

## STAYING current

### Sen. Perdue Co-Sponsors S. 4129

Georgia Sen. David Perdue has signed on as a co-sponsor of Sen. Roger Wicker's bill, S. 4129, regarding advanced refunding of municipal bonds for tax-exempt entities, legislation of high importance to MEAG Power and our 49 Participants.

S. 4129 (Lifting Our Communities through Advance Liquidity for Infrastructure —“LOCAL Infrastructure” Act) would reinstate advance refunding.

### Vogtle Update

Closed-vessel testing has been completed for Vogtle Unit 3, marking continued progress with critical testing. The completion of this milestone prepares Unit 3 for cold-hydro testing, which is required ahead of initial fuel load. Closed-vessel testing verifies the pipes and valves in the Unit 3 reactor coolant system were installed as designed and helps ensure safety systems function properly. To carry out closed-vessel testing on the plant's passive safety systems, workers installed the reactor vessel head as well as the lower and upper reactor internals and flow restrictors. These will be used during hot functional testing to mimic flow through the reactor core.

### Georgia 'Top State for Doing Business'

Georgia has been named the "Top State for Doing Business" for the seventh year in a row by Area Development. The executive publication annually polls nearly 50 leading site consulting firms from across the U.S. Rankings are based on weighted scores in the following categories: overall cost of doing business, cooperative and responsive state government, favorable regulatory environment, business incentives, workforce development programs, competitive labor environment, speed of permitting, logistics and infrastructure, available real estate, energy availability and costs, site readiness programs, corporate tax environment, and access to capital and projects.

## All Related Claims Also Dismissed

# MEAG POWER, JEA, JACKSONVILLE SETTLE LITIGATION

On July 30, MEAG Power, JEA and the City of Jacksonville announced a settlement of all disputed issues relating to Plant Vogtle Units 3 & 4, and the Amended & Restated Power Purchase Agreement dated December 31, 2014 (the "Project J PPA").

The MEAG Power Board, the JEA Board and the City of Jacksonville all approved the settlement, which was reached six weeks after U.S. District Court Judge Mark Cohen granted MEAG Power's Motion for Judgment on the Pleadings. He specifically declared in bold print that the Project J PPA between JEA and MEAG Power "is VALID AND ENFORCEABLE" and affirmed that "the PPA unconditionally requires JEA to pay MEAG for capacity and energy at the full cost of production of Project J, including debt service on the bonds and DOE-guaranteed loans."

Terms of the settlement included JEA and the City of Jacksonville dismissing their civil action against MEAG Power then pending in U.S. District Court, and MEAG Power dismissing its lawsuits against JEA then pending in U.S. District Court and the U.S. Court of Appeals. Further, JEA, the City of Jacksonville and MEAG Power agreed to accept without challenge or appeal the Order entered by Judge Cohen dated June 17, 2020, including without limitation his determination that the JEA PPA is Valid and Enforceable. Terms also included a \$0.75 increase in the price per MWh that JEA will pay for the power it receives during the term of the PPA, expected to total nearly \$25 million. And, in the event that a Project J Participant elects to sell all or any portion of its Project J entitlement share and no other Project J Participant elects to purchase such share, JEA has been provided a limited right of first refusal to purchase such entitlement share at an amount equal to the price offered by a third-party purchaser or the fully embedded costs of the power, whichever amount is greater. This right of first refusal applies only during the last 10 years of the JEA PPA.

On Aug. 12, Judge Cohen signed an order terminating the case and accepting the settlement.

"We are pleased to have reached a settlement with JEA and the City of Jacksonville to put this matter behind us," said Jim Fuller, MEAG Power President & Chief Executive Officer. "We believe this settlement is the best outcome for all involved, and we look forward to a mutually beneficial relationship that helps MEAG Power and JEA deliver cost-effective, emissions-free power to our respective customers in the coming decades."

## ELECTRIC SECTOR EMISSIONS DECLINING

According to the 2020 Ceres benchmarking report, power sector CO<sub>2</sub> emissions decreased about 8 percent between 2018 and 2019. In 2019, power plant CO<sub>2</sub> emissions were 11 percent lower than 1990 levels, and about 30 percent lower than their peak in 2007. Some of the factors driving this longer-term trend include energy efficiency improvements and the displacement of coal by natural gas and renewable energy resources.

