever is greater. The cost to implement and administer the REDI program shall be recovered through the fuel clause. Provided, however, that any costs recovery related to the ASI Prime Program in excess of ongoing ASI Prime costs shall be allocated to REDI and shall not be recovered through the fuel clause. All bid fees collected will be credited to the fuel clause

Biomass for Georgia Coalition

In its brief, recommends (1) biomass should be considered in GPC's IRP; (2) all of the 525 MW allotments should not be exclusive to wind and solar. The PSC should withhold 100 MW for biomass in the event viable biomass energy projects can be identified (if no viable biomass projects can be identified within 2 years, the 100 MW would be released back to the pool; (3) biomass projects should bid against biomass projects; and (4) the PSC should consider capacity payments for biomass generation, as biomass is base load and available 24 hours per day, 365 days per year.

Clean Line Energy Partners

In its brief, Clean Line supports the Stipulation. Notwithstanding this support, Clean Line respectfully requests that the Commission remain open to considering additional renewable procurement opportunities as they become available to Georgia Power.

Commercial Group

See Provision 12 of the Stipulation.

Georgia Large Scale Solar

GLSSA did not file a brief in these proceedings. However, in testimony it recommends a reasonable expansion of the current megawatt total and allowing the Company to procure solar

energy through two competitive procurements. GLSSA recommends allowing projects from the first RFP conducted in 2017, to be placed in service in 2018 and 2019, and projects from the second RFP conducted in 2018, to be placed in service in 2019 and 2020

Georgia Solar Energy Industries & Vote Solar

In light of the Stipulation, in its brief, GSEIA recommends for the 2016 IRP that 300 MWs of utility scale wind be authorized separately from utility scale solar projects. The Commission should authorize a minimum of 750 MWs of utility scale solar to be competitively bid this year and deployed before December 31, 2018.

Sierra Club

In its brief, Sierra Club stated that it believes that an increase in the Renewable Energy Development Initiative program to at least two gigawatts would be appropriate. They go on to say that given the constraint in the REDI program that new renewables be cost-effective anyway—there is no reason to cap the program artificially; rather a target of 2 gigawatts or more would be appropriate.

Southern Alliance for Clean Energy

In its brief, SACE stated that it generally accepts the Stipulation as a compromise reflecting positions argued during the proceedings, but recommends the Commission increase benefits to customers by amending provisions related to renewable energy. SACE recommends that the Commission increase the REDI program to 2,000 MWs with selection of wind PPAs capped at 500 MWs of the 2,000 MWs. SACE recommends that the Commission revise the procurement schedule for the REDI program to maximize cost-effectiveness. SACE recommends that the Commission move the second RFP up to 2018. SACE also recommends that the Commission indicate that bids received in 2017 include projects scheduled for delivery in any of the four years.

Southern Wind Energy Association

Southern Wind Energy Association did not file a brief in these proceedings. However, in testimony it recommended that the Commission order the Company to quickly issue a RFP under an expanded REDI program and enter the contracting process before the wind Production Tax Credit begins to phase out.

4. **In 2017, the Company shall issue an RFP for 100 MW of DG greater than 1kW but not more than 3 MW with a commercial operation date of 2018 or 2019. Contract terms will be up to 35 years and solar DG projects must interconnect at Georgia Power's owned distribution system. Bid fees for the DG solicitations shall be set at \$4/kW.**

Georgia Solar Energy Industries & Vote Solar

In its brief, GSEIA and VS state that Stipulation does not advance Stand Alone DG deployment based on geographic location. They are concerned that under the Stipulation, REDI will continue deployment in the same manner as in the Advanced Solar Initiative and ASI Prime without advancing deployment criteria for Stand Alone DG properly valued and strategically located.

5. **By the end of 2018, the Company shall procure an additional 50 MWs of customer sited DG projects. Such projects shall be greater than 1kW but not more than 3 MW and must have**

an installed DC capacity that is less than or equal to 125% of the actual annual peak demand of the customer's Premises in 2015 and be a current GPC customer at the time of award. Procurement shall be done through an application process and if oversubscribed, a lottery will be conducted. Participant fees for the DG solicitations shall be set at \$3/kW. Any MWs that are unsubscribed from the customer sited program shall be allocated to the DG RFP reserve list. Customer sited projects will be paid avoided costs using the process as described below in item 8(a).

