



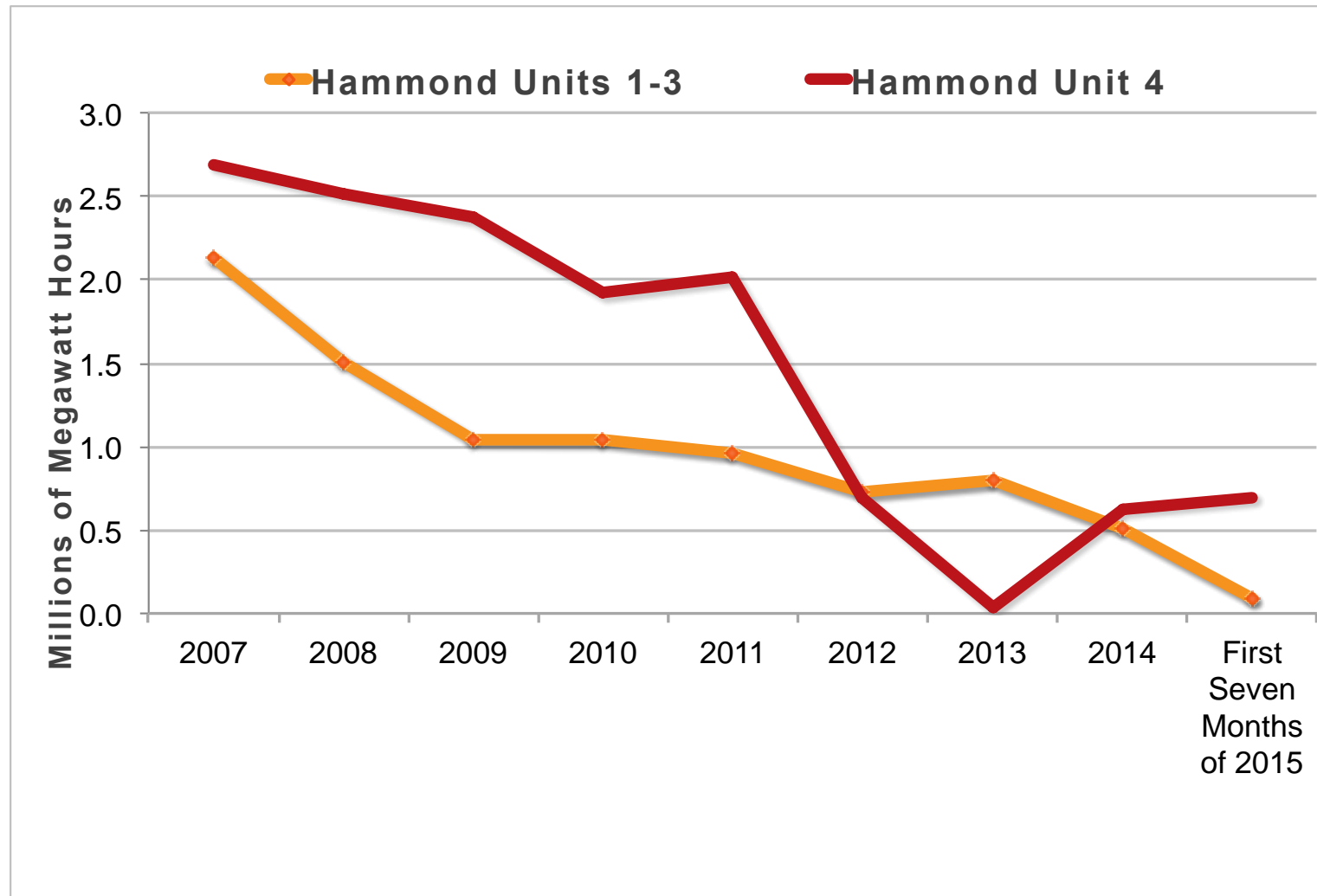
Georgia Power Should Retire Plant Hammond



