

House Bill 931

By: Representatives Drenner of the 85th, Stephenson of the 90th, and Mosby of the 83rd

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 46-2-25 of the Official Code of Georgia Annotated, relating to
2 procedure for changing any rate, charge, classification, or service and recovery of financing
3 costs, so as to change certain provisions relating to the recovery of the costs of financing the
4 construction of a nuclear generating plant; to provide the accounting method to be used in
5 the event the scheduled date for commercial operation of such plant is exceeded; to provide
6 for related matters; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Code Section 46-2-25 of the Official Code of Georgia Annotated, relating to procedure for
10 changing any rate, charge, classification, or service and recovery of financing costs, is
11 amended by revising paragraph (1) of subsection (c.1) as follows:

12 "(c.1)(1)(A) Notwithstanding any provision to the contrary, a utility shall recover from
13 its customers, as provided in this subsection, the costs of financing associated with the
14 construction of a nuclear generating plant which has been certified by the commission,
15 provided that the utility has not exceeded the scheduled date for commercial operation
16 of the nuclear generating plant approved by the commission at the time of certification.

17 The financing charges shall accrue on all applicable certified costs as they are recorded
18 in the utility's construction work in progress accounts pursuant to generally accepted
19 accounting and regulatory principles as approved by the commission. The financing
20 costs shall be based on the utility's actual cost of debt, as reflected in its annual
21 surveillance report filed with the commission, and based on the authorized cost of
22 equity capital and capital structure as determined by the commission when setting the
23 utility's current base rates. These financing costs shall be recovered from each
24 customer through a separate rate tariff and allocated on an equal percentage basis to
25 standard base tariffs which are designed to collect embedded capacity costs. The
26 commission shall retain the discretion to consider the effect of this tariff when setting

27 the level of any senior or low income assistance it may authorize; provided, however,
28 that the income qualification for such assistance shall be 200 percent of the federal
29 poverty level.

30 (B) If the utility exceeds the scheduled date for commercial operation of the nuclear
31 generating plant approved by the commission at the time of certification, then the
32 financing costs incurred beyond such approved scheduled date for commercial
33 operation of the nuclear generating plant shall accrue as allowance for funds used
34 during construction pursuant to generally accepted accounting and regulatory principles
35 as approved by the commission, which the utility may seek to add to its rate base,
36 pursuant to subsection (a) of Code Section 46-3A-7, upon completion of the nuclear
37 generating plant."

38 **SECTION 2.**

39 All laws and parts of laws in conflict with this Act are repealed.