

2016

Corporate Responsibility Report
The energy to lead



Southern Company Environmental Information on the web

Southern Company publishes and periodically updates this report and several detailed reports on environmental activities, which frame the issues and outline the Southern Company system's actions to address them.

Reports include:

- Corporate Responsibility Report
- Water Action Report
- Carbon Disclosure Report

To access the reports, go to southerncompany.com and click on "Reports" under the "Corporate Responsibility" tab.


A Message from the Chairman, President and CEO



Most companies come and go in a matter of years. They serve a need, then fizzle when the need no longer exists. Companies that last, on the other hand, commit to the community, embrace technology and transform

themselves to meet customers' needs in a changing environment. That's how we have stayed relevant for more than a century. Southern Company is a lasting company with the energy to lead the change.

A prime example is our industry leadership when it comes to energy innovation. In order to provide clean, safe, reliable and affordable energy to millions of customers, we must continue to build and maintain power plants. These plants are long-life assets, some of which we strive to operate for many decades. Technological advances and population growth often spur us to identify innovative ways to generate energy and reduce emissions. This can be seen in Georgia Power's construction of two new nuclear units near Augusta, Ga. Upon completion, these new nuclear units – which represent cutting-edge engineering and layer upon layer of redundant safety systems – would be among the first in the United States in more than 30 years.

 **Southern Company Gas** In 2016, Southern Company acquired AGL Resources – now Southern Company Gas – whose primary business is the distribution of natural gas through the natural gas distribution utilities. Southern Company Gas is also involved in several other businesses, including gas marketing services, wholesale gas services and gas midstream operations. We also expanded our leadership in energy infrastructure

development with a major investment in a leading natural gas pipeline system serving the southeastern United States.

Natural gas is abundant, reliable and highly versatile and will continue to play an integral role in our ability to provide a full portfolio of energy resources to the customers and communities we are privileged to serve. In addition to generating electricity, natural gas can be used to fuel industrial processes and motor vehicles and keep our homes and businesses comfortable while reducing our environmental impact.

Southern Company is the only energy company dedicated to developing the full portfolio of resources for America's energy future. We are implementing new technology designed to turn lignite coal into gas – which Mississippi Power is deploying at a new plant currently under construction in Kemper County, Miss. – to provide cleaner electricity. And we're partnering with the U.S. Department of Energy to research the capture and storage of carbon dioxide to help keep coal a viable fuel option into the future.



A century ago, the southeastern U.S. was primarily agrarian and the population was sparse. Southern Company founder James Mitchell understood that electricity could attract manufacturing businesses. Today, we continue to be part of the team that has encouraged companies such as Kia, Airbus and Mercedes to come to the region. We're also proud of

our dividend record. Dating back to 1948, Southern Company has continuously paid a quarterly dividend that has been equal or greater than the previous quarter to its shareholders. In 2017, Southern Company raised the dividend on its common stock for the 16th consecutive year.

Another example of our sustainability efforts is the company's committed governance. Due to the regulated nature of our business, governance permeates everything we do. Southern Company has a management council, board of directors, code of ethics and policies and procedures in place to ensure we are doing what is required. Our employees do what is right thanks to a cultural norm that we call Our Values. Some see the tenets of Our Values – safety first, unquestionable trust, superior performance and total commitment – simply as our core values. But they are so much more. I like to define actions as *whats* or *hows*. If following the rules is *what* we do, then Our Values represent *how* we do it. And there is an expectation at Southern Company that all *hows* are done through collaborative leadership that keeps the goal in mind while preserving integrity and respect for all involved.

The Southern Company system serves 9 million customers and operates in 19 states. Our 32,000 employees live, work, play and volunteer with customers because we are part of the community. Social responsibility has become an important part of who we are and our long-life assets avail us to being a permanent fixture in the communities we serve. Our employees and retirees freely give more than 210,000

hours annually to improve the communities we serve. The Southern Company system and its employees are involved because these communities are our homes. The stronger we make them, the better off we will be individually, as a company and as a community.