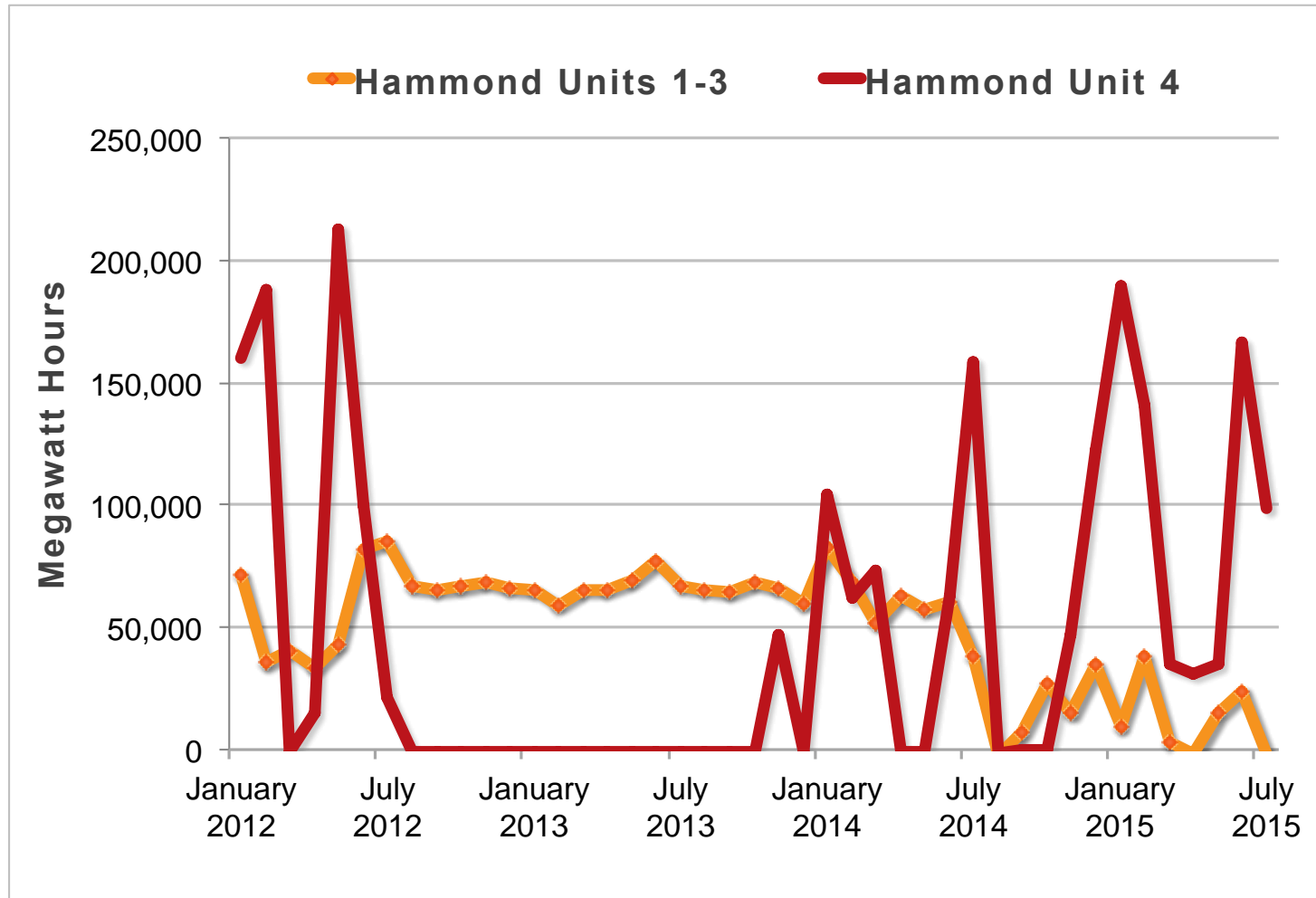
**Institute for Energy Economics
and Financial Analysis**
IEEFA.org

David Schlissel
November 18, 2015

The Amount of Electricity Generated at Plant has Declined and Is Not Likely to Bounce Back



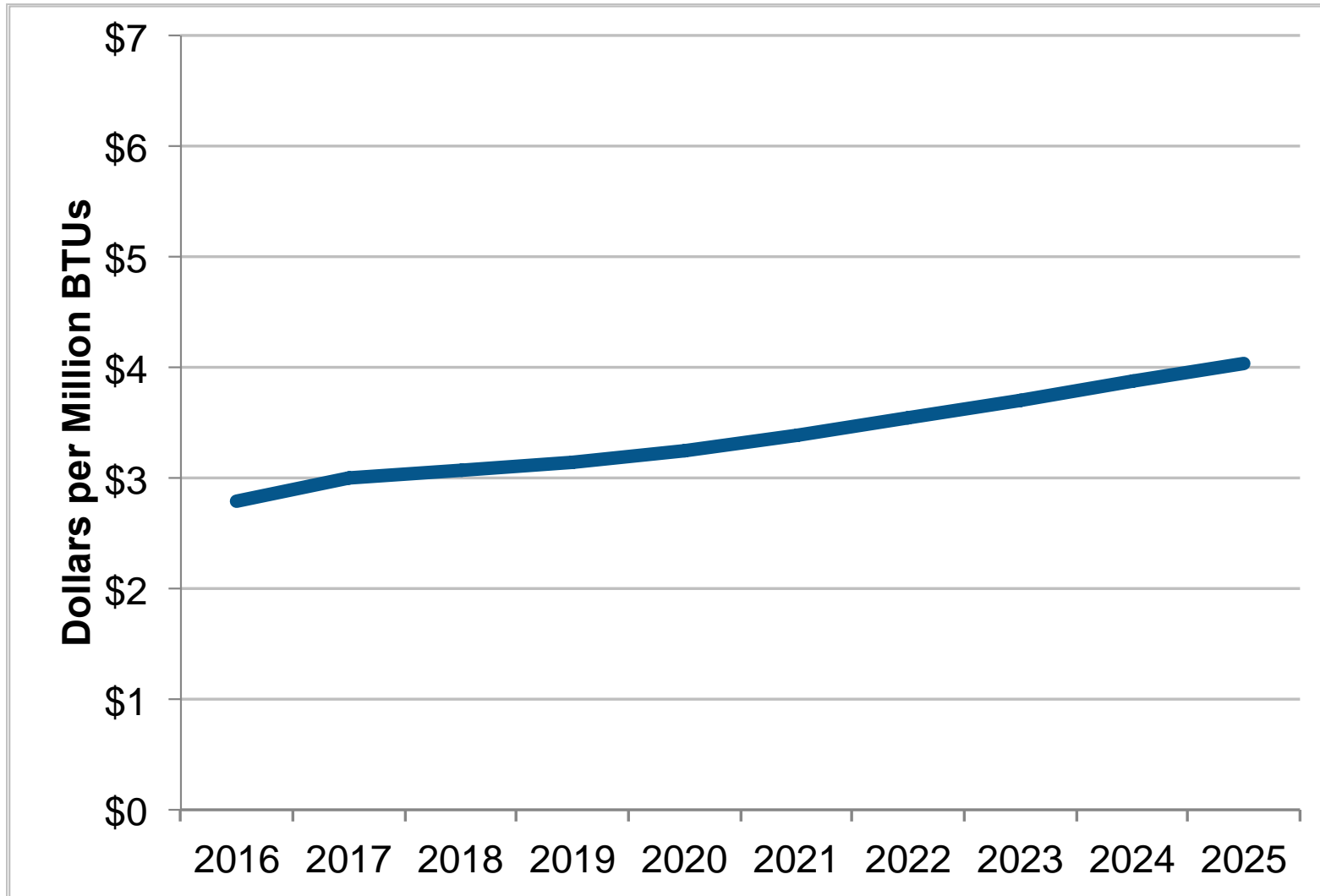
Units 1-3 Have Hardly Generated Any Power in Recent Years and Unit 4 Has Essentially Become a Seasonal Peaker