Georgia Interfaith Power & Light and Southface Energy Institute

In its brief, GIPL and South requested that the Commission order that the Company present a revised tariff or new program for behind-the-meter DG solar customers that: (a) provides improved pricing for solar exports based on the significant additional direct benefits associated with DG solar and that is within the range of pricing established by the record; (b) offers fixed pricing over terms consistent with the expected life of a DG system (15 to 30 years); and (c) allows participating commercial systems to be sized as large as 125% of load, consistent with the Solar Power Free Market Financing Act ("HB 57").

Georgia Solar Energy Industries & Vote Solar

In its brief, GSEIA and VS stated that they proposed a pilot program for Customer Sited DG up to a maximum of 250 MWs over the next three years with grid exports compensated at avoided costs. If Customer Sited DG is deployed faster than expected, recommended that the Company, Commission Staff and industry stakeholders regularly review Customer Sited DG deployment and promptly address any issues resulting therefrom.

6. **The specific process that will be utilized for the evaluation (such as whether to use a project and/or portfolio analysis) for projects submitted into REDI will be finalized during the review and approval of the REDI RFP documents**

Georgia Solar Energy Industries & Vote Solar

In its brief, states, If the IE rule is invoked long before program guidelines are approved, long before Power Purchase Agreement pro forma contract terms are finalized, and long, long before any bid is submitted and if counsel for intervenors are prohibited from speaking with counsel for the Company and the Commission Staff during preliminary processes leading to issuance of an RFP to actually take bids, there is a problem. If portfolio criteria are to be developed by the Company simultaneously with the RFP, GSEIA and VS cannot support Paragraph 6.

7. **The Renewable Cost Benefit framework ("RCB") as provided in paragraph 8(a) shall be utilized in the evaluation of bids received through the REDI RFPs for utility scale and DG projects. The Company and Staff will work collaboratively to develop a process and recommendations for the continued implementation of RCB. Within (4) months from the issuance of the Final Order in this case, the Company and Staff will file their proposal with the Commission for implementation of RCB. If an agreement is reached between the Company and Staff on implementation of RCB, the Company and Staff can recommend to the Commission utilization of the full RCB in REDI.**

Georgia Solar Energy Industries & Vote Solar

In its brief, states that the final Framework must also include calculations to allow up to fifteen (15) year contract terms for Customer Sited DG at levelized avoided cost pricing. Though they want to see a methodology and calculation of the Company's solar avoided costs result from the Framework, GSEIS and VS cannot support paragraph 7.

Sierra Club

In its brief, Sierra Club stated that the Framework should not be overwhelmed by qualitative assessments. It stated that in general, qualitative assessments should not overwhelm quantitative assessments, and should instead be used to help distinguish quantitatively equivalent analyses. To do otherwise would be to render the Framework meaningless; the purpose behind developing a framework to accurately assess the value of renewable resources is to enable the Commission and the Company to avoid making inaccurate or non-strategic decisions based on qualitative assessments that may well have no basis in or relationship (or worse, are contrary) to the real costs and benefits those decisions incur.

Southern Alliance for Clean Energy

In its brief, SACE recommends that the Commission provide more specific direction and inclusion into the resolution of issues related to the renewable cost benefit framework. As it relates to the four month process between the Company and Staff to develop a process and recommendations for implementation of the RCB, SACE recommends that the Commission order that the RCB Framework shall be developed by the Company and Staff, and that they shall mutually agree on at least two additional intervenors to participate in those discussions, with full access to materials used to revise and improve the RCB Framework.

8. The RCB shall be modified for use in the REDI program as follows:

(a) The Company shall evaluate the bids received in response to REDI RFPs using the RCB. The evaluation of REDI proposals will be limited to the consideration of Avoided Energy and Deferred Generation Capacity cost components consistent with the Framework methodology. Further, the Company will evaluate the appropriate transmission and distribution costs and benefits on a case by case basis as proposed in the Framework document.

(b) Once the evaluation in 8(a) is concluded the Company will conduct, for information purposes only, an evaluation using the entire RCB as filed by the Company to allow Staff and the Independent Evaluator ("IE") to gain familiarity with the RCB. The evaluation will include all aspects of the Framework including specifically, Generation Remix, Support Capacity, and Bottom Out Adjustments. The Company will file its results with the Commission.