Our corporate responsibility program is dynamic; we are continually making adjustments as changes in technology, population and the regulatory environment occur. I believe we need a national energy policy that:

- enables continuous innovation in how energy companies provide energy for customers;
- maintains the availability of a diverse fuel mix;
- enables companies like Southern Company to continue to be successful; and
- helps save consumers money, generates jobs and reduces environmental impacts.

Throughout this report, you will read about our corporate responsibility efforts. We hope this gives you a sense of how our actions and leadership benefits the customers and communities we are privileged to serve. If you are interested in more comprehensive information about our corporate responsibility efforts, please see our online Corporate Responsibility Report at <http://www.southerncompany.com/corporate-responsibility.html>

Thank you for your interest in Southern Company.
Yours truly,

Thomas A. Fanning

Thomas A. Fanning





Innovation in Energy

The Southern Company system continually strives to reduce the environmental impact of its operations, help customers use energy more wisely and promote diverse fuel options. Employees apply innovative technology and thinking while solving everyday problems and inventing new ways to make, deliver and reduce the environmental impact of the energy upon which customers rely.

A diverse portfolio of available energy resources consisting of carbon-free nuclear, 21st century coal, natural gas, renewables and energy efficiency is expected to meet growing customer demand and maintain reliability for generations to come.

We are constructing two new nuclear units at Georgia Power to add more than 2,200 megawatts (MW) of emission-free capacity to the state of Georgia. Upon completion, the new units, which are expected to have a 60-year life, will help meet the significant demand increase expected by 2030 in the Southeast. Nuclear energy produces no greenhouse gas emissions, has unmatched reliability and can relieve cost uncertainty caused by coal and natural gas prices.

The Kemper County energy facility under construction at Mississippi Power is designed to capture at least 65 percent of carbon dioxide (CO₂) emissions, which is expected to be sold as a useful product in oil recovery.

This technology has other environmental benefits, including reduced nitrogen oxide, sulfur dioxide and mercury emissions.

Smart grid investments, including approximately 4.6 million smart meters that have already been installed throughout the system, will continue to serve as a communication connection with customers and enable them to save money by shifting electricity use to off-peak hours or trimming how much power they're using. Smart meters also reduce company vehicle use and the corresponding emissions.

We have helped customers reduce energy usage and save money. Since 2000, energy-efficiency programs





have helped the Southern Company system reduce peak demand by more than 4,800 MW and avoid more than 2 billion kilowatt-hours of energy use. That's enough electricity to power the cities of Savannah, Ga., Birmingham, Ala. and Montgomery, Ala. for a year.

In 2003, Southern Company Gas formed a new specialized business unit, Energy Services, which helps federal clients improve energy efficiency while reducing their carbon footprint. Energy savings resulting from those client projects from 2004 – 2016 equaled 124,726,401 cumulative pounds (56,575 metric tons) of CO₂.

The Southern Company system leads the nation in non-road electric transportation technology through a multitude of total-electric non-road transportation and charging technologies. Non-road electric transportation is used at airports, seaports, rail yards, mines and distribution centers. Electric material-handling equipment is being used in almost every industry to move cargo, stock, pallets and other materials.

We're reducing carbon emissions by increasing the use of less carbon-intensive energy, including nuclear, hydro and renewables like wind, biomass and solar. Southern Company's subsidiaries may self-build renewable generation and/or enter power purchase agreements for energy and environmental attributes from generating facilities fueled by renewable resources. The companies retain the right to use the energy delivered as renewable energy for customers and retire the environmental attributes, as well as the right to sell the energy and the environmental attributes, separately or bundled together, to third parties at their sole discretion.

With Georgia Power's current construction of new units 3 and 4 at Plant Vogtle, we are among the first utilities in 30 years to be actively constructing new nuclear. In addition, through our subsidiary Southern Power, we operate one of the nation's largest wood biomass plants in Texas. Since January 2012, the Southern Company



system has placed in service or has planned for over 7,000 MW of renewables, in addition to an existing 2,800 MW of renewable, hydro-based generation.