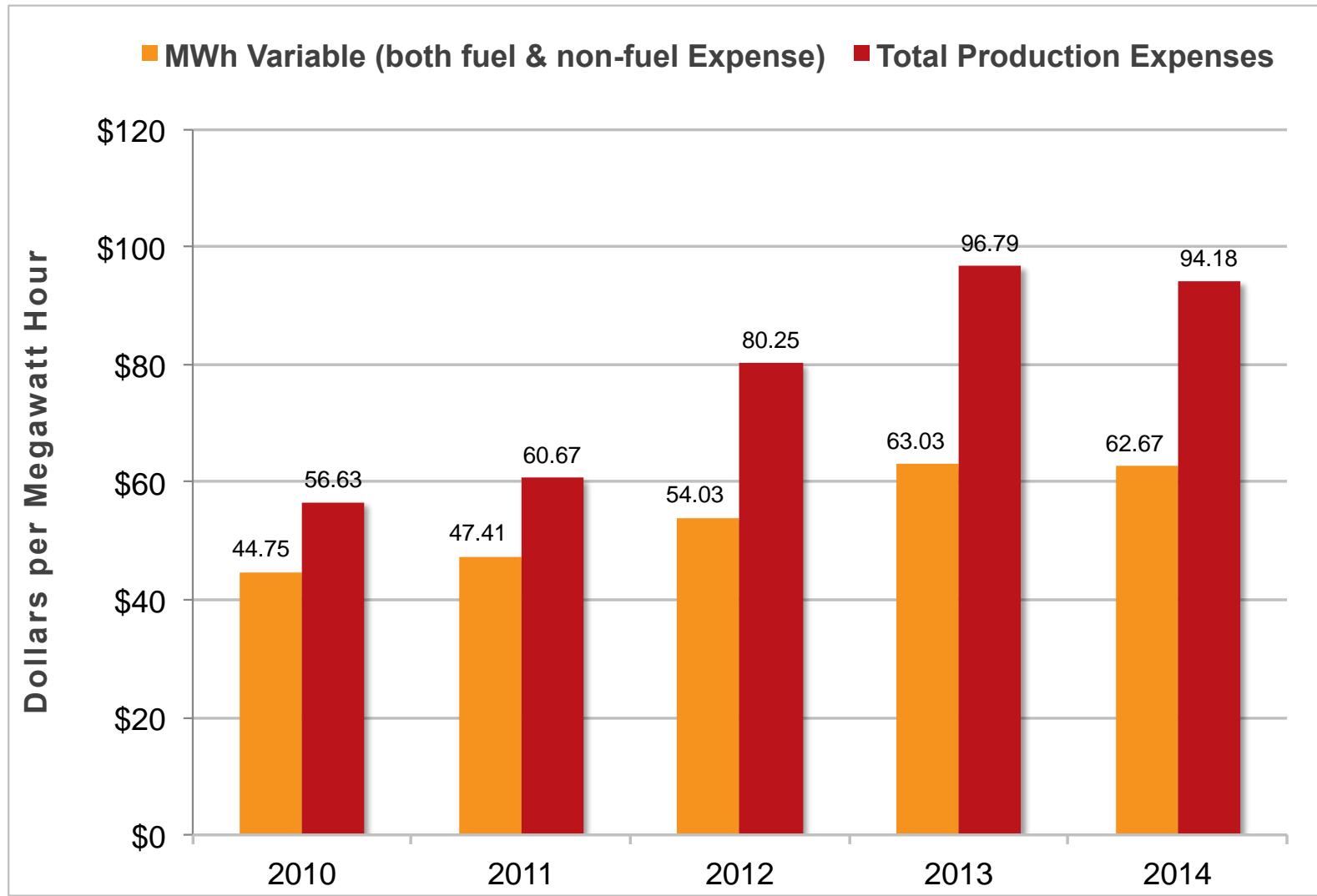
Decline in Generation Due to Precipitous Drop in Natural Gas Prices Starting in 2009



