



Municipal Electric Authority of Georgia

ANNUAL INFORMATION STATEMENT

For The Fiscal Year Ended December 31, 2010

The following documents (collectively, the “Annual Information Statement”) set forth certain information concerning MEAG Power (including, among other things, MEAG Power’s outstanding debt, its Projects, certain of its Participants and its audited consolidated financial statements for its fiscal years 2010 and 2009). The information contained in the Annual Information Statement speaks only as of the date thereof, and MEAG Power assumes no duty to update any information contained in the Annual Information Statement.

In accordance with the provisions of Rule 15c2-12, as amended (“Rule 15c2-12”), promulgated by the United States Securities and Exchange Commission (the “SEC”) pursuant to the Securities Exchange Act of 1934, as amended, MEAG Power has filed the Annual Information Statement with the Municipal Securities Rulemaking Board (the “MSRB”) through the MSRB’s Electronic Municipal Market Access (“EMMA”) website currently located at <http://emma.msrb.org> pursuant to Rule 15c2-12 in satisfaction of MEAG Power’s obligations under certain continuing disclosure undertakings made by MEAG Power pursuant to Rule 15c2-12 with respect to certain issues of its bonds. Because of limitations inherent in the electronic transmission of documents, the appearance (but not the content) of the Annual Information Statement on this website may differ from the version thereof filed with the MSRB through the EMMA website.

In accordance with Rule 15c2-12, MEAG Power may, from time to time, include by specific reference in the official statements or other offering documents relating to its securities all or any portion of the information contained in the Annual Information Statement, to the extent specified in such official statements or other offering documents (and subject to any provision of any such official statement or other offering document modifying, supplementing or superseding any such included portion). The Annual Information Statement is provided on this website for informational purposes only and must not be considered to be an offer to sell or the solicitation of an offer to buy any securities of MEAG Power in any jurisdiction, which offer or solicitation may only be made by an official statement or other offering document.

Each viewer acknowledges that (a) MEAG Power is not, by the Annual Information Statement, offering to sell any securities, nor soliciting an offer to buy any securities, (b) the Annual Information Statement will not be construed by the viewer as any description of MEAG Power, any of its Participants or the other parties referred to therein or their respective affairs at any time subsequent to the date of the Annual Information Statement nor will the viewer assume from the availability of the Annual Information Statement on this website that the affairs of MEAG Power, any of its Participants or the other parties referred to therein have not changed since the date of the Annual Information Statement and (c) because the information contained in the Annual Information Statement may be out of date or incomplete, the Annual Information Statement must not be relied upon in connection with any decision to purchase or sell any securities of MEAG Power.

SUMMARY OF VOGTLE UNITS 3&4 PROJECT AGREEMENTS**General**

MEAG Power, GPC, OPC and Dalton (collectively, the “Co-Owners”) are parties to: (1) a Vogtle Units 3&4 Development Agreement, (2) a Vogtle Units 3&4 Ownership Agreement, (3) a Vogtle Operating Agreement and (4) a Nuclear Managing Board Agreement (each defined herein and collectively referred to as the “Vogtle Units 3&4 Project Agreements”).

Capitalized terms not otherwise defined in this APPENDIX L or defined in the Annual Information Statement shall be as defined in the Vogtle Units 3&4 Project Agreements, as applicable.

Vogtle Units 3&4 Development Agreement

The Co-Owners are parties to the Plant Vogtle Owners Agreement Authorizing Development, Construction, Licensing and Operation of Additional Generating Units, dated as of May 13, 2005, as amended by Amendment No. 1 thereto, dated as of April 21, 2006, and as further amended by Amendment No. 2 thereto, dated as of April 8, 2008 (as amended, the “Vogtle Units 3&4 Development Agreement”). Pursuant to the Vogtle Units 3&4 Development Agreement, each Co-Owner authorized the development, construction, licensing and operation of up to two additional nuclear units at Plant Vogtle (“Vogtle Units 3&4”). The Co-Owners further agreed that those Co-Owners that elect to participate in the ownership of Vogtle Units 3&4 would have the right to use the existing Plant Vogtle land, common facilities and support services for that purpose, subject to the obligation of the participating Co-Owners to bear all of the costs associated with the construction and ownership of Vogtle Units 3&4. The Vogtle Units 3&4 Development Agreement provides each of the Co-Owners with the right, but not the obligation, to participate in the ownership of Vogtle Units 3&4 in an amount up to each Co-Owner’s existing *pro rata* interest in Plant Vogtle. Pursuant to the Vogtle Units 3&4 Development Agreement, GPC was designated as the agent of the Co-Owners and authorized to develop, license, engineer, contract, operate and maintain Vogtle Units 3&4 on behalf of the Co-Owners. As agent, GPC is authorized to apply for the issuance of licenses, permits, and other governmental approvals from the Nuclear Regulatory Commission (“NRC”) and the State of Georgia, as necessary for the development of Vogtle Units 3&4.