The system's renewable energy portfolio now includes solar projects in seven states, including Georgia Power's development of the nation's largest voluntary solar initiative of any utility in the U.S. with over 850 MW. A key component of this growth in renewable generation is the system's collaboration with military customers to help them fulfill their renewable requirements. Over 365 MW of solar generating capacity has been announced or installed on 19 military bases in Alabama, Florida, Georgia and Mississippi, the largest number of military base projects of any energy company in the country.

In addition to solar projects, we are also growing wind assets. As of May 2017, Southern Power owns more than 1,440 MW of wind generating capacity at eight facilities operating or under development in Maine, Oklahoma and Texas. Alabama Power, Georgia Power and Gulf Power have purchased, or plan to buy, more than 900 MW of wind generation from Oklahoma and Kansas.

The system's 33 hydro facilities in Alabama and Georgia continue to provide clean, renewable energy. In 2016, the system generated more electricity from natural gas than coal, representing a continuing shift from our historical fuel mix.



Carbon capture research continues at our National Carbon Capture Center (NCCC), which we manage and operate in partnership with the U.S. Department of Energy (DOE). Located in Wilsonville, Ala., the NCCC serves as a world-class neutral test facility for evaluating and advancing the development of cost-effective carbon capture technologies from both coal and natural gas power generation and more effective and cost-efficient geological storage. Southern Company also joined DOE and other worldwide partners in a 25-MW demonstration of carbon capture on a pulverized-coal power plant at Alabama Power's Plant Barry. The facility can capture up to 150,000 tons of CO₂ annually for permanent underground storage.

Another clean coal technology developed by Southern Company at NCCC is a state-of-the-art coal gasification technology, known as Transport Integrated Gasification, or TRIG™, which uses air rather than pure oxygen – and lower-grade lignite coal – to more affordably gasify coal.

Southern Company Gas has been a leader in pipeline replacement since the 1990s, putting it at the forefront of reducing GHG emissions. The company has replaced much of its older pipe with state-of-the-art corrosion resistant pipes. Since 1998, Southern Company Gas has replaced 5,300 miles of bare steel and cast iron pipe and, as a result, has removed 2.5 million metric tons of CO₂ equivalent from its natural gas distribution system.



We are the industry leader in water conservation technology. The company's Water Research Center at Plant Bowen in northwest Georgia enables companies worldwide to test technologies to improve water efficiency. In 2016, we withdrew approximately 2.9 billion gallons per day from surface waters, a 21 percent reduction from 2015 – primarily due to the retirement of units with once-through condenser cooling. Over the past six years, approximately 93 percent of the water withdrawn has been immediately returned to the source, where it is available for downstream use. The company continues to evaluate technologies to further improve water management efficiency.

We manage land resources and biodiversity for the benefit of customers, communities and the environment. The Southern Company system has opened more than 120,000 acres of land leased for public use through hunting leases or operated by state agencies as Wildlife Management Areas.

In managing lakes, shorelines and natural areas, the Southern Company system balances generation, environmental and economic factors. Southern Company manages three major conservation programs

in partnership with the National Fish and Wildlife Foundation to protect and restore wildlife and habitats in the Southeast.

Reduce, reuse, recycle is the company's philosophy on waste. The Southern Company system operates an aggressive program that recycles paper, cardboard, plastic, wood, electronic waste and metal. On average, almost 53 percent of the system's coal combustion residuals (CCRs) were recycled in 2016, including over 2.5 million tons of ash and 2.1 million tons of gypsum. Ash is used primarily in concrete and cement, and gypsum is used as an agricultural soil amendment and in building products.

