



Municipal Electric Authority of Georgia

ANNUAL INFORMATION STATEMENT

For The Fiscal Year Ended December 31, 2009

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 2009 and 2008). 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 POWER SALES CONTRACTS

The following is a description of certain of the provisions of (1) the Additional Units Non-PPA Power Sales Contracts (such power sales contracts, as the same may be amended, the “Project M Power Sales Contracts”) executed between the Municipal Electric Authority of Georgia (“MEAG Power”) and 29 participants (in such capacity, the “Project M Participants”) relating to the “Additional Units Non-PPA Project” (referred to in the Annual Information Statement as “Project M”), (2) the Additional Units PPA Power Sales Contracts (such power sales contracts, as the same may be amended, the “Project J Power Sales Contracts”) executed between MEAG Power and 39 participants (in such capacity, the “Project J Participants”) relating to the “Additional Units PPA Project” (referred to in the Annual Information Statement as “Project J”) and (3) the Additional Units PPA-2 Power Sales Contracts (such power sales contracts, as the same may be amended, the “Project P Power Sales Contracts” and, together with the Project M Power Sales Contracts and the Project J Power Sales Contracts, the “Vogtle Units 3&4 Power Sales Contracts”) executed between MEAG Power and 39 participants (in such capacity, the “Project P Participants,” and, together with the Project M Participants and the Project J Participants, the “Vogtle Units 3&4 Participants”) relating to the “Additional Units PPA-2 Project” (referred to in the Annual Information Statement as “Project P” and, together with Project M and Project J, the “Vogtle Units 3&4 Projects”).

Each of the Vogtle Units 3&4 Power Sales Contracts became effective on June 15, 2008 and will continue in full force and effect until such time as all of the indebtedness issued under the applicable Vogtle Units 3&4 Bond Resolution has been paid, or provision therefor has been made, or the applicable Vogtle Units 3&4 Project is retired from service or disposed of by MEAG Power, whichever is later, but in no event longer than 50 years from June 15, 2008 (unless extended either through amendment or replacement with another contract; see the fifth paragraph under “INTRODUCTORY STATEMENT – The Participants” in the Annual Information Statement).

The Vogtle Units 3&4 Power Sales Contracts are identical in all material respects except as indicated below. Capitalized terms not otherwise defined in this APPENDIX K or defined in the Annual Information Statement shall be as defined in the applicable Vogtle Units 3&4 Power Sales Contracts.

Obligation Shares

Each Vogtle Units 3&4 Participant’s Obligation Share with respect to a particular Vogtle Units 3&4 Project is a percentage set forth in its Vogtle Units 3&4 Power Sales Contract relating to such Project that determines both (a) the percentage share of output and services of such Project to which such Vogtle Units 3&4 Participant is entitled and (b) the percentage of such Project’s annual costs that such Vogtle Units 3&4 Participant is obligated to pay.

Pursuant to the terms of the Project M Power Sales Contracts, MEAG Power is obligated to provide, and each Project M Participant is obligated to take from MEAG Power, its Obligation Share of the output and services of each facility of Project M for the entire term of its Project M Power Sales Contract.

Pursuant to the terms of the Project J Power Sales Contracts and the Project P Power Sales Contracts, respectively, MEAG Power is obligated to provide, and each Project J Participant and Project P Participant is obligated to take from MEAG Power, its Obligation Share of the output and services of each facility of Project J and Project P, respectively, commencing at 12:01 AM, Eastern Prevailing Time, on the day after the twentieth anniversary of the commercial operation date of the second unit of Plant Vogtle Unit No. 3 and Plant Vogtle Unit No. 4 to achieve commercial operation (the “Second Commercial

Operation Date”), for a period not to exceed 50 years from June 15, 2008 (such period is referred to herein as the “Final Term”).

None of the Project J Participants or the Project P Participants is entitled to receive its Obligation Share of output and services from Project J or Project P, as applicable, during the period between the commercial operation date of the first unit of Plant Vogtle Unit No. 3 and Plant Vogtle Unit No. 4 to achieve commercial operation (the “First Commercial Operation Date”) and the twentieth anniversary of the Second Commercial Operation Date (such period is referred to herein as the “Initial Term”); provided, however, that each Project J Participant and Project P Participant is entitled to receive its Obligation Share of the output and services of the portion of the first unit of Plant Vogtle Unit No. 3 and Plant Vogtle Unit No. 4 to achieve commercial operation that is included in Project J and Project P, respectively, during the period commencing on the twentieth anniversary of the First Commercial Operation Date and continuing through the remainder of the Initial Term.

