Questions and Answers regarding
MEAG Power’s Vogtle 3 & 4 Project after the crisis in Japan

March 15, 2011

1. How do MEAG Power, Georgia Power, Oglethorpe Power, and the City of Dalton (the co-owners) feel about Plant Vogtle Units 3 & 4? Do all co-owners remain committed?

- We are deeply saddened by the impact of the natural disaster on the Japanese people. We also have been following the events transpiring around the nuclear facilities. MEAG Power and the co-owners take very seriously our commitment to safe operation of nuclear energy facilities and we will incorporate lessons learned based on this experience into our safety and operating procedures. Based on what we know now, we do not expect the events unfolding in Japan to have significant impacts on our Vogtle 3 and 4 construction and licensing effort. Targeted commercial operating dates for Units 3 and 4 remain 2016 and 2017 respectively. The owners remain committed to the project.

2. Are the Vogtle units (current and planned) located near a fault line? If so, what magnitude earthquake was assumed in the plant designs? How strong of an earthquake could MEAG Power’s plants withstand?

- Plant Vogtle is located in an area deemed to be low activity zones for seismic activity but is still designed for earthquake ground motions of 0.3 g (g = the force of gravity) and evaluated for earthquakes up to 0.5 g. The seismic evaluation encompassed the most severe earthquake for the site that might occur once in 10,000 years. In comparison, the Fukushima Daichii facility is believed to be designed for 0.18g ground motion and the earthquake created maximum acceleration estimated at 0.35g.

3. Will this delay the COL?

- Today’s NRC licensing processes, including those for the Vogtle AP1000, fully evaluates such issues as severe earthquakes, tsunamis, station blackouts, and long-term core cooling capability. The AP1000 design provides significant advances in many of these areas. The safety of this design applied at the Vogtle site has been fully evaluated and meets or exceeds requirements. The AP1000 enhanced design and the rigorous regulatory reviews already performed give us confidence that the licensing process can remain on schedule. Southern Company and the Plant Owners recognize that significant NRC resources may be required to monitor and evaluate this event and to address any lessons learned. Fortunately, the NRC has a separate division, the Office of New Reactors, dedicated to supporting the new licensing process for Vogtle 3 & 4.

4. What impact will the Japanese nuclear situation have on the Vogtle 3 & 4 projects? Any additional costs and delays anticipated?

- Based on what we know now, we do not expect the events unfolding in Japan to have significant impacts on our Vogtle 3 & 4 construction and licensing effort. Targeted commercial operating dates for Vogtle 3 & 4 remain 2016 and 2017 respectively.
5. What is the current status of licensing for Plant Vogtle Units 3 & 4?

- On December 2, 2010, Westinghouse submitted an AP1000 Design Certification Amendment (DCA) to the NRC. On February 10, 2011, the NRC announced that it was seeking public comment on a proposed rule to approve the DCA and amend the certified AP1000 reactor design for use in the U.S. The Advisory Committee on Reactor Safeguards also issued a letter on January 24, 2011 endorsing the issuance of the COL for Vogtle Units 3 & 4. MEAG Power currently expects to receive the COL for Vogtle Units 3 & 4 from the NRC in late 2011 based on the NRC’s February 16, 2011 release of its COL schedule framework.

6. Could what happened in Japan happen at Vogtle Units 3 & 4 too?

- Our facilities have been designed in accordance with NRC requirements related to natural events such as earthquakes, tornadoes, flooding (including tsunamis) and hurricanes. These requirements ensure that the plants can be safely shutdown and maintained in shutdown status after these events. The NRC requirements provide a design margin above historical event levels.

Fukushima Daichii suffered damage from the tsunami primarily due to flooding of its power systems. The location of MEAG Power’s plants would result in the dissipation of any tsunami that reached the Atlantic coast of the United States before it reached the site. The Japanese tsunami traveled 6 miles inland. Plant Vogtle is approximately 130 miles from the coast at an elevation of approximately 220 feet above sea level. The distance inland and elevation of the Vogtle site would protect the facilities from tsunamis substantially larger than the maximum probable used in the design.

The AP1000 design includes passive safety systems that rely on gravity, natural circulation, convection, compressed gas and condensation to maintain safe operation and shut down safety. Many of the enhanced features of the AP1000 design are specifically intended to eliminate the dependence upon mechanical and electrical support systems to keep the fuel cool during an event.

7. How is the NRC reacting to the news regarding the Fukushima Daiichi Nuclear Plant in Japan?

- There has been no indication from the NRC that the events involving the nuclear units in Japan will adversely impact the current licensing schedule for Vogtle Units 3 & 4. The NRC has confirmed that although significant resources may be required to monitor and evaluate the events in Japan, it has a separate division, The Office of New Reactors, dedicated to support the licensing process for the new Vogtle Units.

8. What is the current status of completion of Vogtle 3 & 4 based on percentage of the EPC contract that has been fulfilled to nearest date?

- At the end of 2010, the project was approximately 30% complete based on payments versus the spending curve. Equipment Procurement is the major effort at this stage of the project.
9. What would be the impact of a substantial delay (1 to 2 years?) of receiving the COL for Vogtle Units 3 & 4? What is the impact of a commercial operation date delay?

- A delay in the issuance of the COL would likely extend the construction timeline by a timeframe equal to the delay and therefore result in an equivalent delay in the commercial operation date, as well as result in additional capital needs to fund any cost increases and capitalized interest on the bonds issued to finance the project through the revised commercial operation dates.

10. What would be the impact of a potential cancellation of Vogtle Units 3 & 4 in terms of construction cost expended and adequacy of MEAG Power's power supply?