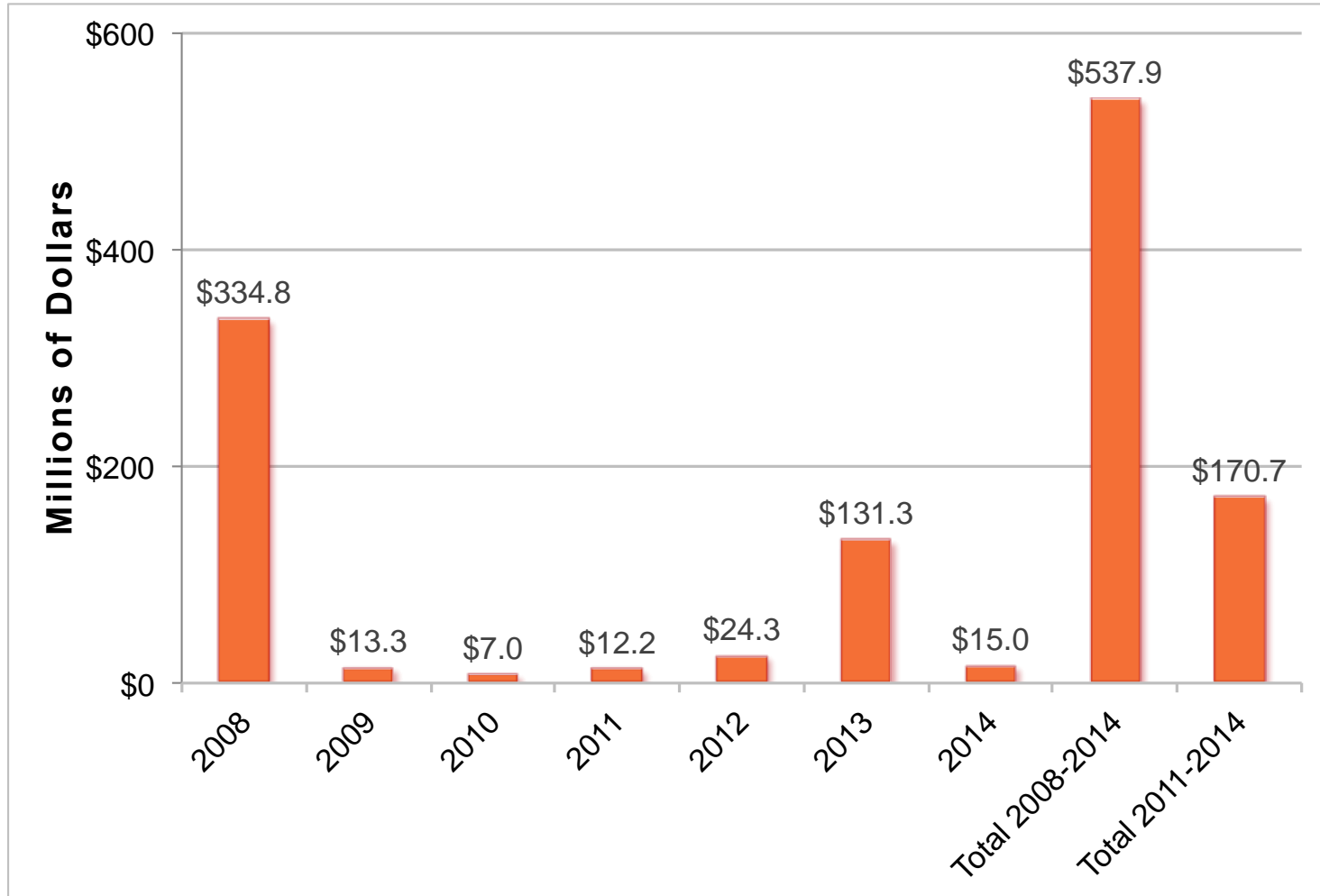
Natural Gas Prices are Expected to Stay Low



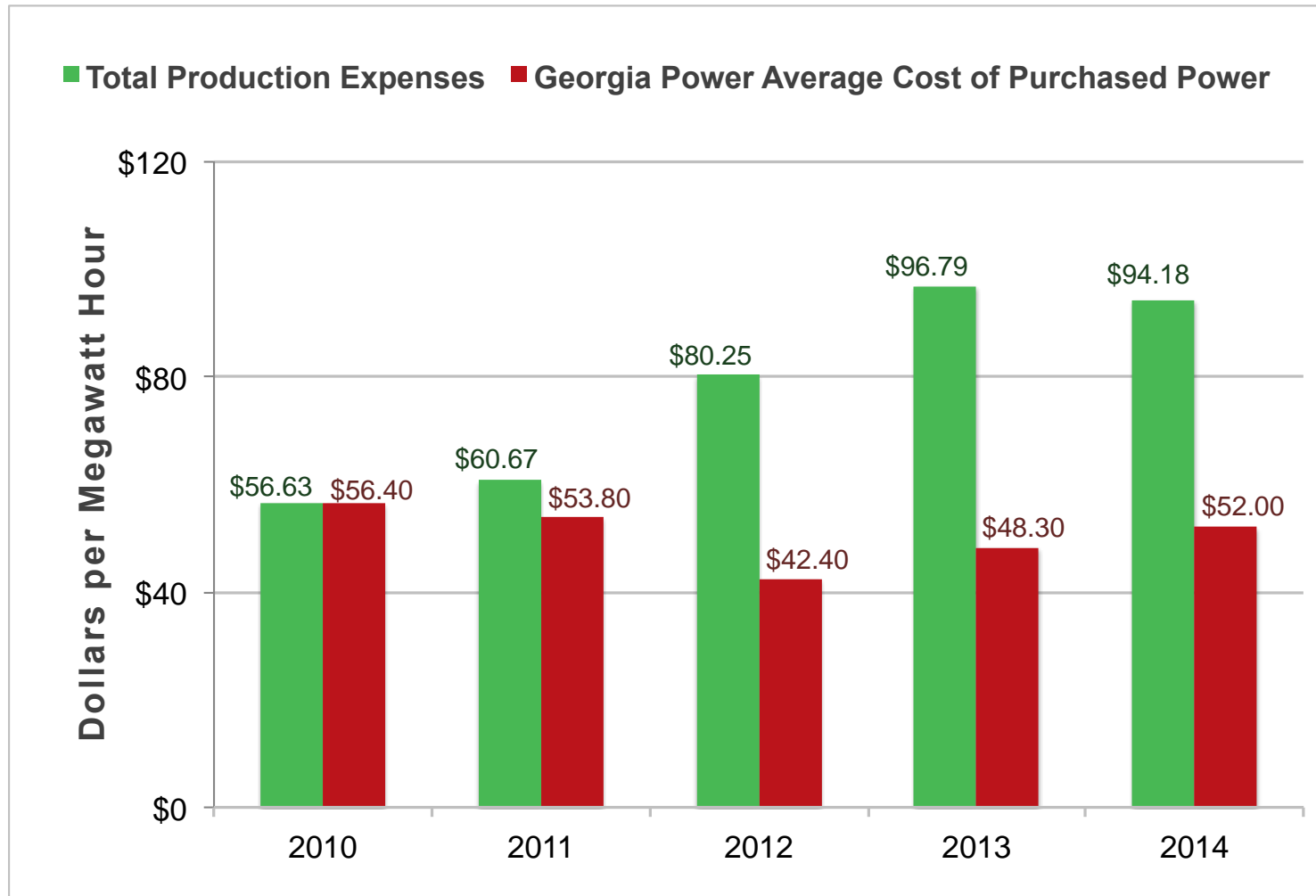
Plant Hammond is Becoming Increasingly Expensive to Operate