See “THE PARTICIPANTS – Obligation Shares of the Participants – Vogtle Units 3&4 Projects” in the Annual Information Statement for a schedule that sets forth the Vogtle Units 3&4 Participants’ respective Obligation Shares.

Annual Budgets

MEAG Power is required to adopt an annual budget with respect to each Vogtle Units 3&4 Project (each, an “Annual Budget”) for each Power Supply Year during the term of the applicable Vogtle Units 3&4 Power Sales Contracts containing estimates of such Vogtle Units 3&4 Project’s annual costs (the “Annual Costs”) and all revenues, income or other funds to be applied to each Vogtle Units 3&4 Project’s Annual Costs, including the costs of Debt Service (as hereinafter defined). To the extent not paid as part of the costs of acquisition and construction, the Annual Costs for a particular Vogtle Units 3&4 Project are all costs and expenses of MEAG Power allocable to such Project paid by MEAG Power during a given Power Supply Year, including fixed and other costs.

1. *Fixed costs*, with respect to each Vogtle Units 3&4 Project, include: (a) taxes or payments in lieu thereof attributable to such Vogtle Units 3&4 Project; (b) amounts required for renewals and replacements attributable to such Vogtle Units 3&4 Project or reserves therefor; (c) amounts to be set aside for the retirement from service or disposal of facilities of such Vogtle Units 3&4 Project; (d) amounts required for the purchase of generating capacity reserves for such Vogtle Units 3&4 Project; (e) amounts that MEAG Power is required under the applicable bond resolution to pay or deposit into any fund or account established by such bond resolution for the payment of Debt Service and any reserve requirements for the applicable bonds; (f) any other amounts that MEAG Power is required, under the applicable bond resolution, to pay or deposit during the Power Supply Year into any other fund or account established by or outside of such bond resolution; (g) amounts for payment or deposit into any fund or account outside of the pledge of the applicable bond resolution attributable to costs or reserves of such Vogtle Units 3&4 Project, including such amounts established by MEAG Power in the Annual Budget to provide reasonable reserves for the payment of MEAG Power’s share of costs required pursuant to either the Vogtle Units 3&4 Ownership Agreement or the Vogtle Operating Agreement; and (h) amounts for payment of Additional Costs (as such term is defined in the Vogtle Units 3&4 Development Agreement) allocable to such Vogtle Units 3&4 Project during any Power Supply Year.

Each of the Project J Power Sales Contracts and the Project P Power Sales Contracts also provides that fixed costs will also include amounts for the payment of any obligation that MEAG Power incurs under the Project J PPA or the Project P PPA, as applicable, including monetary judgments obtained by JEA or PowerSouth, as applicable, against MEAG Power.

2. *Other costs*, with respect to each Vogtle Units 3&4 Project, include: (a) all costs of producing and delivering electric power and energy from such Vogtle Units 3&4 Project to the applicable Participants and (b) amounts required to pay the costs of or to provide reserves for (i) extraordinary operating and maintenance costs attributable to the such Vogtle Units 3&4 Project, (ii) any major renewals, replacements, repairs, additions, betterments and improvements necessary, in the opinion of MEAG Power, to keep the facilities of the Vogtle Units 3&4 Project in good operating condition or to prevent a loss of revenues therefrom; and (iii) any major additions, improvements, repairs or modifications to, or retirements or disposals of, any facility of such Vogtle Units 3&4 Project required by any governmental agency having jurisdiction over the Vogtle Units 3&4 Project or for which MEAG Power otherwise is responsible to the extent that MEAG Power is not reimbursed therefor from the proceeds of insurance or funds for such payments are not available to MEAG Power therefor from any funds or accounts established by MEAG Power, or funds for such payment are not provided or to be provided by the issuance of bonds.
3. *Debt Service*, with respect to each Vogtle Units 3&4 Project, means, with respect to any period, the aggregate of the amounts required by the applicable bond resolution to be paid during said period into any fund or funds created by such bond resolution for the sole purpose of paying (a) the principal (including the sinking fund installments) of, and premium, if any, and interest on, applicable bonds, and (b) any payments on Qualifying Hedging Contracts, including any swap premium or swap termination payment, or Reimbursement Obligations, relating to the applicable bonds from time to time outstanding as the same become due; *provided, however*, that Debt Service will not include any acceleration of the maturity of the applicable bonds. MEAG Power is expressly authorized to bill some or all of the Debt Service costs which are payable during construction and prior to the Commercial Operation Date of any facility.

