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For Immediate Release

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MEDIA ADVISORY **Commissioner Tim Echols Media Availability**

When: 10:10 a.m. July 29, 2014
Where: Outside Conference Room
Omni Hotel
North Tower, M4
100 CNN Center
Atlanta, Georgia 30339

ATLANTA – July 28, 2014 - Public Service Commissioner Tim Echols will be available for interviews following his remarks at the Environmental Protection Agency hearing at the Omni Hotel on July 29, 2014. Contact Commission Public Information Officer Bill Edge to coordinate interviews at 404-406-5120 or bille@psc.state.ga.us.

Echols prepared remarks, embargoed until 10 a.m. July 29, 2014, are attached below.

Remarks to EPA by Commissioner Tim Echols **Embargoed for July 29, 2014**

We're one of only 12 states that elect our energy regulators, and all five of us on the Public Service Commission face the voters every six years. All five of us have great concern about this rule. I'm here today to tell you that Georgia has made enormous progress with air quality, and it is my hope that the proposed rule will be withdrawn. Since 2008, within the Georgia Power system, our CO₂ is down 30%, Mercury and NO₂ are both down 85%, and So₂ is down 90%.

We have 411 CNG buses in Atlanta's bus fleet, and we're the #1 market in America for the Nissan Leaf. We're also the fastest growing solar state in the country. By the way, we've done all this without a Renewable Portfolio Standard, without this rule in question today—all the while maintaining competitive rates. We've made great progress, but this rule will force us to strand assets and raise energy prices.

In 2005, 60% of Georgia Power's generation was coal. Today, it is 26%. In 2005, we had only 3% of our generation powered by natural gas, and today it is almost 30%, a ten-fold growth. We're building two new reactors. It was just in February when Commissioner McDonald and I sat with President Obama's climate advisors, at their invitation, in the White House where we were told

that without a substantial growth in nuclear power, the President's Clean Energy goals could not be met. Yet this rule doesn't send the signals to trigger the enormous investment required to do what we are doing here in Georgia.

I don't have to tell you all that the country's nuclear fleet is under economic stress. The same low cost natural gas that has allowed us to fuel-switch coal has made nuclear power less competitive as well—especially in FERC jurisdictional markets and wind corridors.

Nuclear generation is undervalued in the marketplace. States need to join Georgia and South Carolina in recognizing the importance of the nuclear fleet and adopt policies that will allow them to develop reactors like we are. Unfortunately, this rule does not go nearly far enough. In fact, the new rule will most likely make us even more dependent on natural gas. A simple calculation illustrated recently by FERC Commissioner Norris demonstrates that the country's gas-fired fleet already emits more CO₂ than our 2050 target.

Therefore, it seems paramount that any rule must substantially incent new and existing nuclear, far more than the proposed rule does. This rule's evaluation of the cost and impact of new requirements assume that Vogtle 3 and 4 adds \$0 to Georgia's CO₂ reduction efforts.

This rule assumes that the Georgia Public Service Commission and Plant Vogtle co-owners did not consider the cost of carbon when we certified Plant Vogtle as a carbon-free emitting resource.

Nothing could be further from the truth. In fact, our on-going monitoring of this plant continues to consider the cost of carbon. But you can bet that cost is not \$0, as the rule assumes.

In January during the polar vortex, natural gas prices soared, especially in New York and New England. One New York plant operator told me that it was cheaper to burn oil than natural gas 21 of the 31 days of January.

We've built a model here in Georgia that provides flexibility so that we can use the most cost effective fuel source at any time. Under this rule, that will be over.

We've gone to great lengths to create a diverse portfolio to protect our ratepayers. This rule unravels all the planning we have done for the last 20 years.

Under this rule, a good economy becomes our enemy, and a polar vortex could trigger a substantial fuel cost increase.

Under this rule, we ignore the impact and cost to ratepayers of the 3000 MW of coal that will be retired by 2015.

Under this rule, the EPA would have us abandon another 3900 MW of fossil generation without regard to the \$5 billion invested to install environmental controls.

Under this rule, our energy policy is set by you, and not by our elected officials who represent our citizens.

Any rule created by the EPA should allow me to do my job.

Things are on the right track here in Georgia. This rule bypasses the federal and state legislature, ties the hand of the Governor, and usurps my authority given by the constitution of the state of Georgia.

So, in the spirit of democracy, please withdraw this rule.

Commissioner Echols is in his fourth year on the Georgia Public Service Commission, having been elected statewide in November, 2010. His complete biography and photo are found on the Commission web site at <http://www.psc.state.ga.us/pscinfo/bios/echols.asp?tab=Tab2>.

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