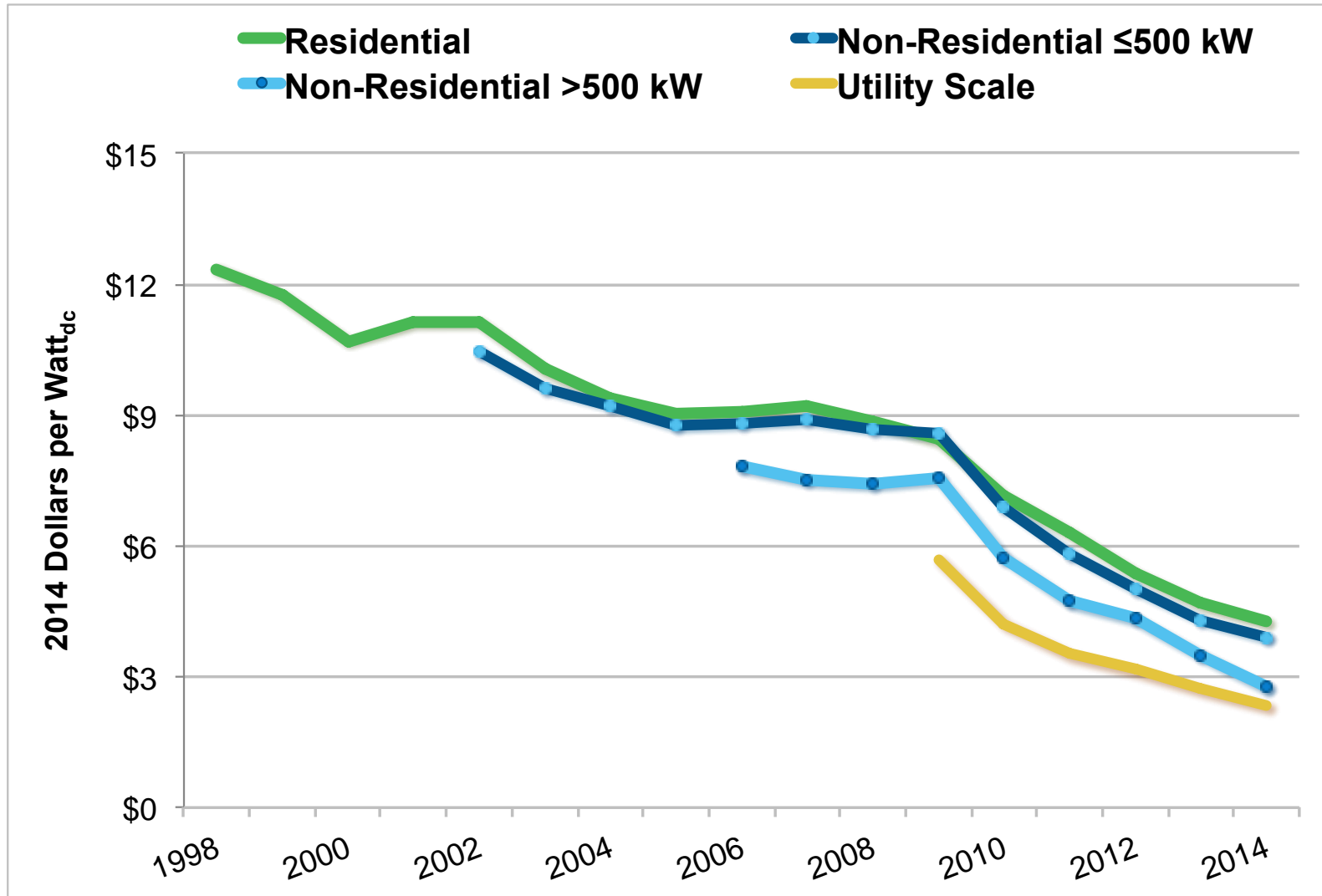
At the Same Time, Georgia Power Has Invested \$538 Million in Plant Hammond Since 2007 and Is Likely to Have to Spend More in Coming Years