MEAG Power is authorized to amend each Vogtle Units 3&4 Project's Annual Budget upon 30 days' notice to the applicable Vogtle Units 3&4 Participants and to adjust its rates and charges to meet each Vogtle Units 3&4 Project's costs. MEAG Power will submit, and each Vogtle Units 3&4 Participant will be obligated to pay, a monthly billing statement based upon the Annual Budget for the applicable Vogtle Units 3&4 Project. At the end of each Power Supply Year, MEAG Power will determine if the aggregate amounts collected from the billing statements are in the proper amount. Any excess amounts collected will, at MEAG Power's discretion, either be paid to the applicable Vogtle Units 3&4 Participants or appropriately credited to the such Vogtle Units 3&4 Participants on their monthly billing statements for the remaining month or months of the Power Supply Year next succeeding the Power Supply Year for which such adjustment was determined to have been necessary. Each Vogtle Units 3&4 Power Sales Contract provides that MEAG Power shall have the discretion, subject to the concurrence of a sufficient number of Vogtle Units 3&4 Participants whose total Obligation Shares in the applicable Vogtle Units 3&4 Project exceed 66 2/3 percent, to apply any excess amounts (as set forth above) received, or portion thereof, towards the purchase, redemption or defeasance of bonds relating to such Vogtle Units 3&4 Project in advance of such bonds' maturity; *provided, however*, that pursuant to the terms of the Project J Power Sales Contracts and the Project P Power Sales Contracts, MEAG Power shall only have such discretion after the end of the term of the Project J PPA and Project P PPA, respectively. MEAG Power will reduce such elements of the applicable Vogtle Units 3&4 Project's Annual Costs to reflect any such accelerated retirement. Any deficiencies in collections are recovered by adding the amount of such deficiency to the applicable Vogtle Units 3&4 Participants' billing statements in equal installments over the remaining month or months of the Power Supply Year next succeeding the Power Supply Year for which such adjustment was determined to have been necessary. MEAG Power may, at its election, establish a policy for making monthly, quarterly or semi-annual retroactive adjustments to the Vogtle Units 3&4 Participants' billings to account for variances between the billed amounts and the actual costs incurred during the respective period to avoid large cumulative adjustments at the end of each Power Supply Year.

Each of the Project J Power Sales Contracts and the Project P Power Sales Contracts provides that, in the event that JEA or PowerSouth, as applicable, makes any additional compensation payment, such payment will be placed by MEAG Power in a reserve fund for the purpose of either reducing the Project J Participants' or Project P Participants' Obligation Shares, as applicable, of "other costs" (as defined above) following the Initial Term or satisfying any payment obligations of such Vogtle Units 3&4 Participants incurred during the Initial Term, as the case may be. Such funds will be allocated among the applicable Vogtle Units 3&4 Participants on a *pro rata* basis reflecting such Vogtle Units 3&4 Participants' Obligation Shares in the applicable Vogtle Units 3&4 Project and shall not be included in the pledge in favor of the holders of the related bonds.

Vogtle Units 3&4 Participants' Obligations to Pay

General

Each Vogtle Units 3&4 Participant is obligated to establish, maintain and collect rates and charges for the electric service of its electric distribution system so as to provide revenues sufficient, together with available electric distribution system reserves, to enable such Vogtle Units 3&4 Participant to (1) pay MEAG Power all amounts payable under its Vogtle Units 3&4 Power Sales Contract, (2) pay all other amounts payable from, and all lawful charges against or liens on, the revenues of its electric distribution system and (3) operate and maintain its electric distribution system in a sound, businesslike manner.

The Vogtle Units 3&4 Power Sales Contracts provide that each Vogtle Units 3&4 Participant is obligated to pay for its Obligation Share of the applicable Vogtle Units 3&4 Project's Annual Costs, as well as the costs of acquisition and construction of such Vogtle Units 3&4 Project, whether or not such Vogtle Units 3&4 Project is completed, operating or operable, and whether or not its output is suspended, interrupted, interfered with, reduced or curtailed or terminated in whole or in part, and such payments are unconditional.

With respect to each Vogtle Units 3&4 Project, all payments made by the Vogtle Units 3&4 Participants pursuant to the Vogtle Units 3&4 Power Sales Contracts attributable to such Vogtle Units 3&4 Project or such Vogtle Units 3&4 Project's Annuals Costs are to be pledged as security for such Vogtle Units 3&4 Project's bonds.