Georgia Solar Energy Industries & Vote Solar

In its brief, states that the Stipulation allows the Company significant discretion to assess costs and benefits on a case by case basis. This is improper. Cannot agree that unilateral changes by the Company are appropriate without Commission review and stakeholder input. It is not appropriate to exclude stakeholders from this process. GSEIA and VS do not support paragraph 8. Supports the critique of the Company's Framework and Solar Analysis contained in the testimony of Beach on behalf of Georgia Interfaith Power and Light and Southface Energy

Institute, Inc. Support Beach's recalculation of the solar avoided cost savings for Customer Sited DG.

9. **The Additional Sum for utility scale resources procured through REDI shall be set at 8.5% of shared savings. This amount shall be levelized and recovered annually for the term of the PPA.**
10. **The Company's closed ash pond solar demonstration project is approved as filed by the Company. The Company will be required to file quarterly construction monitoring reports and will be required to demonstrate the reasonableness and prudence of any recovery in excess of the budget for this project filed in the 2016 IRP. The Simple Solar program is approved with the modifications to the sourcing of the program as recommended by Staff.**

In addition, the Company's High Wind Study is approved as filed. The Company agrees to file quarterly reports providing the status of the High Wind Study. The Staff and Company will collaborate on what, if any, information from the wind study will be made available to interested parties.

Georgia Interfaith Power & Light and Southface Energy Institute

In its brief, GIPL and Southface requested that the Commission not approve the proposed Simple Solar Program; instead order the Company to investigate and propose for filing in the next IRP a community solar program that features additionality and economic benefits for participating customers.

11. **The Commission approves an additional 200 MW of self-build capacity for use by the Company to develop additional renewable projects in collaboration with customers, including potential projects at Robins Air Force Base and Fort Benning. The projects must be at or below the Company's avoided costs. No more than 75 MW of the 200 MWs provided for in this provision may be used for non-military customer projects. For the non-military customer projects, the Company must demonstrate that the project meets a special public interest need and could not reasonably be achieved using the competitive bid process. The RECs for the non-military customer projects shall accrue to the benefit of all customers.**

Georgia Solar Energy Industries & Vote Solar

In its brief, states that they do not recall any Company testimony at the hearing requesting self-build projects. Therefore, there is no evidence in the record supporting paragraph 11. The Company consistently urged that all projects (even down to Customer Sited DG) be competitively bid – until now for its own self-build projects. The Company's request directly contradicts its prior insistence for competitive bidding across the board. GSEIA and VS cannot support paragraph 1.1

12. **The Company shall consider the development of a renewable Commercial and Industrial Program. No more than 200 MW shall be allocated for such a program and such program must be approved by the Commission before implementation. The Company shall only**

consider program options that will result in delivering value to all of its customers and will benchmark such programs to the last accepted proposal from the Company's utility scale REDI program.

Commercial Group

In its brief, the Commercial Group seeks clarifying language in the Final Order stating: Georgia Power shall work with its C&I customers to develop the parameters of the C&I program described in Stipulation Supply Side Plan paragraph 12 by the end of 2016 so that the program can be implemented as soon as the pricing benchmark is known in 2017.

Georgia Solar Energy Industries & Vote Solar

In its brief, states that GSEIA and VS support a renewable C&I program, as requested by the Commercial Group. But, the text of paragraph 12 is very conditional. The Commission should direct the Company to evaluate a C&I program and provide its analysis to the Commission for review. Though they encourage the development of a C&I program, they oppose paragraph 12, as stated.

13. **Staff and the Company shall work together to address retirement study and other modeling issues. This process should begin within six months of the final order being issued in this proceeding and must conclude at least 12 months prior to the Company's filing of the 2019 IRP.**
14. **For purposes of the Company's IRP evaluations the long term Southern System planning reserve margin shall be raised to 16.25%. The Company shall meet with Commission Staff within 6 months of a final order in this case to discuss the timing of future Expected Unserved Energy studies. The Company will report to Staff once all operating companies have approved for utilization the long term planning reserve margin adopted by this provision.**
15. **The Company agrees to minimize all capital expenditures on Plant McIntosh Unit 1 and Plant Hammond Units 1-4 through July 31, 2019. The Company agrees to annual limits on all capital expenditures of \$1 million for McIntosh 1 and \$5 million for Hammond 1-4 (The Hammond Units 1-4 \$5 million value represents the cumulative annual amount for all four units. This provision does not apply to expenditures required for retirement obligations.). The Company agrees to make a filing with the Commission prior to incurring expenditures that exceed the annual limit.**

