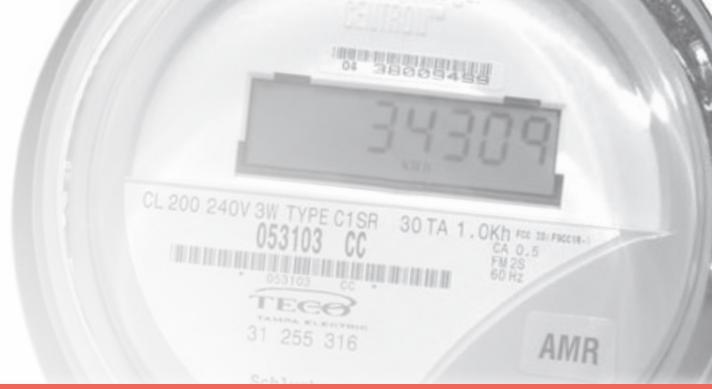




YOUR UTILITY RATE SPECIALISTS

Editor: Brian W. Coughlan, PE
 BSEE, MSEE, MBA, CEM, CE, CEP, CDSM
President of UMS



POWER NOTES - GEORGIA POWER

Electric Rates

How does your state compare?

The table below shows the average cost per kiloWatt hour in Georgia and other states in the southern portion of the United States, as of October 2018. The national average, according to the US Energy Information Administration, is also shown.

Georgia has low residential and industrial rates per kWh, and moderate commercial rates.

STATE	Residential/kWh	Commercial/kWh	Industrial/kWh
Alabama	\$ 0.1242	\$ 0.1124	\$ 0.0598
Georgia	\$ 0.1096	\$ 0.0950	\$ 0.0526
North Carolina	\$ 0.1194	\$ 0.0906	\$ 0.0605
South Carolina	\$ 0.1243	\$ 0.0983	\$ 0.0589
Virginia	\$ 0.1190	\$ 0.0831	\$ 0.0691
National Average	\$ 0.1287	\$ 0.1074	\$ 0.0691

Prior to the Plant Vogtle expansion, GA had some of the lowest rates in the nation.

How Schedule Delays Impact You

Plant Vogtle Update

The two new units at Plant Vogtle were originally supposed to go on line in 2017 and 2018, respectively. The schedule has been postponed many times throughout the course of the project. GA Power now says that they will go on line in 2021 and 2022.

However, expert witnesses from the staff of the Georgia Public Service Commission - and from an outside consulting firm - told the PSC in December that it is "highly unlikely" that the units will go on line under the current schedule. Each month they are delayed results in \$200 million in additional costs to end-use customers.



https://media.bizj.us/view/img/9552292/plant-vogtle-may-2016*750xx4000-2250-0-0.jpg

WINTER 2019 ISSUE - POWER NOTES

- Rate Comparisons by State.....Page 1
- Power Restoration During Storms.....Page 1
- What to Expect in the Future.....Page 2
- Will Solar Panels Be Required?.....Page 2
- UMS Contact Information.....Page 2

The Season of Ice

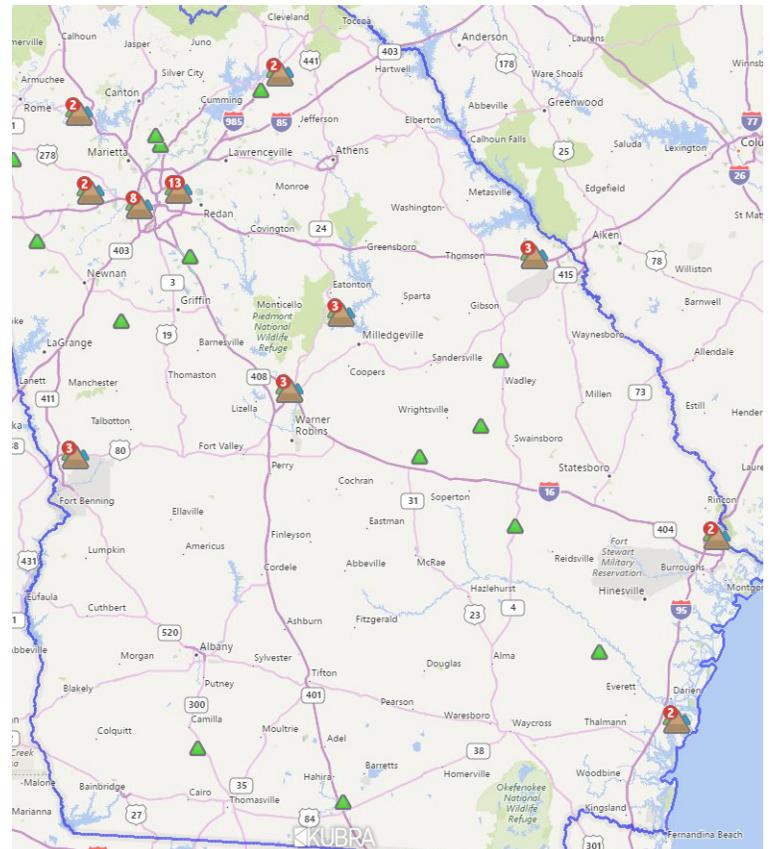
When will power be restored?

We are in the middle of ice storm season. Ice storms are among the most damaging to power companies. Ice builds up on trees and causes them to fall on power lines, resulting in outages. When the power goes out, it is helpful to have an idea of when it will be restored. This information can help businesses decide whether to close and send employees home or whether to simply wait.

