

Funding for Hydro: Dollars are Flowing!

Georgia Power & Alabama Power's Pursuit of Section 243 & 247 Incentives



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Southern Company Hydroelectric Fleet Operations

- **Georgia Power Company**
 - 11 FERC Licenses/Projects
 - 19 Plants
 - 71 Units
 - 1100 MW

- **Alabama Power Company**
 - 8 FERC Licenses/Projects
 - 14 Plants
 - 41 Units
 - 1700 MW



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Southern Company Hydro Modernization Program

■ Program's Objective:

- Invest in the hydro fleet to extend the life of the facilities for the next 40-50 years
- Increase energy resiliency at the hydroelectric developments to provide customers with continued low-cost, renewable, hydro generation to meet peak and off-peak power demands
- Utilize new technology and standardized equipment
- Average age of the plants is 68 years, with 6 over 100 years old
- Georgia Power Hydro Modernization Program Length: 2020 – 2032
- Alabama Power Hydro Modernization Program Length: 2020 – 2042



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Section 243 Hydro Efficiency Improvement Incentive Pursuits

- Alabama Power Lay Units 2, 3 & 6 Turbine Efficiency Project
 - \$53,718,187 project/ \$5m incentive sought
- Georgia Power Bartlett's Ferry Units 1-4 Turbine Efficiency Project
 - \$42,524,873 project/ \$5m incentive sought
- Georgia Power Tugalo Units 1-4 Turbine Efficiency Project
 - \$25,835,488 project/ \$5m incentive sought



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Georgia Power Tugalo Dam Units 1-4 Turbine Upgrade Efficiency Project

- **Section 243 Hydroelectric Efficiency Improvement Incentive - Selectee**
 - \$5 million incentive awarded
 - Project will refurbish and upgrade all turbine components
 - Project design and engineering have concluded
 - FERC authorized the project on February 16, 2023, after public notice and conducting NHPA and NEPA reviews
 - Work has begun on Units 1 through 3
 - Project will be complete, and all units will be back online by the end of 2025



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Georgia Power's Project Objectives Beyond 3% Efficiency Improvement:

- Increase energy production through more efficient utilization of available river flows by replacing vintage turbines with state-of-the-art turbines
- Extend the life of the facility and increase energy resiliency at the hydroelectric development to provide customers with additional low-cost, renewable, hydro generation to meet peak and off-peak power demand
- Increase individual unit reliability, including the ability of each unit to perform at its maximum efficiency when needed to meet power demand
- Continue Georgia Power's Commitment to the development and maintenance of clean, renewable energy sources and responsible stewardship of natural resources and local habitats
- Contribute to local and national economies by creating skilled jobs in the manufacturing and construction industries while advancing DE&I priorities and the Justice40 Initiative



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Section 247 Maintaining & Enhancing Hydroelectricity Incentive Pursuits

- **Georgia Power Section 247 Incentive Pursuits**

- Bartlett's Ferry Units 1-4 Generator Upgrade Grid Resiliency Project - \$42,524,873 project / \$5m incentive sought
- Tugalo Units 1-4 Generator Upgrade Grid Resiliency Project - \$25,835,488 project / \$5m incentive sought
- Oliver Units 1-4 Generator Upgrade Grid Resiliency Project - \$13,178,504 project / \$3,953,551 incentive sought
- Tallulah Falls Obermeyer Gate Upgrade Dam Safety Project - \$17,369,465 project / \$5m incentive sought
- Goat Rock Obermeyer Gate Upgrade Dam Safety Project - \$22,637,170 project / \$5m incentive sought

- **Alabama Power Section 247 Incentive Pursuits**

- Logan Martin Deep Grouting Dam Safety Project - \$22,750,000 project / \$5m incentive sought
- Mitchell Spillway Gate Upgrade Dam Safety Project - \$85,164,769 project / \$5m incentive sought



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Section 243 & 247 Incentive Application Challenges

■ Section 243 Applications

- Davis Bacon Act Compliance
- Community Benefits Plans
- Confidentiality Concerns
 - Efficiency Improvement Data
 - Manufacturer Proprietary Information
 - Budget/Cost Requirements
- Lack of excess capacity amongst Internal Resources
- Misc. Internal Challenges
- Steep learning curve

■ 247 Applications

- New Incentive with new guidance
- Davis Bacon Act Compliance
- Community Benefits Plans
- Confidentiality Concerns
 - Budget/Cost Information
 - Manufacturer Proprietary Information
- Lack of excess capacity amongst Internal Resources
- Misc. Internal Challenges
- Volume of Projects



QUESTIONS???

Please reach out to me:

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Thank you for attending Waterpower Week and supporting NHA!!

Hope to see you at Clean Currents in Portland, OR, October 7th-10th



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