Sierra Club

In its brief, Sierra Club stated that it would be better still for the Company to resign itself to the reality demonstrated by the retirement analyses performed in this proceeding, and simply announce that it will be transitioning Plants McIntosh and Hammond off of coal as the compliance mechanism for the ELGs. This would offer the further benefit over the proposed Stipulation of minimizing stranded costs and providing greater opportunity for transition planning. Barring that, a transition docket should be opened as soon as possible, to be completed in 2017, to ensure that no ratepayer money be needlessly expended on potential 2018 ELG

compliance uneconomic coal units. Such a docket should in particular examine McIntosh, Hammond, and Wansley with a careful eye for the potential for stranded costs.

16. The measures taken to comply with the existing government imposed environmental mandates necessary for the Company to implement its environmental and compliance plan as presented in Technical Appendix Volume 2, Summary of Capital Expenditures, Closures, and O&M Expenses filed as part of the 2016 IRP are approved subject to the limits outlined in No. 15 above regarding Plant McIntosh Unit 1 and Hammond Units 1-4. This approval does not preclude the Commission from reviewing prudence of the actual expenditures made to effectuate the compliance plan.
17. The remaining net book values of Plant Mitchell Units 3 (*estimated at \$14.6 million in response to STF-2-2*) shall be reclassified as a regulatory asset and the Company shall continue to provide for amortization expense at the same rate as determined in the Company's 2013 base rate case. Recovery of the remaining balance as of December 31, 2019 will be deferred for consideration in the Company's 2019 base rate case. The Stipulating Parties reserve the right to make any arguments, including policy and legal arguments, on the recovery mechanism and appropriate period in which the costs should be recovered if applicable. Parties may argue their respective positions on that issue in the 2019 base rate case.

Any unusable M&S inventory balance remaining at the date of the unit retirement shall be reclassified as a regulatory asset and deferred for consideration in the Company's 2019 base rate case. The Stipulating Parties reserve the right to make any arguments, including policy and legal arguments, on the recovery mechanism and appropriate period in which the costs should be recovered if applicable. Parties may argue their respective positions on that issue in the 2019 base rate case.
18. Any over or under recovered cost of removal balances for each Retirement Unit shall be deferred for consideration until the Company's 2019 base rate case. The Stipulating Parties reserve the right to make any arguments, including policy and legal arguments, on the appropriate period in which the costs should be recovered. Parties may argue their respective positions on that issue in the 2019 base rate case
19. The Company shall report to the Commission concerning progress on the dismantlement and remediation of the Plant Kraft generating plant site and the Company shall provide the Commission with appraised values of any land at that site that the Company would propose to donate to the Georgia Ports Authority, including information regarding whether the appraised value exceeds the Company's net book value of such land.
20. The decision whether to accept, modify or defer consideration of the Company's request for authority to capitalize additional costs to preserve new nuclear shall be a policy decision for the Commission. Adoption of this provision within this stipulation does not preclude any Party from making any argument for or against the Company's request in this regard, nor does this agreement or this provision within this agreement suggest that the Commission must or should (or should not) consider this question as part of this IRP.

Georgia Power Company

Invest \$174.5 now will cut the lead time for nuclear generation by seven years. The impact on customers of the \$174.5 million investment is relatively minimal.

PIAS

Staff recommends that the Commission not approve the Company's request to spend as much as \$175 million for preserving a "new nuclear" option in the current IRP proceeding. (PIAS initial recommendation was to deny the Company's request arguing that the 2019 IRP provides more than adequate timing for consideration and development of a nuclear option).

Georgia State Building & Construction Trades

Filed Letter in support of Georgia Power's new nuclear request.

Southern Alliance for Clean Energy

In its brief, SACE recommends that the Commission deny the Company's request for approximately \$300 million in expenses and financing costs for evaluation of a possible new nuclear development site in Stewart County until 2019 when Vogtle Unit 3 is estimated to be complete and the actual cost of new nuclear construction will be known. SACE supports the PSC Advocacy Staff's recommendation not to approve the Company's request to spend \$175 million to investigate and license new nuclear generation units in Stewart County because the actual cost of this request is over \$300 million and the cost of Vogtle Units 3 and 4 should be taken into account when considering the development of new nuclear units. The Commission can reconsider the Company's request in the 2019 IRP proceeding when Vogtle Unit 3 will be complete based on the Company's current commercial operation date that has been reaffirmed in its prudency review filing, and the final cost of Vogtle Units 3 and 4 will be ascertainable and can be used for economic comparisons to other generation options.