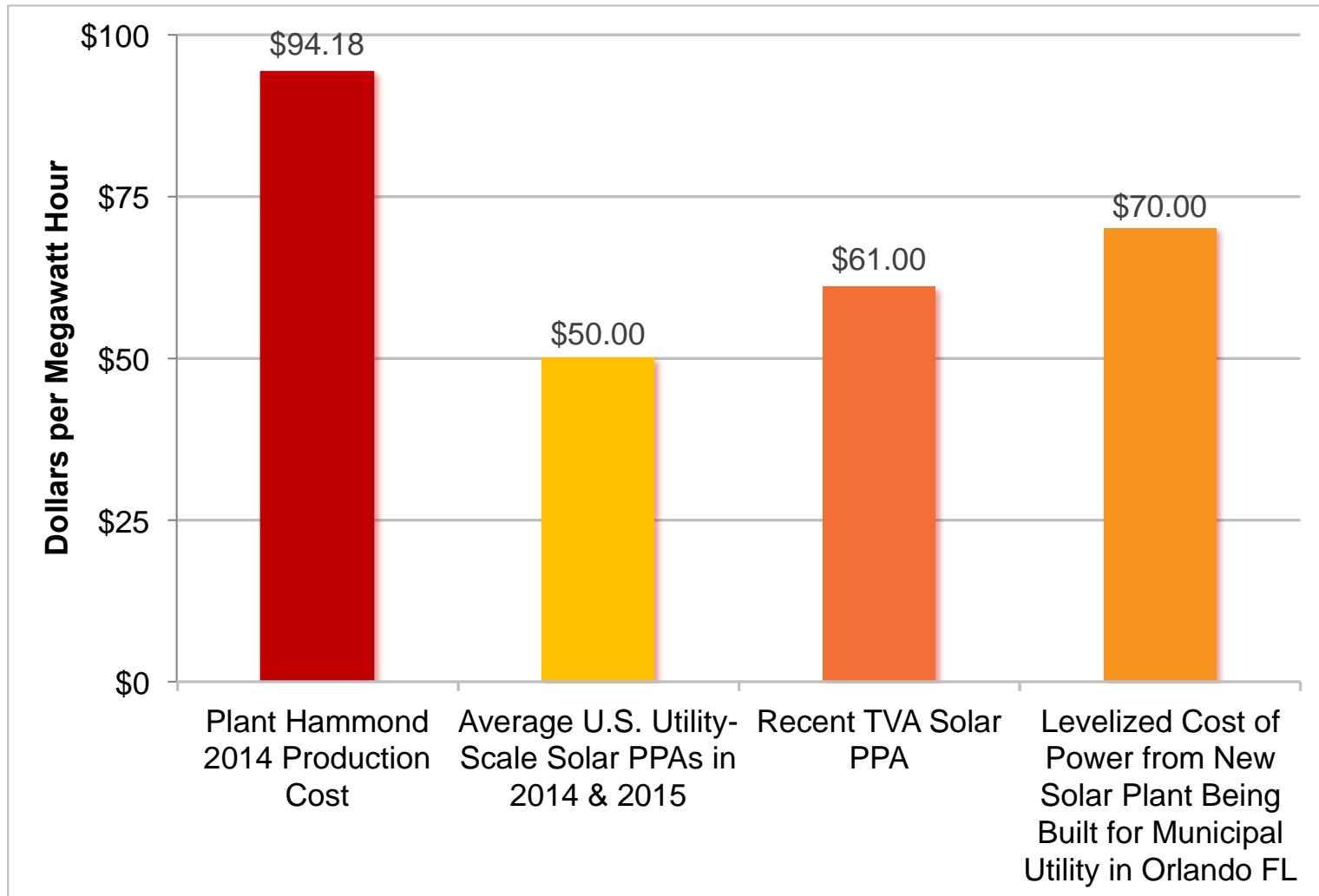
Georgia Power Has Lower Cost Alternatives to Continued Operation of Plant Hammond – Purchased Power in the Short Term