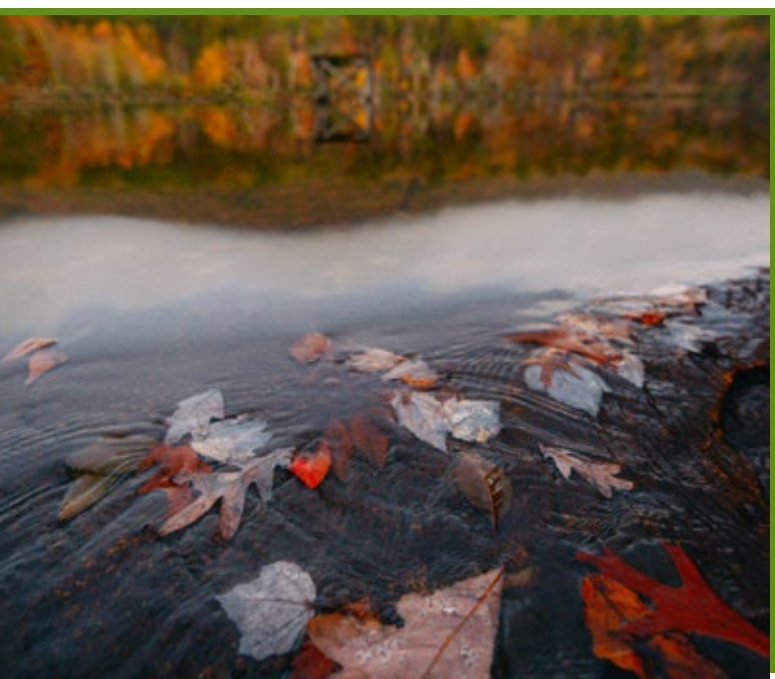
Making the system's operations sustainable is a focus area. One of the ways we are showing that we "walk the walk" is by obtaining LEED (Leadership in Energy and Environmental Design) certification for buildings we manage, including the Georgia Power corporate headquarters, Gulf Power distribution operations center and Alabama Power power delivery training building in Calera, Ala., which was the first gold-level LEED-certified building in Alabama.

Economic Stewardship

The Southern Company system's core commitment is to provide clean, safe, reliable and affordable energy to customers. Additionally, we serve the interests of our shareholders and communities through economic stewardship efforts.

Long-term investor growth has been shown by Southern Company common stock outperforming the Standard & Poor's 500 Index over the long term, producing an average annual total return of 11.8 percent for Southern Company compared with 7.6 percent for the S&P 500 over the 20-year period ending on Dec. 31, 2016.

Southern Company investors have received consistent quarterly dividend payments. In the first quarter of 2017, the company marked 69 years of dividend payments that were equal to or greater than the previous quarter, dating back to 1948. Southern Company recently raised





the dividend on its common stock, marking the 16th straight year that it has done so.

Economic development efforts have brought an average of 16,800 new jobs and \$5.5 billion in capital investment each year to the southeastern United States. Each of Southern Company's traditional electric operating companies – Alabama Power, Georgia Power, Gulf Power and Mississippi Power – has an economic development program that works to bring companies and jobs to the region. Southern Company is also proud of the fact that the system's two largest construction projects – two new nuclear units under construction at Georgia Power and a lignite- fueled generating facility under construction at Mississippi Power – have generated thousands of jobs.

Construction of two new nuclear units near Augusta, Ga., is employing more than 6,000 people during construction and would create 800 permanent jobs upon the start of plant operations.

The lignite-fueled generating facility being built in Kemper County, Miss. has created approximately 6,000 jobs during its construction and involved more than 570 Mississippi companies. When in service, the facility is expected to require approximately 500 permanent employees, including the plant and adjacent mine.

Through 2016, the traditional electric operating companies had invested approximately \$11.9 billion to put environmental control technologies to work for customers, and plans to spend an additional \$2.9 billion between 2017 and 2021 to comply with environmental regulations.

Competitive electric prices are a business imperative. Our prices have been below the national average for the past quarter century. A diverse supplier base maximizes the value of the Southern Company system's supply chain. We purchase from more than 3,900 small and diverse businesses annually and have spent \$4.2 billion with them over the past five years.

Committed Governance

The Southern Company system's comprehensive governance program sets the highest standards for its employees, officers and directors. The system works to meet all disclosure requirements and to serve as a model of transparency for all corporations.

Our Values is the company's model for corporate and professional values. Employees are expected to exhibit the four tenets of Our Values – safety first, unquestionable trust, superior performance and total commitment – in every interaction, every day.

A fully integrated ethics and compliance framework includes the Southern Company compliance officer reporting structure, which involves subsidiary compliance officers, the ethics and compliance council and compliance governance teams. Also, defined in the framework are the various reporting and investigative programs designed to ensure potential issues are effectively brought to management's attention. Additionally, each employee assumes responsibility for ethics and compliance through ongoing training and an annual compliance questionnaire.

