



DOE Loan Guarantees Background

- Southern Company is pleased that the Department of Energy (DOE) has offered Georgia Power a conditional commitment for loan guarantees for approximately \$3.4 billion or 70 percent of the eligible project costs for Vogtle Units 3 and 4.
- DOE's decision acknowledges the merit of the Vogtle project and Southern Company's demonstrated commitment to deploying new nuclear power to meet the needs of our customers.
- Southern Company is committed to work constructively with the DOE to finalize the loan guarantees, which are subject to receipt of the COL, and completion of final agreements including any required regulatory approvals.
- As a result of the DOE loan guarantees, Georgia Power and its customers are currently expected to save approximately \$15-20 million in interest costs annually over the expected life of the bonds. The actual amount of the interest savings will be dependent on final terms and the timing of specific borrowings.
- Georgia Power will have a period of 90 days to accept the conditional commitment, subject to any extensions, approved by DOE.

Application Timeline:

- Georgia Power and the co-owners filed part I of the application on Sept. 29, 2008, and requested the maximum funding available (80 percent) for the construction cost of Vogtle 3 and 4.
- In November 2008, DOE announced the Vogtle project ranked among the first out of all applicants.
- In December 2008, Georgia Power and the co-owners filed part II of the application.
- In December 2009, DOE issued a Final Rulemaking to change the rules governing the Loan Guarantee Program. These rules are critical for Georgia Power and other projects that use an undivided interest ownership structure.