If payment is not made from the revenues of the electric system of a Vogtle Units 3&4 Participant or from other funds thereof, such Vogtle Units 3&4 Participant is required to include in its general revenue or appropriation measure or annual tax levy amounts sufficient to make the payments required under its Vogtle Units 3&4 Power Sales Contract, whether or not electric power and energy shall actually be received by such Vogtle Units 3&4 Participant. If any such provision or appropriation is not made for a fiscal year, then the chief fiscal officer of such Vogtle Units 3&4 Participant is required, in accordance with the provisions of the Act, to set up as an appropriation on the accounts of such Vogtle Units 3&4 Participant the amounts required to pay its obligations under its Vogtle Units 3&4 Power Sales Contract, and such appropriation will have the same legal status as if the Vogtle Units 3&4 Participant had included the amount of the appropriation in its general revenue or appropriation measure. In the event a Vogtle Units 3&4 Participant fails to pay all amounts due under its Vogtle Units 3&4 Power Sales Contract, MEAG Power's remedies under each Vogtle Units 3&4 Power Sales Contract include specific performance to compel such Vogtle Units 3&4 Participant to assess and collect an annual ad valorem tax sufficient to meet its obligations thereunder.

For further information with respect to the obligations of the Vogtle Units 3&4 Participants under the Vogtle Units 3&4 Power Sales Contracts, see "CAPITAL IMPROVEMENTS AND FINANCING PROGRAMS – Security for MEAG Power's Project M Bonds," "– Security for MEAG Power's Project J Bonds" and "– Security for MEAG Power's Project P Bonds" in the Annual Information Statement.

***Payment Obligations of Project J Participants
Under the Project J Power Sales Contracts***

To the extent not paid by JEA under the terms of the Project J PPA, during the entirety of the Initial Term, each Project J Participant is unconditionally obligated to pay its Obligation Share of (1) the Project J Annual Costs, other than Debt Service, subject to certain exceptions described below and (2) any costs of acquisition and construction that become due and owing during the Initial Term to the extent that such costs are not required to be paid for by JEA in accordance with the terms of the Project J PPA.

JEA is obligated to pay Debt Service (as defined in the Project J PPA) during the Initial Term as specified in the Project J PPA. However, there are circumstances in which JEA's obligation to pay Debt Service terminates prior to the end of the Initial Term. In these circumstances, and in any other circumstances which may arise where JEA is no longer obligated to pay Debt Service during the Initial Term, the Project J Participants will be obligated to pay their respective Obligation Shares of Debt Service (as defined in the Project J Power Sales Contracts). Additionally, there are circumstances under which JEA's obligation to pay other Project J Annual Costs and costs of acquisition and construction may terminate prior to the end of the Initial Term. Similarly, in these circumstances, the Project J Participants will be obligated to pay their respective Obligation Shares of Project J Annual Costs and costs of acquisition and construction. For a discussion of JEA's payment obligations and the circumstances in which such obligations may terminate prior to the end of the Initial Term, see "SUMMARY OF VOGTLE UNITS 3&4 POWER PURCHASE AGREEMENTS – Project J PPA – JEA's Payment Obligations – *JEA's Payment Obligations in the event of Project J Delay or Termination*" in APPENDIX J to the Annual Information Statement.

For a description of JEA's general payment obligations under the Project J PPA, see "SUMMARY OF VOGTLE UNITS 3&4 POWER PURCHASE AGREEMENTS – Project J PPA – JEA's Payment Obligations" in APPENDIX J to the Annual Information Statement.

***Payment Obligations of Project P Participants
Under the Project P Power Sales Contracts***

To the extent not paid by PowerSouth under the terms of the Project P PPA, during the entirety of the Initial Term, each Project P Participant is unconditionally obligated to pay its Obligation Share of (1) the Project P Annual Costs, other than Debt Service, subject to certain exceptions described below and (2) any costs of acquisition and construction that become due and owing during the Initial Term to the extent that such costs are not required to be paid for by PowerSouth in accordance with the terms of the Project P PPA.