Our Values

How we do our work is just as important as what we do. Our uncompromising values are key to our sustained success. They guide our behavior and ensure we put the needs of those we serve at the center of all we do.

Safety First

Unquestionable Trust

Superior Performance

Total Commitment

Southern Company's code of ethics sets clear expectations for employees. The Corporate Concerns program provides employees with a confidential reporting line and objective evaluation of any potential breach of the code of ethics that is reported.

Southern Company's management council includes operating company presidents and other key executives who serve to identify and incorporate emerging issues, including those related to economic, environmental and social aspects, into company policy. Through formal and informal gatherings, management council members regularly seek opportunities to communicate with employees at all levels.

Southern Company's CEO and 14 independent directors, with diverse skills and experience, comprise the company's board of directors. Board members serve on the audit, compensation and management succession, finance, governance and nuclear/operations committees, providing review and oversight of these functional areas.

Stakeholder engagement involves interfacing with a diverse and widening group of stakeholders with interests in reliable and affordable energy, shareholder value, economic growth, community support, the environment and more. Southern Company is using feedback from stakeholders to improve the way we report information to the public.

For public view on the company website are all Southern Company Security and Exchange Commission filings, including all Forms 10-K and 10-Q and SEC filings by directors and officers, at <http://www.southerncompany.com/secfilings>. Southern Company also annually reports its political spending and provides a list of trade associations and coalitions engaged in lobbying-related activities that received payments of \$50,000 or more. This information, together with overviews of the policies and practices for political spending and lobbying-related activities, can be found at <http://investor.southerncompany.com/information-for-investors/corporate-governance/political-contributions/>



Social Responsibility

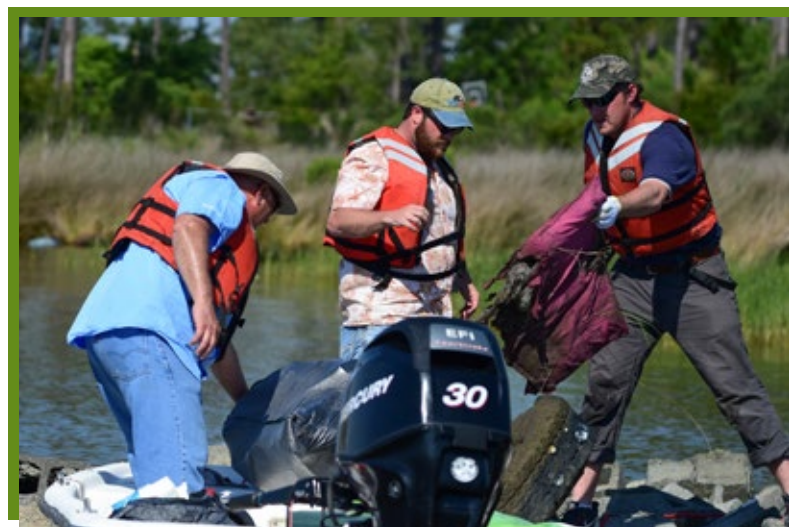
An early company leader coined the phrase “A citizen wherever we serve.” The Southern Company system invests in people and the community and honors our commitment to citizenship. The company and its employees have learned that the more you serve and help the communities that you serve, the stronger they – and you – become.

Every job. Every day. Safely. This tagline stresses what the company’s Safety First value aims to achieve. We believe the safety of our employees and customers is paramount. We will perform and maintain every job, every day, safely. Safety goals are in every employee’s performance goals and the company has a policy to begin every meeting with a safety message. During 2016, 99.16 percent of system employees worked injury free. Since introducing our safety programs in 2005, the Southern Company system has reduced the rate of employee injuries by 46 percent.

The charitable foundations at Southern Company’s operating companies and departments within the company provide grants and donations to nonprofit organizations. Foundation giving is focused on health, human services, education, arts and culture, local

community initiatives and the environment. Our foundation and corporate giving programs contributed more than \$49 million to nonprofit organizations in 2016. Additionally, employees contributed more than 210,000 volunteer hours.