Fortunately, Georgia Power has a page on their website that can provide information such as how widespread the outage is and an estimated time when customers can expect power to be restored. The link to that page is:

<http://outagemap.georgiapower.com/external/m.html>

Accessing that link will direct you to a map that looks like this:



Each triangle is a current outage. Zoom in until you can clearly see your area, then click on the triangle nearest your location. This will provide you with information such as how many customers are impacted and the approximate restoration time.



At UMS, we follow environmental, regulatory, economic and financial issues in the energy industry. Here are some of the predictions from UMS - and some from the US Energy Information Administration - of what may be in coming years.

Climate Change

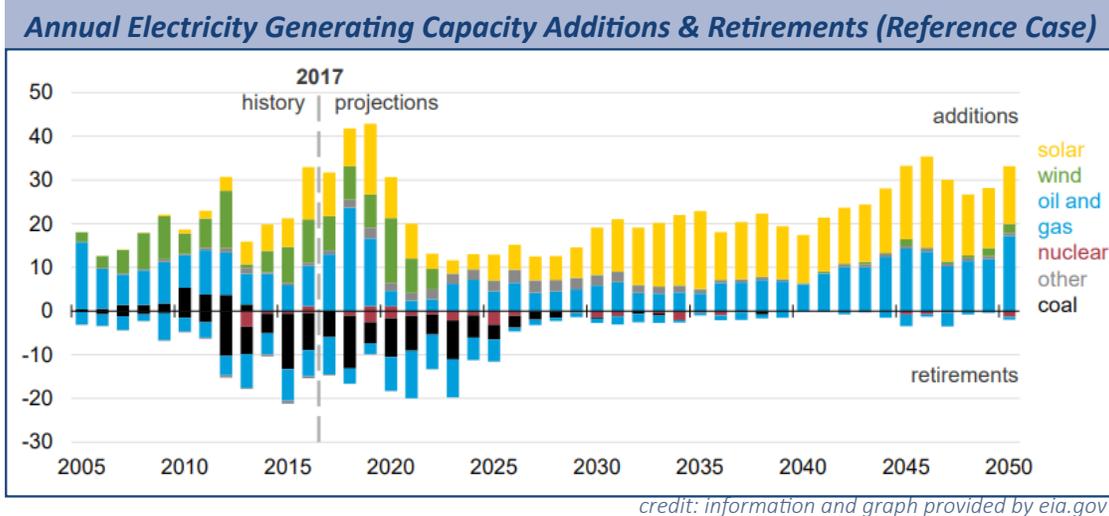
Climate change will likely stop being seen as a theory and become widely accepted as a scientific fact. We will likely also accept that human activities, primarily the burning of fossil fuels, are the cause of the change. This could lead to sweeping changes in the energy industry that would impact everyone. Even with these changes, we can only slow the effects of climate change - there is no reversing it.

Lighting

The government may mandate LED lighting for new construction and ban the sale of incandescent and fluorescent lighting. Many incandescent and fluorescent lamps are already banned by the government. Thanks to the extremely long life of an LED lamp, purchasing and replacing bulbs will become rare.

Solar Energy

Building codes may be updated to mandate solar panels on most new residential and commercial construction. Solar panels may become like insulation - you'll be required to install to help conserve energy. The trend toward solar is underway. Starting in 2020, California will require solar panels on most new homes. Tax credits and falling costs of solar technology help drive new solar installations, and, according to a graphic published by the US Energy Information Administration (EIA), solar will become the dominant source of new generating capacity.



credit: information and graph provided by eia.gov

Wind Energy

The wind energy industry has grown dramatically over the last 15 years. EIA predicts increases in wind energy to diminish with the end of the tax credits in 2023.

Coal Plants

Coal will continue its steady decline. The EIA graph shows now new coal power capacity has come on line since 2012 and extensive coal plant retirements for the foreseeable future. The Trump administration has canceled the Clean Power Plan; this will slow, but not eliminate, the decline in coal power. Twenty years ago, coal produced 50 percent of our electricity. By 2040, it will produce less than 20 percent.

Natural Gas

Vast quantities of natural gas have been identified in the US. Thanks to fracking, it can be extracted in a cost-effective manner. Natural gas is now used to produce more electricity than coal; it is much cleaner.

Nuclear Plants

When the EIA created this same graph in 2016, they forecast a small amount of nuclear generating capacity in 2018 and 2019. That was for the new units at Plant Vogtle in Georgia, and the VC Summer units in South Carolina. The Vogtle units are dramatically over budget, behind schedule and may never produce electricity. The EIA forecasts no new nuclear generation after the Vogtle units and nuclear plants being retired in the coming years.

US Becomes an Energy Exporter

The EIA predicts that the US will soon become a net energy exporter, due to the dramatic increases in exporting liquified natural gas. This puts us in a favorable trading and economic position. We will continue to be a net importer of petroleum, but at lower rates than today.

Energy Tax

The government may implement an energy tax in some form to provide incentive to conserve energy. It could be a carbon tax, which has already been implemented in Canada and has many advocates in the US. It could be a BTU tax, which was proposed by President Clinton in 1993.

Energy Prices

The EIA projects increases in the costs of petroleum, natural gas and electricity for the foreseeable future.



Utility Management Services, Inc.
6317 Oleander Drive, Suite C
Wilmington, NC 28403
888.867.3230

www.UtilManagement.com

Payments ONLY to:
PO Box 890134, Charlotte, NC 28289

Credit Card Payments, call:
888.867.3230 ext. 101