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GROUPS: CORRUPTION INVESTIGATION NEEDED INTO \$7.56 BILLION GEORGIA NUKE PLANT COST OVERRUNS

Same Story, Different State: 26% Electric Rate Increase OK'd by Georgia PSC Follows Similar Corruption Schemes in Ohio, Illinois, and South Carolina

ATLANTA – DECEMBER 21, 2023 – The Georgia Public Service Commission (PSC) and Georgia Power are facing renewed accusations of collusion and possible corruption following the recent rate increase approved by the PSC for the Vogtle units 3 and 4 nuclear expansion project. Similar to recent high-profile nuclear corruption scandals in [Ohio](#), [Illinois](#) and [South Carolina](#), Georgia's utility commissioners acted against the best interests of Georgia ratepayers, rubber-stamping cost recovery for mistakes made by Georgia Power.

Georgia Power, despite numerous warnings and opportunities to avert rate increases, secured rate base increases of \$7.56 billion in cost overruns for Vogtle 3 and 4 during the Tuesday hearing before the Georgia PSC. This rate increase, added to previous rate increases for Vogtle, will raise residential and small business electric rates by 26%. The full rate increase adopted by the PSC will go into effect when Vogtle 4 attains commercial operation. The Tuesday PSC vote for \$7.56 billion only included construction costs. Once Unit 4 enters commercial operation, Georgia Power will expand their rate base an astounding \$11.1 billion to include financing costs of \$3.5 billion, on which Georgia Power also profits.

Nuclear Watch South and Georgia WAND believe the SEC should investigate Georgia Public Service Commission and Georgia Power as it did for the failed Summer nuclear expansion in South Carolina and the recent bribery scandals in Ohio and Illinois. [In October](#) a Southern Company whistleblower brought the SEC to bear on the failed Kemper carbon capture coal plant being built by Southern Company's Mississippi Power. Southern Company is also the parent of Georgia Power.

Glenn Carroll, Nuclear Watch South's coordinator on Tuesday, said: **“The Commission's decision to saddle Georgia Power ratepayers with an additional \$7.56 billion in costs for Vogtle Units 3 and 4 demonstrates the complete lack of meaningful regulatory oversight to protect consumer interests. From the very beginning, the PSC and Georgia Power have turned a blind eye to the construction problems and delays that have plagued this unneeded project. This level of contempt for hard working Georgians, who pay their electric bills under the assumption that they aren't getting ripped off, is shameful and deserving of a federal investigation - similar to the investigation in Ohio that found its top utilities regulator accepting bribes from the utilities he was supposed to regulate.”**

Earlier in [December](#), former Ohio Public Utilities' Commission (PUCO) chairman Samuel Randazzo was charged by federal prosecutors for bribery and embezzlement crimes related to

the 2020 bailout (HB 6) of nuclear power plants in Ohio. Similar to the Vogtle expansion, the Ohio PUCO rubberstamped cost increases for ratepayers for (in this case existing) FirstEnergy-owned nuclear reactors, against the interests of Ohio ratepayers. Randazzo's arrest followed the conviction of Ohio's former statehouse speaker, Larry Householder, who was found guilty in the [same corruption scheme](#) laid forth by FirstEnergy.

Kimberly Scott, executive director of Georgia WAND, said: **“This is another unconscionable financial hit to Georgia Power customers who have been consistently burdened with rate increases from a utility that realized \$17 billion in profits during the span of Vogtle construction when construction costs were underestimated and behind schedule. Georgia Power executives admitted to mistakes in the planning and execution of the new reactors, but have refused to shoulder the financial burden of these mistakes, and instead have passed the increased costs off on to customers, with the approval of PSC Commissioners. This enormous rate hike is based on a stipulated agreement between PSC staff and Georgia Power which was struck before any public hearings or presentation of any evidence.**

“There is an extensive history of corruption in the nuclear industry, most recently in Ohio where former house speaker Larry Householder was sentenced this year to 20 years in prison for racketeering related to a nuclear plant bailout. Illinois and South Carolina's nuclear scandals resulted in numerous federal convictions. Nuclear power plants deliver enormous profits to utilities since state authorities almost always force customers to pay huge rate increases for the inevitable cost overruns. That is what happened to us in Georgia – and now it's time for a full accounting of what happened behind closed doors.”

Patty Durand, former president of the Smart Energy Consumer Collaborative and a recent candidate for the Georgia PSC, spoke as an expert witness on behalf of the *Concerned Ratepayers of Georgia* in the recent Plant Vogtle prudency proceeding before the Georgia PSC. She wrote in a letter to the Atlanta Journal Constitution following the Georgia PSC's approval of the rate increase: **“The Georgia Public Service Commission allows Georgia Power to receive rich profits – far higher than industry norms, which violates their mandate of regulating in the public interest. And elected commissioners voted on Tuesday to make it worse by approving the largest rate increase in state history for Plant Vogtle, the most expensive power plant ever built on earth.**

“Commissioners have known for years that the costs of construction for nuclear energy was far higher than other forms of generation, yet authorized this project with no cost cap or customer protections. As predicted, Vogtle construction costs went far over budget, yet commissioners do nothing to help vulnerable populations afford utility bills. Even before these huge cost increases take effect, over 240,000 Georgia Power customers were disconnected from power last year, with most of those disconnected belonging to minority households.

“The people of Georgia deserve a state agency that protects them from monopoly overreach instead of celebrating how business friendly they are, but that's not what we have. Meanwhile, Public Service Commission elections have been on hold for over a year

due to litigation related to violations of the Voting Rights Act, and two commissioners in expired seats continue to vote.”

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[Georgia WAND Education Fund, Inc.](#) (“Georgia WAND”) is a 501(c)3 non-profit organization. Our focus on quality-of-life issues, health hazards resulting from nuclear energy and weapons, and social justice are grounded in building racial equity. We understand the intersectionality between racism, poverty, and unjust environmental policies that burden minority and poor communities in Georgia. We work to defend people, underserved communities and our climate future together.

[Nuclear Watch South](#), founded in 1977 as Georgians Against Nuclear Energy (GANE), is a mostly volunteer, grassroots environmental group working to shape nuclear policies and raise public awareness of nuclear weapons, nuclear reactors, and nuclear waste.