

Vogtle 3&4

AUGUST 2018



OWNERS: Georgia Power • 45.7% | Oglethorpe Power • 30% | MEAG Power • 22.7% | Dalton Utilities • 1.6% | **LOCATION:** Waynesboro, GA
LICENSEE/OPERATOR FOR OWNERS: Southern Nuclear | **TECHNOLOGY:** Two Westinghouse AP1000 nuclear units • about 1,117 MW each

Key Messages

- Completing the Vogtle 3&4 expansion will enable Georgia Power and the co-owners to continue delivering clean, safe, affordable and reliable energy to millions of Georgians, both today and in the future. The two new units at Plant Vogtle will provide customers with a new carbon-free energy source that will put downward pressure on rates for 60 to 80 years.
- With project completion still expected in November 2021 (Unit 3) and November 2022 (Unit 4), the new units will provide enough energy to power 500,000 Georgia homes and businesses.
- The Vogtle expansion is the largest job-producing project in the state of Georgia. More than 7,000 workers from across the country are onsite working to complete the new units and focused on safety, quality construction and productivity.



Savings & Benefits for Customers

- From the beginning of the Vogtle expansion, Georgia Power has worked with the Georgia PSC to pursue all available benefits for customers and minimize the impact of the new units on electric bills. A total of \$75 in 2018 bill credits, or \$188 million overall, was approved by the Georgia PSC as part of its order to continue construction of Vogtle 3 & 4 in December 2017. Georgia Power customers are receiving three separate \$25 credits in 2018 with the third and final \$25 credit expected to be issued in September. The credits are a direct result of parent guarantee payments for the Vogtle project from Toshiba available due to the strength of the original contract for the project and protections in place for Georgia electric customers.
- Customers also continue to save money throughout 2018 under the company's updated 2018 Nuclear Construction Cost Recovery (NCCR) tariff. The tariff allows the company to collect financing costs for the Vogtle expansion every month, a structure which saves customers hundreds of millions of dollars by reducing financing and borrowing costs, while also phasing the new units into rates over time helping to avoid "rate shock" once the new units come online. As a result of the Toshiba parent guarantee payments and changes in federal tax law this year, customers will pay \$139 million less than expected in 2018 for the Vogtle project with the typical residential customer using 1,000 kilowatt-hours per month paying \$1 less each month than they did in 2017.

Productivity & Progress

Significant milestones have been achieved during the first half of 2018, including:

- Placement of the 306-ton reactor vessel inside the Unit 4 containment vessel.
- Placement of the four main step-up transformers, each weighing 420,000 pounds, inside the Unit 4 transformer bays.
- The successful completion of the Nuclear Regulatory Commission's initial licensing exam by the third Vogtle 3&4 training class, with a total of 56 licensed operators (of the 75 needed) now available to operate the new units.
- A major concrete placement lasting more than eight continuous hours inside the Unit 3 shield building.
- The placement of a 52,000-pound Q233 piping module for Unit 4, a critical piece of the overall passive core cooling system, inside the containment vessel allowing large quantities of specialized piping to be installed.



Economics

- **The two new units at Plant Vogtle will provide customers with a new carbon-free energy source that will put downward pressure on rates for 60 to 80 years.**
- **The construction of the new Vogtle units is driving thousands of American jobs and will create nearly 800 new nuclear careers once operational.**
- **More than 7,000 workers from across the country remain on-site today working to complete the nation's first new nuclear units in 30 years.**



Cautionary Note Regarding Forward-Looking Statements

Certain information contained in this communication is forward-looking information based on current expectations and plans that involve risks and uncertainties. Forward-looking information includes, among other things, statements concerning expected customer rate impacts, expected cost savings and customer benefits and other future actions related to Plant Vogtle Units 3 and 4. Georgia Power cautions that there are certain factors that could cause actual results to differ materially from the forward-looking information that has been provided. The reader is cautioned not to put undue reliance on this forward-looking information, which is not a guarantee of future performance and is subject to a number of uncertainties and other factors, many of which are outside the control of Georgia Power; accordingly, there can be no assurance that such suggested results will be realized. The following factors, in addition to those discussed in Georgia Power's Annual Report on Form 10-K for the year ended December 31, 2017, and subsequent securities filings, could cause actual results to differ materially from management expectations as suggested by such forward-looking information: the impact of any failure to amend the DOE loan guarantee to allow for additional borrowings; state and federal rate regulations and the impact of pending and future rate cases and negotiations; the impact of recent and future federal and state regulatory changes, as well as changes in application of existing laws and regulations; the uncertainty surrounding the federal tax reform legislation, including implementing regulations and Internal Revenue Service interpretations, actions that may be taken in response by regulatory authorities, and its impact, if any, on the credit ratings of Georgia Power; current and future litigation or regulatory investigations, proceedings, or inquiries; available sources and costs of fuels; effects of inflation; the ability to control costs and avoid cost overruns during the development construction and operation of facilities, which include the development and construction of generating facilities with designs that have not been previously constructed; the ability to construct facilities in accordance with the requirements of permits and licenses, to satisfy any environmental performance standards and the requirements of tax credits and other incentives, and to integrate facilities into the Southern Company system upon completion of construction; advances in technology; legal proceedings and regulatory approvals and actions related to Plant Vogtle Units 3 and 4, including Georgia Public Service Commission approvals and Nuclear Regulatory Commission actions; interest rate fluctuations and financial market conditions and the results of financing efforts; changes in The Southern Company's or Georgia Power's credit ratings, including impacts on interest rates, access to capital markets, and collateral requirements; the impacts of any sovereign financial issues, including impacts on interest rates, access to capital markets, impacts on foreign currency exchange rates, counterparty performance, and the economy in general, as well as potential impacts on the benefits of DOE loan guarantees; and the effect of accounting pronouncements issued periodically by standard setting bodies. Georgia Power expressly disclaims any obligation to update any forward-looking information.