

**BEFORE THE GEORGIA PUBLIC SERVICE COMMISSION
STATE OF GEORGIA**

In Re: Review of Proposed Revisions)	
and Verification of Expenditures)	
Pursuant to Georgia Power Company's)	Docket No. 29849
Certificate of Public Convenience and)	
Necessity for Plant Vogtle Units 3 and 4,)	
Thirteenth Semi-annual Construction)	
Monitoring Report)	

**DIRECT TESTIMONY AND EXHIBITS OF GLENN CARROLL
ON BEHALF OF NUCLEAR WATCH SOUTH**

I. INTRODUCTION

1 **Q. Please state your name, profession, and business location.**

2 A. My name is Glenn Carroll. I am coordinator of Nuclear Watch South. My business
3 address is P.O. Box 8574, Atlanta, Georgia 31106.

4

5 **Q. Ms. Carroll, please summarize your educational and professional experience.**

6 A. I am coordinator of Nuclear Watch South and have 28 years experience with nuclear
7 issues. My resume was submitted to the public record in the 12th Vogtle Construction
8 Monitoring Review (VCMR). Besides experience with multiple *pro se* legal
9 interventions before the U.S. Nuclear Regulatory Commission's Atomic Safety &
10 Licensing Board, I provided testimony before the Georgia Pubic Service Commission in
11 the preceding 12th VCMR. In addition to ongoing involvement with the VCMR
12 process, I am a veteran eyewitness to the Vogtle I & II prudency hearings and rate cases
13 in 1987 and 1988. The information I present is publicly available information which is
14 accessible and understandable to all Georgia citizens.

15

16

1 **Q. On whose behalf are you testifying in the 13th Semi-Annual Vogtle**
2 **Construction Review?**

3 A. Georgia members of grassroots consumer group Nuclear Watch South.

4
5 **Q. What are the issues in this case?**

6 A. To examine, in accordance with O.C.G.A. § 46-3A-7(b), the ongoing necessity and
7 public convenience of expanding Georgia Power's electric generating capacity,
8 especially with respect to continuing to construct unneeded power supply at Vogtle.

9
10 **Q. What is the purpose of your testimony?**

11 A. To present factual evidence proving that Plant Vogtle expansion is not needed in
12 support of Commission action to revoke certification of Vogtle 3 & 4 construction in
13 accordance with its legal authority to provide Georgia electricity customers safe,
14 reliable and reasonably priced electric services.

15
16 **Q. What information sources do you rely upon in your testimony?**

17 A. Georgia Power data obtained from Georgia Power 2004-2014 annual reports and
18 Official Code of Georgia Annotated.

19
20 **II. VOGTLE 3 & 4 ARE NOT NEEDED**

21
22 **Q. Please explain the updated chart titled Georgia Power Key Financial &**
23 **Operating Data (Exhibit #1)**

24 A. The updated chart consists of eleven (11) years of Georgia Power annual report data
25 from the period 2004-2014. As explained before in the 12th VCM, line 3 shows that
26 Georgia Power's sales volume is flat for the period and line 6 shows Georgia Power's
27 capacity utilization has declined from 72% to 58% for the same period. Vogtle 3 & 4
28 were certified based on Georgia Power's forecasts of 4.1% annual growth which has not
29 happened, as shown by the data. Electrical power from Vogtle 3 & 4 are simply not
30 needed. (see Exhibit #2, Georgia Power Sales Volume 2004-2014, updated 11/15)

1 **Q. How has the chart changed from the 12th VCM?**

2 A. The chart has been amended from the 12th VCM to include Georgia Power's net
3 income (profits).

4

5 **Q. What does the chart show about Georgia Power's profits?**

6 A. Line 2 of the updated chart shows that Georgia Power's profits have increased more
7 than 80% in the 10 year period 2004-2014. For the same period, overall electricity sales
8 fell .4% (line 3).

9

10 Notably, Georgia Power profits jumped by 20.5% with the beginning of collection of
11 the Construction Work in Progress (CWIP) tariff AKA Nuclear Construction Cost
12 Recovery (NCCR) in 2011 and the CWIP years 2011-2014 stand out for posting
13 consistent \$1 billion plus annual profits.

14

15 Georgia citizens did not fare as well as Georgia Power which profited also from raising
16 the price of electricity for Georgia Power's residential customers by more than 18%
17 between 2010 to 2014 as shown on Line 4.

18

19 The NCCR tariff also increased by 65% from 2011-2014. (See Exhibit #3: Nuclear
20 Cost Recovery Rider Collections from 2011 through 2016, Docket #32539, Docs
21 #133156, 139740, 145298, 152092, 156291)

22

23 Neither Georgia Power, the Public Interest Advocacy staff nor the PSC have refuted
24 Nuclear Watch South's assertion that Vogtle 3&4 are not needed.

25

26 In an unregulated market, Georgia Power's profits would be linked to its performance. It
27 is only through the PSC's authorization that Georgia Power has posted such large profits
28 for its shareholders at the expense of the Georgia ratepaying public.

29

1 **III. PUBLIC SERVICE COMMISSION**

2
3 **Q. What is authority and responsibility of the Georgia PSC in regulating the**
4 **Vogtle expansion project?**

5 A. Georgia Public Service Commission’s website states: “The mission of the Georgia
6 Public Service Commission is to exercise its authority and influence to ensure that
7 consumers receive safe, reliable and reasonably priced telecommunications, electric and
8 natural gas services from financially viable and technically competent companies.”