Vogtle Units 3&4 Ownership Agreement

General. The Co-Owners are parties to a Plant Alvin W. Vogtle Additional Units Ownership Participation Agreement, dated as of April 21, 2006, as amended by Amendment No. 1 thereof, dated as of April 8, 2008 (as amended, the “Vogtle Units 3&4 Ownership Agreement”). The Vogtle Units 3&4 Ownership Agreement governs the ownership rights and responsibilities of the Co-Owners of Vogtle Units 3&4 and the authority and responsibilities of GPC, as agent, for the Co-Owners.

GPC’s Responsibilities as Agent. Under the Vogtle Units 3&4 Ownership Agreement, the Co-Owners appointed GPC as agent, with sole authority and responsibility for, among other things, the planning, licensing, design, construction, acquisition, completion, startup, commissioning, renewal, addition, replacement, modification and decommissioning of Vogtle Units 3&4. As agent, GPC is required to discharge its responsibilities in a manner consistent with Prudent Utility Practice. Neither GPC, as agent, nor any Co-Owner may make an adverse distinction between Vogtle Units 3&4 or any other generating unit in which GPC or such Co-Owner has an interest because of the co-ownership of Vogtle Units 3&4 with the other Co-Owners. As agent, GPC has the sole authority and responsibility to arrange for and acquire nuclear fuel for Plant Vogtle. However, each Co-Owner may make its own

financial arrangements for the discharge of its fuel payment obligations so long as such arrangements do not adversely affect the rights of the other Co-Owners. GPC's liabilities with respect to its duties under the Vogtle Units 3&4 Ownership Agreements are limited by the terms thereof.

Alienation and Assignment. Each Co-Owner will own its respective ownership interest in each of Plant Vogtle Unit No. 3 and Plant Vogtle Unit No. 4 (each such interest, an "Ownership Interest") as a tenant in common with the other Co-Owners and shall have the related rights and obligations (including payment therefor), and be entitled to the output of each such unit in proportion to its Ownership Interest. The Ownership Interests of the Co-Owners were determined pursuant to the Vogtle Units 3&4 Development Agreement described above under "– Vogtle Units 3&4 Development Agreement" herein. Each Co-Owner's Ownership Interest includes a fee simple interest in Vogtle Units 3&4 and the site inside the existing boundaries of Plant Vogtle where Vogtle Units 3&4 will be located, as well as easement rights to access the existing Plant Vogtle property and rights to use common facilities currently existing at Plant Vogtle.

Each Co-Owner may convey liens and security interests in its respective Ownership Interest to secure its indebtedness. OPC's Ownership Interest will be subject to the lien of its indenture (the "OPC Indenture"). The other Co-Owners do not currently anticipate a lien on their respective Ownership Interests other than in connection with a DOE loan guarantee, see "CAPITAL IMPROVEMENTS AND FINANCING PROGRAMS– Financing Program – *Vogtle Units 3&4 Projects Financing* – DOE Loan Guarantee Program" in the Annual Information Statement. Additionally, each Co-Owner has waived its right to (a) a partition or any accounting thereof related to Vogtle Units 3&4 and (b) any equitable lien rights.

With limited exceptions, the Co-Owners may not otherwise sell or transfer all or any portion of their interest in either or both of Plant Vogtle Unit No. 3 and Plant Vogtle Unit No. 4 without first offering such interest to the other Co-Owners *pro rata* in accordance with their respective Ownership Interests. This right of first refusal may be waived by a vote of Co-Owners holding an aggregate of 90 percent of the Ownership Interests. Such consent is not required, however, in certain circumstances, including sales or transfers (a) used to finance the discharge of nuclear fuel payment obligations; (b) to a governmental authority in connection with financing a pollution control facility or obtaining ad valorem tax abatement; (c) made to convey a security interest to secure bonds; or (d) to allow a Co-Owner to sell its Ownership Interest when it does not want to repair a damaged Plant Vogtle Unit No. 3 or Plant Vogtle Unit No. 4 but the remaining Co-Owners want such repair. Except in cases of transfers to secure indebtedness, any transferee of all or any portion of a Co-Owner's Ownership Interest shall be required to become a party to the Vogtle Units 3&4 Ownership Agreement and assume all the obligations of the transferor in proportion to such portion of the transferor's Ownership Interest.