21. **When filing the 2019 IRP or when filing any updates to the IRP prior to the 2019 IRP filing, the Company agrees to provide the Commission Staff working copies of all models used in the development of that IRP, with each configured to replicate inputs used to derive results incorporated in its base case scenario within 10 days after the IRP or update to the IRP is filed.**
22. **In conjunction with the ongoing level of review and analysis required by this agreement, Georgia Power will agree to pay for any reasonably necessary specialized assistance to the Staff in an amount not to exceed \$300,000 annually. This amount paid by Georgia Power under this paragraph shall be deemed as necessary cost of providing service and the Company shall be entitled to recover the full amount of any costs charged to the utility.**
23. **The Electric Transportation Initiatives and associated costs identified in the 2016 IRP are not, and have not been converted into, jurisdictional expenses that become the responsibility of ratepayers. Each party reserves the right to address these costs and the merits of the program through the Annual Surveillance Report process and future rate cases.**

Other Issues/Recommendations Not Covered by the Stipulation

Georgia Solar Energy Industries & Vote Solar

Renewable Energy Task Force –

In its brief, GSEIA and VS request the development of a Renewable Energy Task Force to advance the goal of collaboratively developing and implementing solar policy and solar deployment for Georgia. GSEIA and VS recommend that its creation should be included in the Stipulation.

Docket No. 40162
Georgia Power Company's 2016 DSM Plan

Post-Stipulation Positions of the Parties – Based on Testimony &/or Briefs, and Proposed Orders

Paragraph

1. **The Company's 2016 Demand Side Management ("DSM") Plan and Application for Certification, Decertification and Amended DSM Plan is approved as amended by this Stipulation.**

Commercial Group

In its brief, the Commercial Group suggests an addition to the program that would achieve substantial energy efficiencies, namely a submeter program for large commercial customers

Georgia Interfaith Power & Light & Southface Energy

In its brief, GIPL and Southface state that the proposed Stipulation fails to remedy this IRP's most glaring flaw: a limited and subordinate role for demand-side resources that is blatantly contrary to the IRP statute. And that the IRP fails to consider demand-side resources on a "fair and consistent basis" alongside supply-side options, as mandated by the IRP statute and regulations.

Resource Supply Management

In its brief, RSM recommends that the Commission make all Demand Side Management programs completely voluntary or abolish them out right.

2. **Georgia Power will continue to treat DSM as a priority resource in accordance with prior Commission precedent. For the calculation of long term percentage rate impacts, the Company will work with Commission Staff to come up with a methodology within 12 months of the issuance of the final order.**

Georgia Interfaith Power & Light & Southface Energy

In its brief, GIPL and Southface requests that the Commission (1) reaffirm that Commission policy is to require treatment of energy efficiency as a priority resource, while further clarifying that this policy means allowing energy efficiency to compete on an equivalent basis with supply side resources in IRP planning and development. Order the striking of contrary language from the first line of paragraph 2 on page 5 of the proposed Stipulation; (2) order that the Company include an additional scenario in its 2019 IRP development and resource optimization process wherein DSM is allowed to compete on a level playing field with traditional supply-side options; and (3) order the Company to submit, within 120 days of the date of the Final Order, a low-income DSM program plan or plans covering both single family and multifamily housing for low-income customers, as further detailed in Exhibit A attached to their brief.

Sierra Club

In its brief, Sierra Club recommended (1) that going forward, to avoid missing out on substantial expansions in customer savings, the Commission should direct the Company to model not just its own base case, but also the Advocates Case arising out of the DSM Working Group sessions—

rather than the Company modeling a distorted version of the Advocates Case according to its own preferences. Doing so would ensure that the Working Group properly operates as a "second opinion" concerning DSM implementation, giving this Commission a better range of data to evaluate in approving (or denying) the Company's DSM program offerings, to the benefit of customers. And (2) that the Commission should direct Georgia Power to, in the next IRP, evaluate DSM head-to-head with more traditional generation resources in its dispatch and resource planning modeling. The Commission should direct Georgia Power to better analyze and expand its DSM programs in compliance with the requirements of EISA Standard 16.