Renew Our Rivers is a volunteer program to clean waterways in the Southeast. Renew Our Rivers has grown from a single river cleanup event to a nationally recognized campaign that includes river systems in Alabama, Georgia, Mississippi and the Florida Panhandle.





Since the program began in 1999, system employees have helped remove more than 14.2 million pounds of trash from lakes and rivers. Renew Our Rivers has been recognized with numerous prestigious awards.

Throughout its history, the Southern Company system has developed and sustained a highly skilled and stable workforce that fuels its superior performance in reliability, customer satisfaction and shareholder return. Across the system, the average employee age is 45, with an average tenure of 16 years. Turnover averaged about 8 percent in 2016 in an industry that ranks low in employee turnover.

System employees bring a strong sense of commitment to their work. In our most recent engagement survey, employees indicated an 89 percent favorability score on the engagement index—a measure of their level of agreement on questions of corporate advocacy, commitment, discretionary effort, pride, achievement and alignment. Our overall scores are above utility and general industry benchmarks.

In addition to offering competitive compensation and benefits programs that both attract new employees

and retain employees, the Southern Company system provides its employees opportunities to learn, grow and advance in their careers. In 2016, we completed 295 employee transfers between our subsidiaries, providing new opportunities for employees to expand their knowledge of our industry and business operations. We promoted 518 employees to first-time supervisory roles.

This focus on valuing and developing employees is reinforced through performance management efforts for all employees by leveraging diversity in every aspect of the business and by cultivating an innovative culture throughout the company.

Our system is readying itself for workforce transitions brought on by a large segment of the employee population becoming eligible for retirement. In addition to general recruitment efforts, the company has joined forces with high schools, technical schools and colleges to recruit and prepare students to pursue careers in power generation, power delivery and nuclear energy. The company's military partnerships and recruitment efforts continued to have a significant impact on its hiring over the last few years. In 2016, 10 percent of new hires were veterans, National Guard or reservists.





Social Responsibility

Industry

- 2016-2017 World's Most Admired Electric and Gas Utilities, Fortune
- 2017 America's Top 100 Public Companies, Forbes
- 2017 Industry Excellence Award for Safety (Georgia Power), Southeastern Electric Exchange
- 2016 Company of the Year, Platts Global Energy
- 2016 Strategic Deal of the Year, Platts Global Energy
- 2016 Top 12 CEOs of the Year, Platts Global Energy
- 2016 Industry Excellence Award for Safety, Southeastern Electric Exchange

Environmental

- 2017 Top 5 Utility Solar Companies (Georgia Power), Solar Electric Power Association

Culture

- 2017 Perfect Score, Human Rights Campaign Corporate Equality Index
- 2017 America's Best Employers, Forbes

- 2017 Top 50 Companies for Diversity, DiversityInc
- 2017 Top 10 Companies for Veterans, DiversityInc
- 2017 Top Ranked Company for Progress, DiversityInc
- 2017 Best Employers for Vets, Military Times (17th)
- 2016 Top 40 Best Places to Work, Business Insider
- 2016 50 Best Companies for Diversity, Black Enterprise
- 2016 Top Utility, Minority Engineer
- 2016 Most Valuable Employers for Military, CivilianJobs.com (7th)
- 2016 Best Places to Work in IT, ComputerWorld (10th)

Customer Satisfaction

- 2017 National Key Accounts Outstanding Customer Service Award, EEI (13th)
- 2016 Top Five Spots, Customer Value Benchmark Survey
- 2016 Top 10 Utilities in Economic Development (Alabama Power, Georgia Power), Site Selection (Gulf Power and Mississippi Power were named as finalists)