PowerSouth is obligated to pay Debt Service (as defined in the Project P PPA) during the Initial Term as specified in the Project P PPA. However, there are circumstances in which PowerSouth's obligation to pay Debt Service terminates prior to the end of the Initial Term. In these circumstances, and in any other circumstances which may arise where PowerSouth is no longer obligated to pay Debt Service during the Initial Term, the Project P Participants will be obligated to pay their respective Obligation Shares of Debt Service (as defined in the Project P Power Sales Contracts). Additionally, there are circumstances under which PowerSouth's obligation to pay other Project P Annual Costs and costs of acquisition and construction may terminate prior to the end of the Initial Term. Similarly, in these circumstances, the Project P Participants will be obligated to pay their respective Obligation Shares of Project P Annual Costs and costs of acquisition and construction. For a discussion of PowerSouth's payment obligations and the circumstances in which such obligations may terminate prior to the end of the Initial Term, see "SUMMARY OF VOGTLE UNITS 3&4 POWER PURCHASE AGREEMENTS – Project P PPA – PowerSouth's Payment Obligations – *PowerSouth's Payment Obligations in the event of Project P Delay or Termination*" in APPENDIX J to the Annual Information Statement.

For a description of PowerSouth's general payment obligations under the Project P PPA, see "SUMMARY OF VOGTLE UNITS 3&4 POWER PURCHASE AGREEMENTS – Project P PPA – PowerSouth's Payment Obligations" in APPENDIX J to the Annual Information Statement.

Remedies

Failure by a Vogtle Units 3&4 Participant to make any payment due under a Vogtle Units 3&4 Power Sales Contract will constitute a default thereunder. In such event, MEAG Power may proceed to enforce payment by action at law or equity and may, upon 60 days' written notice to the defaulting Vogtle Units 3&4 Participant, cease and discontinue providing services to such Vogtle Units 3&4 Participant under such Vogtle Units 3&4 Power Sales Contract. If the default continues for more than 180 days or if a non-defaulting Vogtle Units 3&4 Participant exercises a right of first refusal to purchase a *pro rata* share of such defaulting Vogtle Units 3&4 Participant's Obligation Share of the output and services of the related Vogtle Units 3&4 Project, whichever occurs first, MEAG Power may permanently discontinue providing service from such Vogtle Units 3&4 Project to the defaulting Vogtle Units 3&4 Participant. Each Vogtle Units 3&4 Participant expressly waives any claim to interest payments recovered by MEAG Power as a result of a default under its Vogtle Units 3&4 Power Sales Contracts. The Vogtle Units 3&4 Power Sales Contracts also provide that in the event of default in any payment by a Vogtle Units 3&4 Participant, such Vogtle Units 3&4 Participant must provide for the assessment and collection of an annual tax sufficient to make payments due under the Vogtle Units 3&4 Power Sales Contract in each year over the remainder of the term of the applicable Vogtle Units 3&4 Power Sales Contract. In addition to any suit in law or equity, MEAG Power has the right to request specific performance as a remedy to enforce such provision.

In the event of a default by a Vogtle Units 3&4 Participant under a Vogtle Units 3&4 Power Sales Contract and discontinuation of such Vogtle Units 3&4 Participant's service from the related Vogtle Units 3&4 Project, MEAG Power shall first offer to transfer a *pro rata* portion of the defaulting Vogtle Units 3&4 Participant's Obligation Share to all other non-defaulting Vogtle Units 3&4 Participants in such Vogtle Units 3&4 Project. Any such portion of the defaulting Vogtle Units 3&4 Participant's Obligation Share which is declined by the non-defaulting Vogtle Units 3&4 Participants will be reoffered *pro rata* to the non-defaulting Vogtle Units 3&4 Participants in such Vogtle Units 3&4 Project which have accepted in full the first offer. Such reoffering will be repeated until such defaulting Vogtle Units 3&4 Participant's Obligation Share has been reallocated in full or until all non-defaulting Vogtle Units 3&4 Participants in such Vogtle Units 3&4 Project have declined to take any additional portion of such defaulting Vogtle Units 3&4 Participant's Obligation Share. If less than all of the defaulting Vogtle Units 3&4 Participant's Obligation Share is accepted by the non-defaulting Vogtle Units 3&4 Participants, MEAG Power shall use its reasonable best efforts to sell the remaining portion of the defaulting Vogtle Units 3&4 Participant's Obligation Share for the remaining term of the associated Vogtle Units 3&4 Power Sales Contract to any person, firm, association or corporation, public or private; *provided* that such sales may not adversely affect the tax exempt status of the applicable Vogtle Units 3&4 Project's bonds or the security for such Vogtle Units 3&4 Project's bonds.