## MEAG POWER 2020 BOARD ELECTION

**Keith Brady** (Newnan), **Tim Houston** (Acworth), and **Greg Thompson** (Monroe) were re-elected to the MEAG Power Board on July 14th.

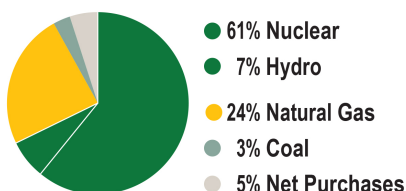
The following day during the MEAG Power Annual Meeting, Board Chairman Terrell Jacobs convened the 2020 MEAG Power Board. The Board then approved the existing slate of officers to serve in the same positions until the next MEAG Power Annual Meeting:

**Terrell Jacobs** (Douglas), Chairman  
**Steve Tumlin** (Marietta), Vice Chairman  
**Larry Vickery** (Calhoun), Secretary Treasurer

The 2020 MEAG Power Board also includes:

**Patrick Bowie** (LaGrange)  
**Steve Rentfrow** (Crisp County)  
**Bill Yeara** (Sylvester)

### MEAG Power Delivered Energy



**68% Non-Emitting\***

\*12-mo. rolling average, as of July 2020

**Calhoun** Creative Flooring Solutions (CFL), a manufacturer of laminate, wood, and luxury vinyl tile, will create 300 jobs and invest more than \$70 million in a new manufacturing facility.

**Cartersville** Wellmade Flooring will invest more than \$35 million in expanding its manufacturing facilities, delivering 240 jobs to the area.

**Commerce** SK innovation, a developer and manufacturer of lithium-ion batteries for electric vehicles, will invest another \$940 million to expand their manufacturing plant, creating 600 jobs.

**Covington** Mytex Polymers US Corp (Mytex) is investing more than \$7 million to expand its facility in Newton County. The expansion will create 15 new jobs.

**Lawrenceville** The city was one of 860 nationally recognized by Main Street America for their commitment to improving quality of life, economic development, historic preservation, tourism and job creation at the local level.

**Thomasville** The city was named the 8th best Southern small town by Southern Living magazine readers: "The charming cobblestone Main Street, lined with one-of-a-kind boutiques and eateries, is Thomasville's calling card. Its downtown is filled with historic homes and oak-canopied streets. At Elizabeth Ireland Poe Park, see 'The Big Oak,' a Southern live oak with a 165-foot limb span. While you're there, have your picture made at the Big Oak Cam."

**Washington** WAHA Technologies, which began operations in October 2019, announced an expansion of their bitcoin mining operation.

**West Point** CIG Capital, an alternative investment firm, announced a new \$125 million lending project for The Villages at West Point.

## MEET YOUR *colleagues*



**Andy Arnold**  
Mayor  
City of LaFayette

Mayor Andy Arnold is in his 7th year as mayor of LaFayette. Before being elected mayor, he served nearly 13 years as a city council member. His leadership experience, though, extends back even further, to his time as a teacher and coach.

Arnold loves his life-long community and relishes witnessing its progress. He is especially proud of the transformation of Linwood neighborhood. Linwood was an old textile mill town that is now rental homes with a community clubhouse and various other amenities.

The best part of being mayor, he says, is helping residents and making the right decisions for the common good. He's known – and has garnered recognition – as a tireless promoter of the Queen City of the Highlands.

His colleagues in tourism in a multi-county association, the Historic High Country Travel Association, honored Arnold as Tourism Advocate of the Year at the 2018 year-end meeting in Cartersville.

Since the beginning of his municipal service, Mayor Arnold has realized the value of the MEAG Power relationship in delivering LaFayette reliable and affordable wholesale power. "Reliable power underpins everything a city does and allows for its economic growth," he said.

## 2020 MAKE A NOTE

**MEAG Power Board Meetings**

September 17, October 15, November 19

**MEAG Power Virtual Mayors Summit**

November 18 (Tentative)

Information forthcoming

## Natural Gas Proliferation, Storage and Renewables Combine in 'Perfect Storm' to Pressure Coal

Across the United States, the abundant supply of low-cost natural gas and a growing portfolio of gas power plants have put extreme pressure on coal power economically. Combine that with the high growth in wind, solar and energy storage projects, and the ever-increasing carbon-reduction goals being set by states, communities, utilities, and corporations, and you have the perfect storm.