- As previously set forth in the Official Statements related to the Vogtle Projects M, J and P, MEAG Power has examined certain risk scenarios to determine the impact of cancellation of Vogtle Units 3 & 4 on the projected cost of power in 2026, the year when MEAG Power would have to place in service another generating resource in the event Vogtle Units 3 & 4 are cancelled. Such examination involved projections by MEAG Power of the cost of power in 2026 in each of the following circumstances:
  - Vogtle Units 3 & 4 are placed in service on time and budget (the “Base Case Projection”);
  - Vogtle Units 3 & 4 are cancelled at the end of 2011 due to the failure to receive the COL by such time and a 300 MW combined cycle generating unit has been financed and placed in service by MEAG Power by 2026, the year when its full output is needed (the “First Risk Scenario Projection”); and
  - Vogtle Units 3 & 4 are cancelled at the end of the construction period due to the failure of the units to achieve commercial operation and a 300 MW combined cycle generating unit has been financed and placed in service by MEAG Power by 2026, the year when its full output is needed (the “Second Risk Scenario Projection”).

In the preparation of its projections of the cost of power in 2026, MEAG Power has made certain assumptions with respect to conditions that may occur in the future. See “COMPETITION – Certain Responses of MEAG Power to Competition – Planned Resources: Vogtle Units 3&4 Projects – Impact of Certain Risk Scenarios on Projected Cost of Power in 2026” in the Updated Annual Information Statement dated February 17, 2010 and available on MEAG Power’s website. While MEAG Power believes the assumptions were reasonable at the time for the purpose of such projections, the assumptions are subject to a number of risks and uncertainties, some of which are beyond MEAG Power’s control, and therefore actual conditions may differ substantially from those assumed. In addition, MEAG Power has relied upon certain information and assumptions provided to it by others. While MEAG Power believes the sources to be reliable, it has not independently verified the information and offers no assurances with respect thereto.

Based on the considerations and assumptions referred to above:

- under the Base Case Projection, (a) the projected average unit cost of power purchased from MEAG Power and SEPA by the Participants is 7.62 cents/kWh and (b) at the retail level, the projected average unit cost of power purchased from the Participants by all customers is 11.1 cents/kWh;
under the First Risk Scenario Projection, (a) the projected average unit cost of power purchased from MEAG Power and SEPA by the Participants is 8.82 cents/kWh and (b) at the retail level, the projected average unit cost of power purchased from the Participants by all customers is 12.3 cents/kWh; and

- under the Second Risk Scenario Projection, (a) the projected average unit cost of power purchased from MEAG Power and SEPA by the Participants is 9.12 cents/kWh and (b) at the retail level, the projected average unit cost of power purchased from the Participants by all customers is 12.6 cents/kWh.

These projections of average unit cost of power purchased from the Participants compare favorably to the 2026 national All Sectors Average End-Use Price of 12.9 cents/kWh as projected by the U.S. Energy Information Administration Annual Energy Outlook 2010 Early Release Overview dated December 14, 2009.

In summary, given the sensitivities which were run and based on the assumptions used, in the unlikely event the Project were cancelled the result show that MEAG Power would still remain competitive. MEAG Power and the Co Owners expect that the Project will move forward as planned and we are committed to the Project.

11. What would be the cost responsibilities of MEAG Power versus JEA and MEAG Power versus PowerSouth pursuant to the respective PPAs for Project J and Project P if Vogtle Units 3 & 4 were cancelled?

- If the plant is cancelled all together, then JEA and Power South continue to be responsible for the first 240 months of payment of both interest and principal components of Debt Service of projects J and P, respectively, subsequent to the commencement of billing by MEAG Power. Thereafter, the MEAG Power Participants assume responsibility for payment of the Debt Service until 2058 or until the bonds are paid in full, whichever event first occurs.

Any cost of acquisition and construction not financed through bond proceeds will be allocated between JEA and the MEAG Power Project J Participants on a 50/50 basis. The same allocation applies to Power South and the MEAG Power Project P Participants as to cost of acquisition and construction not financed through bond proceeds.

The obligations of the MEAG Power Participants, JEA and Power South supporting Project M, Project J and Project P are supported by take or pay, court validated contracts, which are unconditional obligations to pay regardless of the status of the Vogtle Unit 3 & 4. In addition, MEAG Power Participants’ obligations include a general obligation pledge of the Participants supporting their respective responsibilities under the contracts.

12. Does this make MEAG Power contemplate accessing the Federal guarantees sooner than anticipated?

- The events in Japan do not affect our planning with regards to the planned timing of accessing the DOE Loan Guarantee Program.

13. Can unspent proceeds from the 2010 Vogtle 3 & 4 transactions be used for other purposes (i.e. to build a gas plant)?

- No, the proceeds may only be used for Vogtle 3 & 4 expenditures
14. How much of the BABs proceeds have been spent?

- Approximately $550 million of bond proceeds have been spent through February 28, 2011.

15. How are the unspent proceeds invested?

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<th>Asset Type</th>
<th>Market Value</th>
<th>Account</th>
<th>Market Value</th>
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<td>TOTAL</td>
<td>$2,102,629,299.35</td>
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<table>
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<tr>
<th>Projects</th>
<th>Market Value</th>
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<th>Market Value</th>
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16. Has MEAG Power spoken to JEA and PowerSouth since the situation in Japan began to unfold? What are the feelings from JEA and PowerSouth about Plant Vogtle Units 3 & 4?

- We have provided continuing updates to both JEA and PowerSouth regarding the situation in Japan on an ongoing basis. MEAG Power, JEA and PowerSouth remain fully committed to the project.