3. **Georgia Power will enter discussions over the next three years with Staff and DSMWG members on the value of a Residential Mid-Stream Retail Products Program.**

Resource Supply Management

In its brief, RSM recommends that the Demand Side Management Working Group be abolished.

4. **Georgia Power will develop a Technical Reference Manual prior to the Company's next IRP filing and will update it every three years thereafter. The Company will work closely with Staff and members of the DSMWG and DSMWG members may also propose new measures to be added at any point in the measure evaluation process. The DSM Program Planning Approach filed as Staff Exhibit BSK8 will otherwise remain unchanged other than "Technology Catalog" will be replaced with "Technical Reference Manual" and the dates will be updated to reflect 2017 through 2019.**

Georgia Interfaith Power & Light & Southface Energy

In its brief, GIPL and Southface requested that the Commission direct that the program plan or plans covering both single family and multifamily housing be developed in consultation with those members of the DSM Working Group with whom the Company has been discussing low-income programs.

5. **Georgia Power will agree to the budget adjustments as provided in exhibit 8 attached to this Stipulation as amended.**
6. **Georgia Power will receive an Additional Sum equal to 8.5% of actual net benefits based on net energy savings from the Program Administrators Cost Test ("PACT"). Once the Additional Sum amount as calculated exceeds the annual program costs, the portion of the Additional Sum that exceeds the program cost shall be calculated based on 4% of the actual net benefits based on net energy savings from the PACT.**
7. **Georgia Power will work with Staff and the Company's implementation contractor for the Residential Behavioral Program to find ways to include more customers in the program**
8. **The Company will make a concerted effort to obtain at least 25% of portfolio savings each year from the Residential sector.**

9. **Once a program implementer is selected and plans for all proposed programs are drafted and completed, the plans will be provided to Staff for review prior to implementation of the programs. The current review and approval process reached in an agreement between Staff and the Company in 2014 will continue, and the Company agrees to discuss further refinements and revisions to the process. In order to change the process both Staff and the Company must agree to the recommended changes.**
10. **The Company will provide detailed evaluation plans for each of the approved DSM programs within 120 days of the selection of Program Implementers for each of the certified programs. If necessary, the Company may request, and Staff may unilaterally grant, additional time to complete the detailed evaluation plans for each of the approved DSM**
11. **The Company will agree to a Commercial and Residential Building Usage Data awareness option at the cost of \$300,000 for 2017 and \$100,000 annually for 2018 and 2019, and such costs will be added to the DSM Consumer Awareness budget. This option will be available to customers within one year from the date of the final order in this docket. There will be no assumed energy savings or goals attributed to this customer awareness option.**

Georgia Interfaith Power & Light & Southface Energy

In its brief, GIPL and Southface requested that the Commission approve paragraph 11 on page 6 of the proposed Stipulation regarding the Company's creation of a Commercial and Residential Building Usage Data awareness option but with the following revisions: (a) order that whole building energy data shall be provided to building owners with 4 or more separately-metered tenants; and (b) order that the data be provided in convenient, electronic form and in a format compatible with leading benchmarking software such as EnergyStar Portfolio Manager.

12. **The Company and Staff agree to a \$2.5 million annual pilot budget for DSM and energy efficiency pilot programs. Staff will be notified before the start of such pilots.**

Commercial Group

In its brief, Commercial Group states that the Stipulation does not directly address submeters, and therefore requests clarification language in the Final Order stating that submeters will be part of the \$2.5 million DSM pilot program provided for in paragraph 12 of the Stipulation.

Georgia Interfaith Power & Light & Southface Energy

In its brief, GIPL and Southface requests that the Commission should direct that the Company's low-income plan or plans indicate how these budget items can best be used in support of low-income programs. Following the Company's submission, the Commission would review the Company's proposal and decide at that time whether to certify all or part of it as one of Georgia Power's DSM programs or to approve all or part of it as a pilot program.

13. **The Company agrees to the Staff recommendation for the Learning Power program annual budget to be \$3 million.**

14. The Company agrees to the Staff recommendation against shifting residential and commercial customer awareness to cross-cutting costs.
15. The current DSM true-up process filed in Docket No. 36499 on October 18, 2013, will continue through 2020. Although the DSM tariffs will remain at current levels until rates are adjusted in 2020, the true-up review process will continue on an annual basis.