The result is reduced plant utilization rates and the continued stream of announcements for the early closure of coal assets, including some of the largest power plants in America.

For the better part of three decades, from 1985 through 2014, net operating coal capacity in the United States exceeded 300 GW. By the end of 2020, it is expected to drop below 240 GW for the first time since 1978, and by 2030, based on plants scheduled for retirement, net capacity is expected to dip below 200 GW for the first time since 1975. This is based on data compiled by the Hitachi ABB Power Grid's Velocity Suite research team.

Coal accounted for only 17.2% of the country's fuel mix through the first four months of 2020 – down 33.6% from the same period in 2019. Meanwhile, natural gas was running 10% higher and accounted for 39.7% of the country's fuel mix, while solar, wind and other non-hydro renewables accounted for a record 13.4% of the total fuel mix – up 11.2% from the same four-month period in 2019.

– *Kent Knutson, Energy Market Content Specialist with Hitachi ABB Power Grids, on [Energycentral.com](http://Energycentral.com)*



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# MEAG POWER **current** COMMUNITIES

## LAFAYETTE, GEORGIA

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## LAFAYETTE

### *Manufacturing is Cooking in LaFayette*

“It is always a welcome announcement when an existing industry plans to expand its operations in your community,” said Community and Economic Development Director Elizabeth Wells.

In June 2019, Roper Corporation, a subsidiary of GE Appliances, a Haier Company, announced a \$43 million investment to create new manufacturing capacity and launch several new cooking products in its line of ranges, wall ovens and cooktops. With the expansion, the company now employs more than 2,000 people.

A few years earlier, Pennsylvania-based Audia International brought a \$50 million plastics manufacturing facility to the Walker County Business Park on U.S. 27.

“Our search covered six states, and Walker County proved to be the best location for us,” said Audia’s representative, Todd Gummersbach.

In 2018, a Georgia Ports Authority decision opened a \$24 million inland port, the Appalachian Regional Port, to spur business in northwest Georgia. A 388-mile rail connection to Savannah’s port could be the impetus for generating economic growth for regional communities.

LaFayette is minutes from downtown Chattanooga and located in a triangle of Atlanta, Birmingham and Nashville. Diverse industry and access sweeten the city brand.





# LAFAYETTE

**POPULATION:** 7,268 (county seat)

**WALKER COUNTY POPULATION:** 69,761

**UTILITIES:** Electricity, natural gas, water, wastewater, solid waste

**TRANSPORTATION:** LaFayette has access to major highways and rail from US Hwy 27. It is close to three major interstate highways, I-75, I-24, and I-59.

**NOTABLE EMPLOYERS:**

- Roper Corp. – kitchen appliance manufacturer
- Labrie Enviroquip Group – manufacturer of refuse and recycling collection vehicles
- Shaw Industries – carpet yarn processor
- Unique Fabricating – lightweight acoustic and sealing solutions
- Syntec Industries – textile manufacturer
- Audia Plastics – plastics manufacturer
- Flexabed – adjustable bed manufacturer

*“Tourists are not disappointed with the number of things to do in the scenic outdoors of LaFayette. My wife and I meet great people as we paddle board on our 260-acre lake.”*

Mayor Andy Arnold

## *LaFayette Notables:*

- **Civil War History:** The community owns a piece of Civil War history. The 1836 brick Chattooga Academy, now known as John B. Gordon Hall, is among Georgia’s oldest school buildings. In 1863, Confederate General Braxton Bragg plotted his attack on Union forces at Chickamauga on these grounds, which served as his headquarters. The Chickamauga Battlefield Park, one of the largest and oldest battlefield parks, is nearby. Civil War buffs visit here for the history and often include travel to Atlanta for more war history.
- **The Hive:** A collaboration among citizen volunteers works to elevate the goals and strategies of LaFayette leadership. There are five teams that work on functions of the city brand. The name Hive is a nod to their recognition for the Honeybee Festival and the cohesive work of the group for the community.
- **Mars Theatre:** Be sure to visit the Mars Theatre, located next to Station House Restaurant, for local plays and a display of community talent. Back Alley Productions has been voted by readers of the Chattanooga Times Free Press as the North Georgia Best of the Best for Live Performance Venue for three years running.
- **Marsh House:** The Historic Marsh House was built in 1836 by Spencer Marsh, a judge and one-time North Carolina State Senator. Marsh, along with Andrew Perry Allgood, founded the first cotton mill in Northwest Georgia. The Marsh House remained in the family for 150 years. Now, the antebellum home is owned and operated by Walker County and is a museum and events facility. During the Civil War, blood-soaked floors were left behind after troops vacated the house. The historic landmark is listed on the National Register of Historic Places.

