



CFO of the Year – Winner  
LARGE PRIVATE COMPANY  
ELIZABETH “BETSY” HIGGINS  
OGLETHORPE POWER CORP.

## Higgins the power behind Oglethorpe Power

*by Tonya Layman, Contributing Writer*

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**Elizabeth “Betsy” Higgins** loves that her job creates opportunities for future Georgians to have access to something everyone has become so reliant on — electricity.

“As more and more people move to Georgia, there is going to be a larger need for power, but it takes a lot of planning,” she said.

Higgins is a member of the senior executive team that oversees **Oglethorpe Power Corp.**, the nation’s largest power supply cooperative — with more than \$1 billion in revenue and about \$7.5 billion in total assets.

She is the winner in the Private Company/Large category for Atlanta Business Chronicle’s 2011 CFO of the Year Awards.

Oglethorpe serves 39 electric membership corporations that collectively provide electricity to approximately 4.1 million Georgians.

In Higgins’ 14 years at the company, she earned the rank of executive vice president and chief financial officer in 2008 after serving as CFO since 2004.

Her responsibilities include oversight of corporate finance, strategic planning, acquisitions, capital structure, investor relations, rating agency relations, treasury, tax, accounting, risk management, business continuity planning and the corporation’s code of ethics.

During the last year, she has worked to maintain strong liquidity and raise capital to finance an aggressive “build/buy” growth plan — including the construction of two new nuclear units at Plant Vogtle as a 30 percent owner and partner to **Georgia Power Co.**

his project, estimated to cost Oglethorpe \$4.2 billion, came during a very uncertain economic period when capital markets were tentative.

Scheduled to be operational in 2016 or 2017, the Vogtle project is a challenge because of always-changing legislative pressure and the uncertainty of the nuclear power industry following the recent earthquake in Japan.

A lot could happen in the next five to six years that will affect that project.

“We are always subject to regulations and legislation that could render our decision uneconomic. This is the [most] uncertain I have seen the industry in my career,” she said. “But sometimes challenges are fun to deal with and to navigate through. It is not so challenging that it is impossible.”

Higgins was the Oglethorpe's lead negotiator for a \$3 billion financial arrangement with the Department of Energy for the first of \$18 billion in loans for the construction of new nuclear technology.

"There was a law passed that allowed the government to make loan guarantees on money to be used in nuclear technology as they try to provide some incentives for us to dip our toes in the water to build nuclear facilities. This allows us to borrow money at a more advantageous price than we can get in capital markets," she said. "Nuclear has not been developed here for more than 20 years. It is pretty groundbreaking for this project to be the first of its kind. Nuclear is expensive to build but once it is built it is inexpensive to operate. It is a good, safe option for electricity delivery."

During the last two years, Higgins was also the lead negotiator on the purchase of three power plants collectively appraised at about \$900 million, the most recent deal being the Murray Energy Facility, which was estimated at approximately \$530 million and closed in April.

"In that deal, we got a power plant for about half of the price that it would have cost to build a new plant. That was very satisfying," Higgins said.

Oglethorpe's total assets have grown to \$7.5 billion from \$5 billion in 2008.

Higgins has made sure the corporation maintained strong liquidity through committed lines of credit, cash and a commercial paper program to fund acquisitions and capital expenditures associated with the construction of the Vogtle units.

Commercial paper was issued in 2010 at historically low rates for Oglethorpe that averaged less than 0.4 percent, providing a low-cost source of interim funding for the project.

Oglethorpe Power President and CEO **Tom Smith** said that Higgins' "expertise in finance, coupled with her experience as a power supply planner, her training as an industrial engineer and her understanding of the electric utility industry make her an exceptional financial head and leader."

In 2010, Higgins led an initiative to ensure that administrative and general costs were appropriately identified and allocated appropriately between expense and capital.

This required a thorough review of costs and the development of a new allocation methodology for capital projects.

Due in large part to Higgins' planning and financial acumen, Oglethorpe continues to be well-positioned to fulfill its obligations to its members, bondholders and creditors and is in good standing with rating agencies and other financial institutions, Smith added.

### **Elizabeth "Betsy" Higgins**

- Company: Oglethorpe Power Corp.
- Age: 42
- Family: Husband, Rick; two sons, Ford and Hudson
- Education: Bachelor's degree in industrial engineering from Georgia Tech and a master's degree with a concentration in finance from Georgia State University
- Hobbies: Playing tennis and cheering on her sons in their many sports activities, where she can often be found serving as team mom