

Vogtle co-owners, contractor complete settlement process

On-site transition to begin immediately with continued focus on safety and quality



Georgia Power logo.

ATLANTA, Jan. 4, 2016 /PRNewswire/ -- Georgia Power today announced the completion of the settlement process between the co-owners (Georgia Power, Oglethorpe Power Corporation, the Municipal Electric Authority of Georgia and Dalton Utilities) of the Vogtle nuclear expansion and the project's contractors, Westinghouse and CB&I. The agreement settles all claims currently in litigation with the contractors, reaffirms the current in-service dates, adds additional contractual protections and positions Westinghouse and its affiliates as the primary contractor over the project.

"This settlement is extremely positive for the Vogtle expansion," said Buzz Miller, executive vice president of nuclear development for Georgia Power. "The project is more than halfway completed based on contractual milestones with all parties focused 100 percent on project execution."

Including the settlement agreement, the project's remaining projected customer rate impact will total approximately 2.5 percent, which is an average of less than 1 percent per year through completion. Georgia Power's portion of the settlement cost is approximately \$350 million, significantly less than the claims that were in litigation. Georgia Power plans to submit the settlement agreement to the Georgia Public Service Commission (PSC) in the coming weeks.

Construction of the new units near Waynesboro, among the first to be built in the United States in more than three decades, is progressing well with current in-service dates of June 2019 for Unit 3 and June 2020 for Unit 4.

In tandem with the completion of the settlement process, it was also announced Monday that Westinghouse has contracted with Fluor Corporation to manage the construction workforce at the Vogtle expansion site.

Follow the Action

Click [here](#) to watch videos highlighting major construction milestones, multimillion pound equipment placements and quarterly timeline videos on Georgia Power's YouTube Channel. Click [here](#) to visit the online Vogtle 3 & 4 photo gallery, updated every month with the latest photos of the project.

What Vogtle Means to Georgia

The expansion at Plant Vogtle is part of Georgia Power's long-term, strategic plan for providing safe, clean, reliable and affordable energy for Georgians. Once units 3 and 4 join the existing two Vogtle units already in operation, Plant Vogtle is expected to generate more electricity than any other U.S. nuclear facility, enough to power more than one million homes and businesses. Southern Nuclear is overseeing construction and will operate the new units on behalf of Georgia Power, which owns 45.7 percent of the facility, and co-owners Oglethorpe Power Corporation, the Municipal Electric Authority of Georgia and Dalton Utilities.

About Georgia Power

Georgia Power is the largest subsidiary of Southern Company (NYSE: [SO](#)), one of the nation's largest generators of electricity. Value, Reliability, Customer Service and Stewardship are the cornerstones of the company's promise to 2.4 million customers in all but four of Georgia's 159 counties. Committed to delivering clean, safe, reliable and affordable energy at rates below the national average, Georgia Power maintains a diverse, innovative generation mix that includes nuclear, 21st century coal and natural gas, as well as renewables such as solar, hydroelectric and wind. Consistently recognized as a leader in customer service, Georgia Power was recently ranked highest in overall business customer satisfaction among large utilities in the South by J.D. Power and Associates. For more information, visit www.GeorgiaPower.com and connect with the company on Facebook (Facebook.com/GeorgiaPower) and Twitter (Twitter.com/GeorgiaPower).

Cautionary Note Regarding Forward-Looking Statements

Certain information contained in this release is forward-looking information based on current expectations and plans that involve risks and uncertainties. Forward-looking information includes, among other things, statements concerning the expected benefits of the settlement, the anticipated schedule for completion of Plant Vogtle Units 3 and 4, and the expected impact on customer rates. 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 fiscal year ended December 31, 2014, and subsequent securities filings, could cause actual results to differ materially from management expectations as suggested by such forward-looking information: the impact of recent and future federal and state regulatory changes, as well as changes in application of existing laws and regulations; current and future litigation, regulatory investigations, proceedings, or inquiries; available sources and costs of fuels; the ability to control costs and avoid cost overruns during the

development and construction of facilities, which includes the development and construction of facilities with designs that have not been finalized or previously constructed; state and federal rate regulations and the impact of pending and future rate cases and negotiations, including rate actions relating to fuel and other cost recovery mechanisms; 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 and related legal proceedings involving the commercial parties; and the ability of counterparties of Georgia Power to make payments as and when due and to perform as required. Georgia Power expressly disclaims any obligation to update any forward-looking information.

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