In addition, the Vogtle Units 3&4 Ownership Agreement allows the trustee under the OPC Indenture to dispose of OPC's Ownership Interest pursuant to a foreclosure action or power of sale, without complying with the right of first refusal, if OPC defaults under the OPC Indenture and an agency or instrumentality of the United States government holds debt that is secured by the OPC Indenture. In such event, the trustee under the OPC Indenture is required to allow the other Co-Owners to offer to purchase OPC's Ownership Interest prior to offering such interest to the public, but may reject any such offers. The trustee must, however, permit the other Co-Owners to participate in any auction or bid process related to the Ownership Interest. Furthermore, the Trustee must transfer OPC's Ownership Interest to a party (i) that is financially responsible, taking into account the remaining obligations at the time of such transfer or sale under the Vogtle Units 3&4 Ownership Agreement, the Vogtle Operating Agreement and the Nuclear Managing Board Agreement and (ii) that becomes party to and assumes OPC's obligations under the Vogtle Units 3&4 Ownership Agreement, the Vogtle Operating Agreement and the Nuclear Managing Board Agreement.

Costs of Repairs and Reconstruction. If either of Plant Vogtle Unit No. 3 or Plant Vogtle Unit No. 4 is damaged or destroyed, and the cost of repairing or rebuilding the unit (less any deductible) is estimated to be covered by insurance, then the unit will be repaired or rebuilt unless the Co-Owners decide, by a vote of the Co-Owners holding an aggregate of 90 percent of the Ownership Interests in such unit, not to repair or rebuild such unit (in which event the Co-Owners desiring to repair or rebuild the unit may buy out the Co-Owners who do not want to participate in the repair or reconstruction). Conversely, if the cost of repairing or rebuilding the unit (less any deductible) is not estimated to be covered by insurance, then the unit will not be repaired or rebuilt unless (1) the Co-Owners decide, by a vote of Co-Owners holding an aggregate of 90 percent of the Ownership Interests in such unit, to repair or rebuild such unit, or (2) one or more Co-Owners desiring to repair or rebuild the unit buys out any Co-Owners who do not want the unit repaired or rebuilt.

Insurance. During the construction, reconstruction, completion, startup, commissioning, repair, renewal, modification, replacement, alteration or decommissioning of, or addition to the Vogtle Units 3&4 properties, GPC, as agent, must carry at all times, in the names of the Co-Owners and as their interests may appear, builder's risk (including transit risk, if applicable) or installation floater insurance of the "all risks" type, covering such hazards as GPC, as agent, deems appropriate and consistent with its customary practices and Prudent Utility Practice. The cost of such insurance is included as a Cost of Construction. In addition, each Co-Owner may maintain, at its sole cost and expense, such additional or other insurance policies as it deems necessary or advisable to protect its interests, *provided*, such additional insurance does not reduce or diminish the insurance coverage procured and maintained by GPC, as agent.

Additionally, GPC, as agent, must reasonably satisfy itself that all contractors, subcontractors, engineers, equipment suppliers and manufacturers associated with Vogtle Units 3&4 carry appropriate insurance, including insurance for worker's compensation, public liability, automobile liability and such other hazards as GPC deems appropriate. Such insurance must protect the Co-Owners to the same extent as it does GPC, as agent. Similarly, GPC, as agent, will require that all contracts with third parties relating to Vogtle Units 3&4 provide the same protection for the Co-Owners as it does for GPC, including indemnification obligations.

Remedies for Non-Payment. The Vogtle Units 3&4 Ownership Agreement provides that, should a Co-Owner fail to make any payment when due, then, among other things, such non-paying Co-Owner's rights under the Vogtle Units 3&4 Ownership Agreement, including rights to output, capacity and energy would be suspended until all overdue amounts have been paid, together with annual interest at the Prime Rate plus five percentage points. Both before and after commercial operation, any non-defaulting Co-Owner may, with notice to the other Co-Owners, pay amounts owed by the defaulting Co-Owner. Such paying Co-Owner will have the right to be promptly reimbursed by the defaulting Co-Owner, together with interest as specified above, and, after commercial operation, will also be entitled to a corresponding portion of the defaulting Co-Owner's output of Vogtle Units 3&4 until it is reimbursed (such right to increased output of Vogtle Units 3&4 is conditioned upon the paying Co-Owner's payment of the defaulting Co-Owner's *pro rata* share of operating costs and fuel costs associated with its increased entitlement to output). If the payment default is with respect to costs incurred prior to commercial operation and such default lasts for one year or longer (even if it is paid by another Co-Owner on behalf of the defaulting Co-Owner), each Co-Owner may elect, with notice to the other Co-Owners, either (1) to purchase all or a fraction of the defaulting Co-Owner's Ownership Interest in Vogtle Units 3&4 (in proportion to each Co-Owner's Ownership Interest), or (2) to invest additional funds in Vogtle Units 3&4 and adjust the Ownership Interests of the Co-Owners to reflect such amounts invested. A non-defaulting Co-Owner may also choose to lend funds to the defaulting Co-Owner at a reasonable rate of interest and may, at its option, receive an appropriate portion of the defaulting Co-Owner's output of Vogtle Units 3&4. Additionally, GPC, as agent, will be entitled to sell the defaulting Co-Owner's right to output from Vogtle Units 3&4 until all overdue amounts owed by the defaulting Co-Owner have been paid, together