# LAFAYETTE

## *Queen City of the Highlands*

LaFayette is the northernmost MEAG Power Participant community. The city is situated in the foothills of the Appalachian Mountains, in a graceful valley that is home to the Crockford-Pigeon Mountain Wildlife Management Area, the well-known climbing destination Rocktown, and is not far from Lookout Mountain, Tennessee.

LaFayette offers small town living in a historic community amidst abundant recreational opportunities. The city's leadership is passionate (and award-winning) about promoting the community's assets, from its natural beauty and history, to its festivals and outdoor activities, residential amenities and economic advantages.

Hiking to local waterfalls, cave exploration and wildlife viewing are popular pursuits. Water-minded fun-seekers may head to the Queen City Lake for paddle boarding, fishing, kayaking and swimming. And golfers have LaFayette's municipal golf course at the ready.

Among the best-known of the city's recreational offerings is the vernacular-heavy sport of rock climbing. Terms like bomber, sloper, huecos and top-outs are a sampling of the argot for the physical properties of rocks and ledges, types of holds and maneuvers, all intended to assist climbers in their attempt to scale rock. The house-sized sandstone boulders in LaFayette make it a climbing destination in the Southeast, and a geological treasure sustained by the stewards of the Southeastern Climbers Coalition.

Popular festivals and events draw tens of thousands of visitors to the community each year.

LaFayette hosts an annual Honeybee Festival to showcase the pollinators' impact on the region's natural beauty and the sustainability of Georgia's agribusiness. Attendance tripled in its third year. Beekeepers, local small business owners and hobbyists exhibit and sell their wares. Regional honey producers reach world markets with products online at the Georgia Grown website.

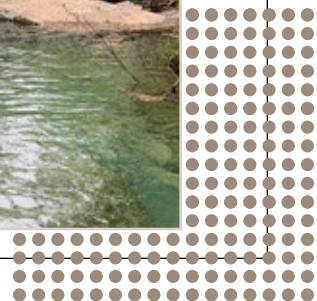
LaFayette was recognized twice in 2018 by the Historic High Country Travel Association, a 17-county travel/tourism industry association. The Honey Bee Festival won Event of the Year, and Mayor Andy Arnold won Tourism Advocate of the Year for his efforts promoting LaFayette.

The city's identity is wrapped up neatly in its tagline: Queen City of the Highlands.

A successful municipal brand attracts people and drives demand for housing. In 2019, LaFayette developed a public-private partnership to build residential communities. Abbington at Linwood is a scattered-site rental community with three locations and various amenities.



**Natural beauty and recreational opportunities abound in LaFayette. Leadership is passionate about promoting the community's assets.**



# LAFAYETTE

## *Queen City of the Highlands*



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“This neighborhood revitalization provides homes to meet the demand for workers who wish to live and work here, as well as Chattanoogaans willing to adopt a short commute,” said City Manager David Hamilton. “Ultimately, a pool of talent attracts further new business growth.”

It’s not just city government officials working to promote and help build an even better LaFayette. The 10-member LaFayette Junior Council fosters an understanding of governance and participation in good decision-making. The Junior Council recently envisioned and lobbied for an enhanced recreation center.

A new foyer and gym floor invites athletes in, but the rec center also has music and game rooms for other popular activities. “More young people are finding their way to our center,” said high school freshman Laney Rayburn, a member of the Junior Council.

In the historic city of LaFayette, nature’s abundance, quality of life, outdoor pursuits and popular events are passionately promoted by city leadership, building an enviable brand: the Queen City of the Highlands.

