

year starting in 2012, Southern Company and Georgia Power have the geographic reach and private research and development expertise to speed the real transition to a smart grid powered by sun, wind, and water power, and nothing else.

Some of Legg's argument seems carried over from the 2013 attempted solar rate hike:

"Sending more appropriate price signals will help customers make the most economic decisions, while also ensuring that other customers are not impacted by these decisions."

A mandatory connection rate hike is a signal for customers to find some other source of electricity than Georgia Power.

Edison Electric Institute (EEI) warned all the electric utilities that they risked disruption on the scale of what happened to the telephone companies with the rise of the Internet, in its January 2013 report, "Disruptive Challenges: Financial Implications and Strategic Responses to a Changing Retail Electric Business,"

<http://www.l-a-k-e.org/topics/solar/2013-01-01--eei-disruptive-challenges/>

What Georgia Power is attempting (again) is the very first of the "Immediate Actions" EEI recommended:

- *Institute a monthly customer service charge to all tariffs in all states in order to recover fixed costs and eliminate the cross-subsidy biases that are created by distributed resources and net metering, energy efficiency, and demand-side resources;*

Why? EEI was pretty blunt about that:

"Investors have no desire to sit by and watch as disruptive forces slice away at the value and financial prospects of their investment."

Instead of attempting to gouge money from customers for its investors, Georgia Power would be well-advised to look at one of the "Longer-Term Actions" EEI added almost as an afterthought:

"Identify new business models and services that can be provided by electric utilities in all states to customers in order to recover lost margin while providing a valuable customer service—this was a key factor in the survival of the incumbent telephone players post deregulation"

If Georgia Power and Southern Company do not get on this, somebody else will. I don't know whether it will be EMCs, startup community solar, NextEra moving in from Florida, or something else. But Georgia Power risks going the way of AT&T Longlines.

I ask the PSC to refuse this rate hike, thus sending Georgia Power a signal to get on with the job of leading Georgia, the southeast, and the world into a renewable energy future.

For the rivers and the aquifer,

John S. Quarterman

/s

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