9
10 State of Georgia Rules and Regulations (515-2-1-.01) says:

11 Every member of the Commission will, in all cases, reserve his opinion and in
12 no way commit himself in advance touching the merits of any matter or question
13 to be passed upon by the Commission or that should be dealt with by it, until the
14 facts and evidence are all submitted and the Commission considers the same in
15 administrative session. In determining findings of fact or in its deliberations, the
16 Commission will hold no presumption in favor of the position of any party,
17 including the Public Interest Advocacy Staff, and shall only give weight and
18 credit to any party in the case as can be supported by credible evidence in the
19 record. *Rule 515-2-1-.01 "Opinions of Commissioners"*

20
21 Georgia Code O.C.G.A. § 46-3A-6 “Reexamination of a certificate of public
22 convenience and necessity; modification or revocation” states that "Upon ... its own
23 motion, the commission may reexamine any certificate ... to determine whether ... future
24 requirements require the modification of the construction ... or expenditure for a
25 certificated capacity resource."¹

¹ Georgia Code O.C.G.A. § 46-3A-6: Upon application of a utility or *upon its own motion*, the commission may reexamine any certificate granted under this chapter to determine whether *new forecasts of future requirements require the modification of the construction, purchase, sale, or expenditure for a certificated capacity resource. If upon such reexamination the commission finds that the certificated capacity resource is no longer needed* or that any additional certificated capacity resource is needed to assure a reliable supply of electric power and energy for the utility’s Georgia retail customers, *the commission may modify or revoke the certificate*. If the utility cancels, abandons, or increases some or all of the capacity resource as a result of such modification or revocation of the certificate, it may recover through any rate-making vehicle over a reasonable period of time, absent fraud, concealment, failure to disclose a material fact,

1 Taken together, the three statutes quoted from Georgia law give the PSC the
2 responsibility to ensure Georgia consumers reliable electricity at reasonable rates, the
3 mandate to weigh all the evidence before issuing an opinion, and the authority to revoke
4 the certificate of a resource that does not meet the necessity test.

5
6 As we have already shown in Section II, Georgia Power is presenting a large percentage
7 of unused existing capacity while experiencing flat market conditions. Vogtle 3 & 4 are
8 simply not needed. Furthermore, Georgia Power is enjoying an average 6.0% annual net
9 income increase amidst slack sales even as the Vogtle project falls egregiously behind
10 schedule and goes over budget. It is not fair for Georgia citizens to enrich Georgia
11 Power for a mismanaged construction project, a project that is not even needed.

12
13 Nuclear Watch South urgently calls upon the Commission to exercise the responsibility
14 and authority vested in it by Georgia O.C.G.A. § 46-3A-6 to revoke Vogtle
15 certification. The PSC needs to act immediately as the Vogtle expansion project falls
16 behind at the rate of almost a day for every single day it is under construction, and the
17 sunk costs mount by millions of dollars each month, costs which the public, not Georgia
18 Power, has been forced to pay.

19
20 **IV. GEORGIA RATEPAYERS WOULD BENEFIT MORE FROM**
21 **CANCELLING CONSTRUCTION THAN COMPLETING VOGTLE 3&4**

22
23 **Q. Would it be more beneficial for Georgia Power customers to finish Plant Vogtle**
24 **3&4 or to cancel construction?**

25 A. It would be cheaper to cancel construction given that Plant Vogtle 3&4 are not

imprudence, or criminal misconduct, the amount of its investment in such capacity resource, along with the cost of carrying the unamortized portion of that investment, net of actual salvage value, to the extent such investment is verified as made pursuant to the certificate. The commission shall disallow such investment and costs resulting from fraud, concealment, failure to disclose a material fact, imprudence, or criminal misconduct. *[emphasis added]*

1 needed. Georgia Power testified in the current 13th VCMR that Vogtle expansion is still
2 only 25% finished. Georgia Power and its partners have spent almost \$6 billion on
3 Vogtle so far (and as has been well publicized, are \$2 billion over budget and three
4 years behind schedule). The cost of the completed project is roughly \$18 billion at
5 present. The cost to cancel the construction project would be far less than the \$12
6 billion left to be spent.

7
8 Georgia Power is protected from financial risk from cancelling Vogtle expansion by the
9 Georgia Code O.C.G.A. § 46-3A-6 which allows Georgia Power to recover the cost of
10 shutting down the unneeded power plant construction.

11 12 **V. CONCLUSIONS & RECOMMENDATIONS**

13
14 **Q. Please summarize your conclusions & recommendations for the Commission.**

15 16 **A. Conclusions**

- 17 • The Georgia Public Service Commission's (PSC) mission is to "exercise its
18 authority and influence to ensure that consumers receive safe, reliable and
19 reasonably priced ... electric service."
- 20 • The PSC has the authority to cancel Vogtle 3&4 reactors at any time if the
21 certified capacity is no longer needed.
- 22 • Georgia Power annual report data reveals that the company is overbuilt in a
23 shrinking, shifting market and no longer needs the power from Vogtle 3&4.
- 24 • Georgia citizens are paying an unprecedented nuclear tariff for Vogtle
25 construction which is resulting in unprecedented profit increases for Georgia
26 Power.
- 27 • The greatest benefit to the Georgia public since Vogtle 3 & 4 no longer meet the
28 necessity test is for the Commission to immediately revoke certification and stop
29 billing Georgia electric customers.

1 **Recommendations**

- 2 • The Georgia Public Service Commission should revoke certification for Vogtle
3 3 & 4 in order to protect Georgia electricity customers from further investment
4 in an unneeded power source.

5

6 **Q. Ms. Carroll, does this conclude your testimony?**

7 A. Yes.