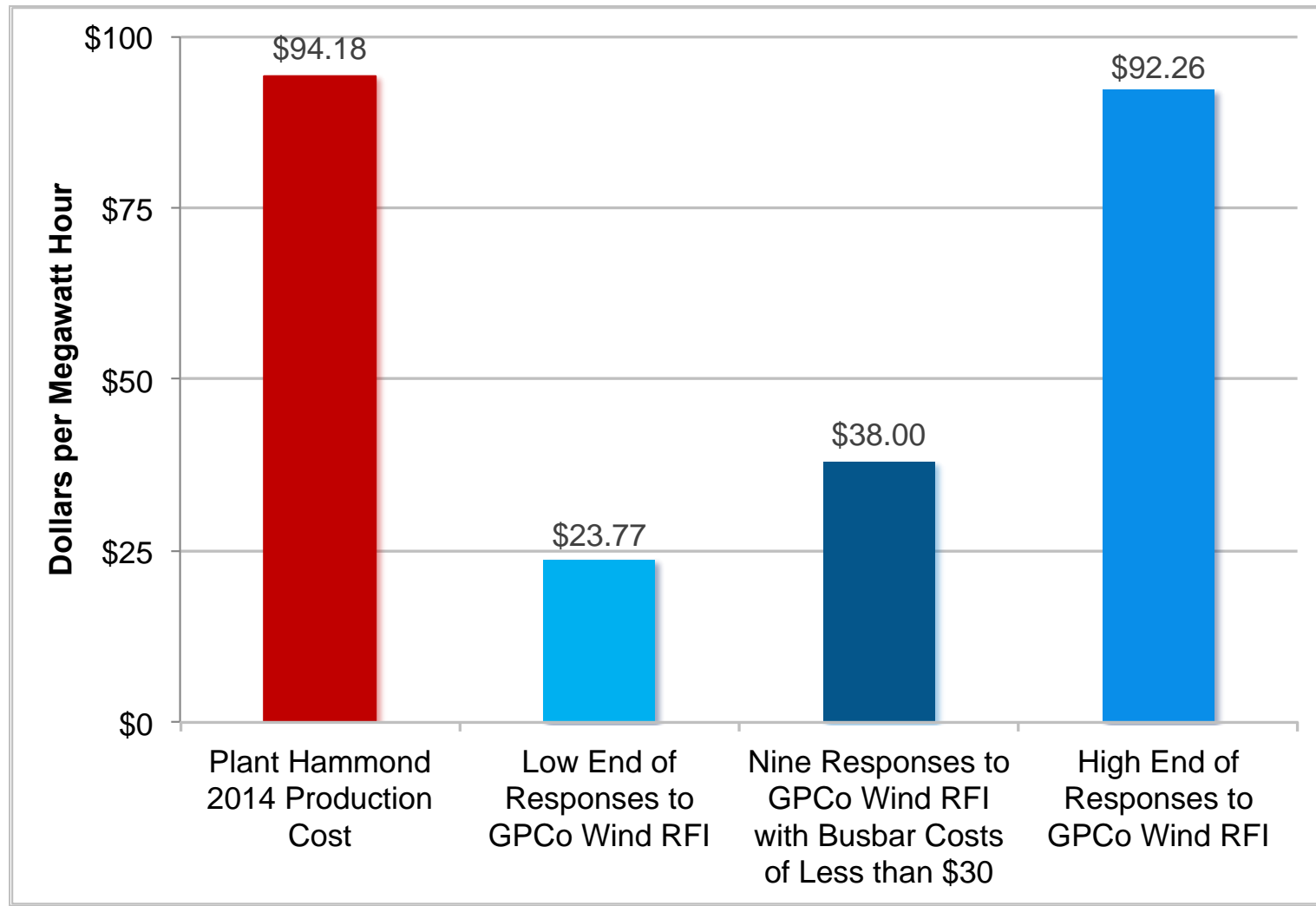
Solar PV Installation Prices Are Declining



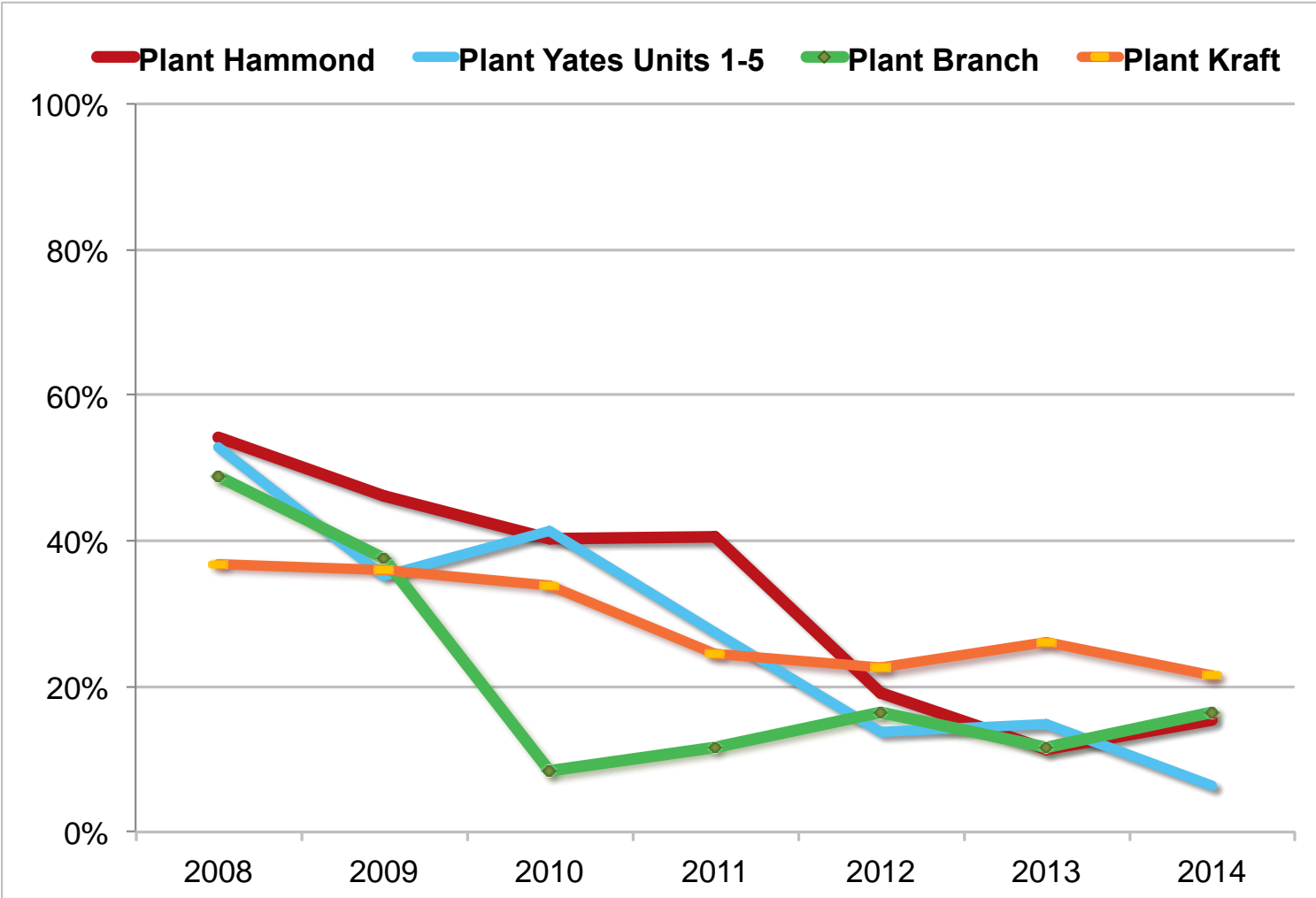
Continued Operation of Plant Hammond More Expensive than Recent Solar PV PPA Prices