with interest at the Prime Rate plus five percentage points. The net proceeds from any such sale will be applied to reduce the liability of the defaulting Co-Owner and any excess net proceeds will be applied as credit against the defaulting Co-Owner's share of future costs under the Vogtle Units 3&4 Ownership Agreement. In the event a Co-Owner defaults on any payments owed in connection with financing its Ownership Interest in Vogtle Units 3&4, any other Co-Owner will have the option to pay such overdue amounts directly to the defaulting Co-Owner's lender and will be entitled to be reimbursed for any such payments by the defaulting Co-Owner, together with interest at the Prime Rate plus five percentage points. Under the Vogtle Units 3&4 Ownership Agreement, the Co-Owners have the rights (1) to sue any non-paying party to recover any amounts paid by such paying Co-Owner or to enforce the payment obligations of such party and recover any increased costs incurred as a result of the non-payment, (2) to set-off amounts owed, (3) to seek declaratory judgments and (4) to seek injunctive relief to enforce GPC's obligations, as agent, to provide information relating to Vogtle Units 3&4.

Remedies for Other Breaches. If GPC fails to perform its obligations as agent in a manner consistent with Prudent Utility Practice, the other Co-Owners may, as their sole remedy and subject to the approval of the NRC, remove GPC as agent. In addition, if GPC, as agent, makes an adverse distinction between Vogtle Units 3&4 and any other generating unit in which it has an interest because of its co-ownership of Vogtle Units 3&4 with the other Co-Owners, or takes any action by which it intends to put another Co-Owner at a disadvantage, the Co-Owners may pursue any remedy available to them in law or equity.

Moreover, except as limited by the Vogtle Units 3&4 Ownership Agreement, the Co-Owners may collectively or individually take any action, in law or equity, to enforce the Vogtle Units 3&4 Ownership Agreement and to recover for any loss or damage (including consequential damages), including attorneys' fees and collection costs, incurred by reason of any breach of or default under the Vogtle Units 3&4 Ownership Agreement.

Vogtle Operating Agreement

General. The Co-Owners are parties to a Plant Alvin W. Vogtle Nuclear Units Amended and Restated Operating Agreement, dated as of April 21, 2006, as amended by Amendment No. 1 thereof, dated as of April 8, 2008 (as amended, the "Vogtle Operating Agreement"). The Vogtle Operating Agreement amends and restates the Plant Alvin W. Vogtle Nuclear Units Operating Agreement, entered into by the Co-Owners on August 27, 1976 (as amended, the "Original Operating Agreement") which governed the two existing 1150 MW maximum rated nuclear generating units known as Plant Vogtle Units 1 and 2 (the "Vogtle Units 1&2"). The Vogtle Operating Agreement amended the Original Operating Agreement so that it now governs the rights and responsibilities of the Co-Owners, and the authority and responsibilities of GPC, as agent, with respect to the management, operation and maintenance of Vogtle Units 1&2 as well as Vogtle Units 3&4 following commercial operation. Vogtle Units 1&2 and Vogtle Units 3&4 are collectively referred to as the "Vogtle Units."

GPC's Responsibilities as Agent. Under the Vogtle Operating Agreement, OPC, MEAG Power and Dalton have appointed GPC as their agent, with sole authority and responsibility for management, control, operation and maintenance of the Vogtle Units, including procurement of nuclear fuel for the Vogtle Units. GPC, as agent, is required to discharge its responsibilities in accordance with Prudent Utility Practice. Neither GPC, as agent, nor any Co-Owner may make an adverse distinction between the Vogtle Units or any other generating unit in which GPC or such Co-Owner has an interest because of the Co-Ownership of the Vogtle Units with the other Co-Owners.

