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June 3, 2019

Mr. Bill Simon

## RE: Response to Questions Related to Franchise Fees Collected by Cobb EMC

Dear Mr. Simon:

The undersigned and this firm act as General Counsel for Cobb Electric Membership Corporation ("Cobb EMC"), and this letter serves as Cobb EMC's response to your questions about the franchise fees collected by Cobb EMC.

The assessment and collection of franchise fees is governed by state law. In unincorporated areas of Cobb County, Georgia law does not authorize the imposition of franchise fees, and Cobb EMC therefore does not assess or collect franchise fees from those members receiving electrical service in unincorporated Cobb County. Georgia law, however, does provide cities the option, but not the obligation, to impose franchise fees for utility providers within municipal boundaries. In cities that have elected to impose franchise fees on utility providers, Cobb EMC assesses and collects the franchise fee, which is typically 4 percent of the entire electric bill. Cobb EMC remits collected franchise fees back to the applicable municipality.

We trust we have addressed the questions you raised regarding assessment and collection of franchise fees. If you should require additional clarification or information, please do not hesitate to contact us.

Very truly yours,

MOORE INGRAM JOHNSON & STEELE, LLP

X. Kevin Moore

JKM/LMR:cc

c:

Cobb Electric Membership Corporation