If less than all of the defaulting Vogtle Units 3&4 Participant's Obligation Share for a particular Vogtle Units 3&4 Project is transferred to non-defaulting Vogtle Units 3&4 Participants in such Vogtle Units 3&4 Project or otherwise sold, MEAG Power shall transfer the remaining portion of such defaulting Vogtle Units 3&4 Participant's Obligation Share, on a *pro rata* basis (based on the respective original Obligation Shares of the Vogtle Units 3&4 Participants in such Project) to all other non-defaulting Vogtle Units 3&4 Participants in such Vogtle Units 3&4 Project; *provided, however*, that no Vogtle Units 3&4 Participant may, as a result of such transfer, have an Obligation Share in excess of 130 percent of its Obligation Share established on the effective date of the applicable Vogtle Units 3&4 Power Sales Contracts. After such transfer, each non-defaulting Vogtle Units 3&4 Participant shall be obligated to pay for its increased Obligation Share. In the event that less than all of the defaulting Vogtle Units 3&4 Participant's Obligation Share has been sold or transferred to non-defaulting Vogtle Units 3&4

Participants, MEAG Power shall use its reasonable best efforts to sell the remaining portion of the defaulting Vogtle Units 3&4 Participant's Obligation Share or the energy associated therewith to any person, firm, association or corporation, public or private, on terms and conditions acceptable to MEAG Power; *provided, however*, that such sale may not adversely affect the tax exempt status of the applicable Vogtle Units 3&4 Project's bonds that are intended to be exempt. The defaulting Vogtle Units 3&4 Participant shall remain liable under the applicable Vogtle Units 3&4 Power Sales Contract, except that its obligations will be reduced to the extent that payment has been received by MEAG Power for the portion of the defaulting Vogtle Units 3&4 Participant's Obligation Share that has been sold or transferred.

Sale or Exchange of Power and Energy

In the event that all or any portion of a Vogtle Units 3&4 Participant's Obligation Share of a Vogtle Units 3&4 Project is in excess of such Vogtle Units 3&4 Participant's needs, MEAG Power, when so requested by such Vogtle Units 3&4 Participant, may sell and transfer for any period of time such excess on the terms and conditions proposed by the selling Vogtle Units 3&4 Participant. Such excess must first be offered to the non-selling Vogtle Units 3&4 Participants in such Vogtle Units 3&4 Project on terms that may require, at the option of the selling party, such non-selling Vogtle Units 3&4 Participants to purchase the excess in its entirety. In the event that the non-selling Vogtle Units 3&4 Participants in such Vogtle Units 3&4 Project elect not to purchase the entire amount of such excess, MEAG Power may dispose of such excess by sale to other utilities on the terms and conditions proposed by the selling Vogtle Units 3&4 Participant. If all or any portion of the excess is sold, the selling Vogtle Units 3&4 Participant's Obligation Share will not be reduced and the selling Vogtle Units 3&4 Participant will remain liable to MEAG Power to pay the full amount of its billing statement as if such sale had not been made; *provided, however*, that such liability will be discharged to the extent that MEAG Power receives payment for such excess output and services from the purchaser or purchasers thereof.

Additional Transactions

MEAG Power may utilize the generating facilities of each Vogtle Units 3&4 Project when the Vogtle Units 3&4 Participants in such Vogtle Units 3&4 Project are entitled to output and services from such facilities, and may enter into transactions with others, in accordance with Prudent Utility Practice, when such transactions are reasonably expected to result in economic benefits to the applicable Vogtle Units 3&4 Participants. Such transactions include, but are not limited to, capacity sales and swaps, energy sales and swaps, financial swaps, hedges and risk management contracts and reliability exchanges with other utilities. Each Vogtle Units 3&4 Participant shall receive a credit of its Obligation Share of the proceeds of all such transactions relating to the Vogtle Units 3&4 Projects for which it is a participant, as applicable.

Amendment of the Vogtle Units 3&4 Power Sales Contracts

The Vogtle Units 3&4 Power Sales Contracts may not be amended, modified or otherwise altered in any manner except as permitted by the Project M Bond Resolution, Project J Bond Resolution or the Project P Bond Resolution, as applicable. Each Vogtle Units 3&4 Power Sales Contract provides that so long as any of the applicable Vogtle Units 3&4 Project's bonds are outstanding or until adequate provisions for their payment have been made, the applicable Vogtle Units 3&4 Power Sales Contracts will not be amended, modified or otherwise altered in any manner that would reduce the amount of, or extend the time of, payments pledged as security for the debt service on all the applicable Vogtle Units 3&4 Project's bonds, adversely impact the tax exempt status of such bonds intended to be exempt or impair or adversely affect the rights of the owners of the such bonds or, in the case of the Project J Power Sales Contracts and the Project P Power Sales Contracts, adversely affect the rights of JEA or PowerSouth, respectively.