MEAG Power's Entitlement to Output. With respect to availability of output, MEAG Power is entitled to a percentage of the net capacity and net energy output of each Vogtle Unit in proportion to its respective Ownership Interest in such unit. GPC has sole authority for the scheduling and dispatching of

generation from each Vogtle Unit and shall schedule and dispatch such generation on a continuous economic dispatch basis, to the extent each such Vogtle Unit is capable of such dispatch. In addition to receiving such proportionate share of the output at the operating level established based upon the economic dispatch of a Vogtle Unit during any Fuel Period, any Co-Owner may request to receive energy from such Vogtle Unit up to its proportionate share of the output of such Vogtle Unit at its maximum practicable capability, *provided*, (i) such Co-Owner agrees to be responsible for any additional costs, expenses, liabilities and damages resulting therefrom; (ii) such increased operation will not adversely affect the capability of such Vogtle Unit then or in the future; (iii) such Co-Owner will not interfere with other Co-Owners' output and (iv) the Co-Owners unanimously agree (such agreement not to be unreasonably withheld) to increase generation.

Responsibility for Operating Costs and Fuel Costs. Except as otherwise provided, each party is responsible for a percentage of Operating Costs and Fuel Costs of each Vogtle Unit in proportion to its Ownership Interest. With respect to each Vogtle Unit, Operating Costs include all costs and expenses (other than Fuel Costs) incurred by GPC, as agent, which are properly and reasonably allocable to such Vogtle Unit, and for which the Agent has not otherwise been reimbursed by the other parties, and which costs and expenses are properly recordable in accordance with the Operating Expense Instructions (as defined in the Uniform System of Accounts) and in appropriate accounts set forth in the Uniform System of Accounts (as defined in the Vogtle Operating Agreement). GPC is required to furnish monthly invoices based on Operating Costs anticipated to be incurred in succeeding months. In subsequent invoices, GPC will provide an accounting to the Co-Owners of Operating Costs actually incurred, and credits and deficits for preceding months will be reflected in such invoices. The Co-Owners have explicitly agreed to share all items of cost, obligation and liability incurred in connection with each Vogtle Unit (other than the financing of each Co-Owner's respective Ownership Interest) and not otherwise expressly provided for, in proportion to their respective Ownership Interests in such Vogtle Unit or as otherwise provided pursuant to the Vogtle Operating Agreement.

Remedies. GPC's liability as agent under the Vogtle Operating Agreements is limited by the terms thereof. Remedies against any of the Co-Owners for failure to make any payments when due under the Vogtle Operating Agreement include the option to withhold the defaulting Co-Owner's proportionate share of the capacity, and interest at the Prime Rate plus five percentage points will be added to such defaulting Co-Owner's overdue amount. GPC will be entitled to sell the defaulting Co-Owner's right to output until all overdue amounts, including interest, have been paid. The net proceeds from any such sale will not relieve the defaulting Co-Owner from liability (including consequential damages) but will be applied to reduce such defaulting Co-Owner's liability, and any excess net proceeds will be applied as a credit against the defaulting Co-Owner's share of future Operating Costs.

Sell-Back Arrangements with GPC. See "SUMMARY OF PROJECT AGREEMENTS – Summary of Operating Agreements" in APPENDIX E for a description of certain provisions of the Vogtle Operating Agreement that relate to MEAG Power's sell-back arrangement with GPC with respect to MEAG Power's Project One interest and Project Four interest in Vogtle Units 1&2.

Nuclear Managing Board Agreement

The Vogtle Co-Owners entered into a Nuclear Managing Board Agreement, dated as of November 12, 1990 (the "Nuclear Managing Board Agreement"), which established a nuclear managing board to coordinate the implementation and administration of various agreements relating to Plant Hatch and Plant Vogtle. Subsequently, the parties entered into an Amended and Restated Nuclear Managing Board Agreement, dated as of July 1, 1993, which authorized GPC to enter into a Nuclear Operating Agreement for Plant Hatch and Plant Vogtle with Southern Nuclear Operating Company, Inc. ("Southern Nuclear"), an affiliate of GPC. This amended agreement established Southern Nuclear as the Operating Agent. On April 21, 2006, the Vogtle Co-Owners entered into a Second Amended and Restated Nuclear

Managing Board Agreement for Plant Hatch and Plant Vogtle for the purpose of providing that Southern Nuclear will also serve as the Operating Agent with respect to the proposed expansion at Plant Vogtle involving the construction of Vogtle Units 3&4. The Second Amended and Restated Nuclear Managing Board Agreement was further amended by Amendment No. 1 thereof, dated as of April 8, 2008 to clarify the identity of Dalton as a party to the Second Amended and Restated Nuclear Managing Board Agreement.