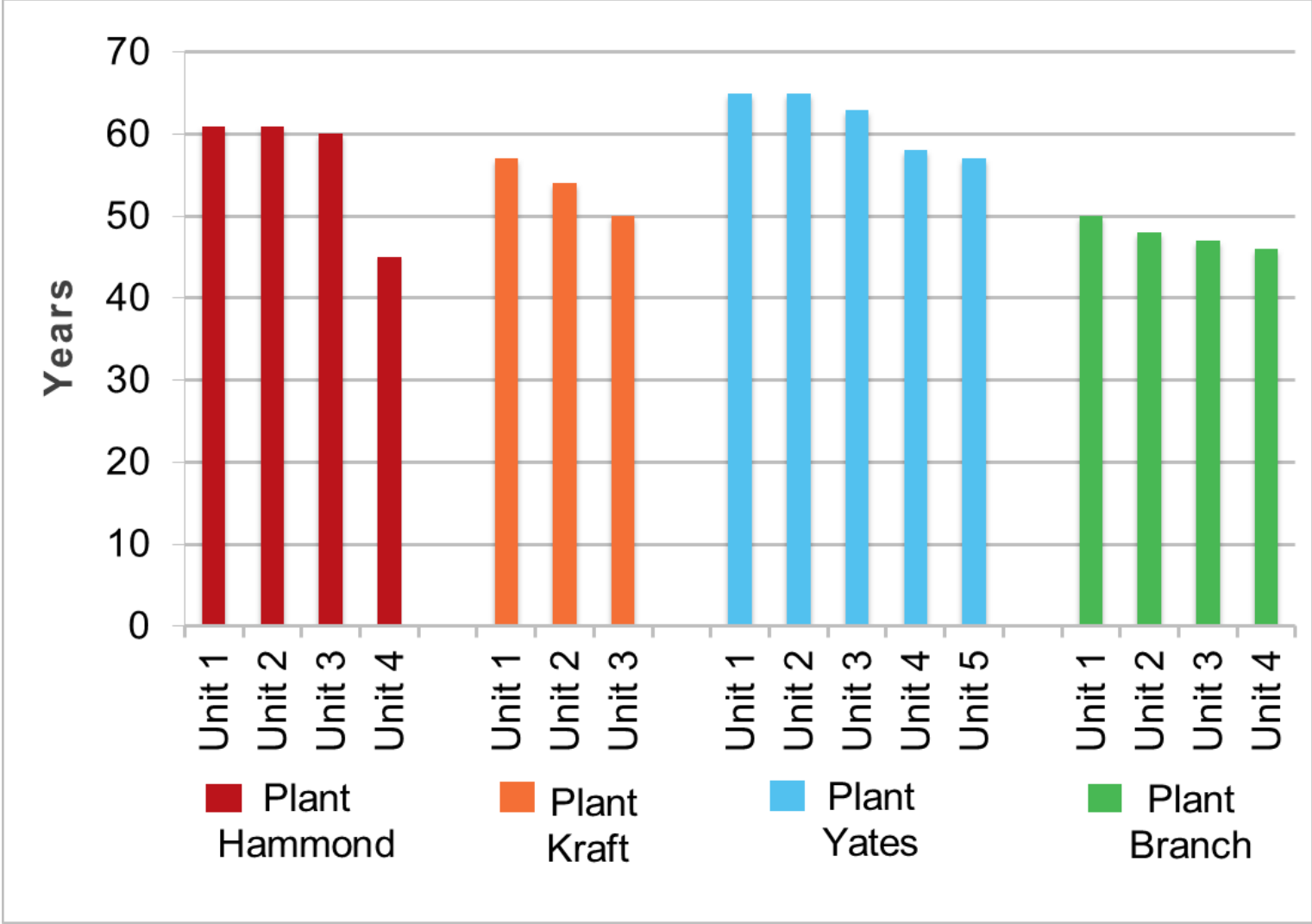
Continued Operation of Plant Hammond More Expensive than Wind Power PPAs



Plant Hammond Recent Generation Similar to That of Other Coal Units Georgia Power is Retiring



Plant Hammond is About the Same Age as Other Coal Units Georgia Power is Retiring



Power from Plant Hammond is More Expensive Than Power from Other Coal Units Georgia Power is Retiring