About Southern Company

Southern Company (NYSE: SO) is America's premier energy company, with 46,000 MW of generating capacity and 1,500 billion cubic feet of combined natural gas consumption and throughput volume serving 9 million customers through its subsidiaries. The company provides clean, safe, reliable and affordable energy through electric operating companies in four states, natural gas distribution companies in seven states, a competitive generation company serving wholesale customers across America and a nationally recognized provider of customized energy solutions, as well as fiber optics and wireless communications. Southern Company brands are known for excellent customer service, high reliability and affordable prices that are below the national average. Through an industry-leading commitment to innovation, Southern Company and its subsidiaries are inventing America's energy future by developing the full portfolio of energy resources, including carbon-free nuclear, 21st century coal, natural gas, renewables and energy efficiency, and creating new products and services for the benefit of customers. Southern Company has been named by the U.S. Department of Defense and G.I. Jobs magazine as a top military employer, recognized among the Top 50 Companies for Diversity by DiversityInc, listed by Black Enterprise magazine as one of the 40 Best Companies for Diversity and designated a Top Employer for Hispanics by Hispanic Network. The company has earned a National Award of Nuclear Science and History from the National Atomic Museum Foundation for its leadership and commitment to nuclear development and is continually ranked among the top energy companies in Fortune's annual World's Most Admired Electric and Gas Utility rankings. Visit our website at www.southerncompany.com.

Cautionary Note Regarding Forward-Looking Statements

Certain information contained in this report is forward-looking information based on current expectations and plans that involve risks and uncertainties. Forward-looking information includes, among other things, statements concerning capital expenditures and the construction and future performance of the Kemper IGCC and Plant Vogtle Units 3 and 4. Southern Company cautions that there are certain factors that could cause actual results to differ materially from the forward-looking information that has been provided. The reader is cautioned not to put undue reliance on this forward-looking information, which is not a guarantee of future performance and is subject to a number of uncertainties and other factors, many of which are outside the control of Southern Company; accordingly, there can be no assurance that such suggested results will be realized. The following factors, in addition to those discussed in Southern Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016, and subsequent securities filings, could cause actual results to differ materially from management expectations as suggested by such forward-looking information: the impact of recent and future federal and state regulatory changes, including environmental laws regulating emissions, discharges and disposal to air, water and land, and also changes in tax and other laws and regulations to which Southern Company and its subsidiaries are subject, including potential tax reform legislation, as well as changes in application of existing laws and regulations; current and future litigation, regulatory investigations, proceedings or inquiries; the effects, extent and timing of the entry of additional competition in the markets in which Southern Company's subsidiaries operate; variations in demand for electricity and natural gas, including those relating to weather, the general economy and recovery from the last recession, population and business growth (and declines), the effects of energy conservation and efficiency measures, including from the development and deployment of alternative energy sources such as self-generation and

distributed generation technologies; available sources and costs of natural gas and other fuels; limits on pipeline capacity; effects of inflation; the ability to control costs and avoid cost overruns during the development, construction and operation of facilities, which include the development and construction of generating facilities with designs that have not been finalized or previously constructed; the results of Westinghouse Electric Company LLC and its affiliate (collectively, Contractor), WECTEC Global Project Services Inc. (formerly known as CB&I Stone & Webster, Inc.), formerly a subsidiary of The Shaw Group Inc. and Chicago Bridge & Iron Company N.V., bankruptcy filing and the impact of any inability or other failure of Toshiba Corporation to perform its obligations under its guarantee of certain payment obligations of the Contractor, including any effect on the construction of Plant Vogtle Units 3 and 4, as well as the engineering, procurement and construction agreement for Plant Vogtle Units 3 and 4 and Georgia Power's U.S. Department of Energy loan guarantees; the ability to construct facilities in accordance with the requirements of permits and licenses, to satisfy any environmental performance standards and the requirements of tax credits and other incentives, and to integrate facilities into the Southern Company system upon completion of construction; advances in technology; ongoing renewable energy partnerships and development agreements; state and federal rate regulations and the impact of pending and future rate cases and negotiations, including rate actions relating to fuel and other cost recovery mechanisms; legal proceedings and regulatory approvals and actions related to Plant Vogtle Units 3 and 4, including Georgia Public Service Commission (PSC) approvals and Nuclear Regulatory Commission actions; actions related to cost recovery for the Kemper IGCC; the ability to successfully operate the electric utilities' generating, transmission and distribution facilities and Southern Company Gas' natural gas distribution and storage facilities and the successful performance of necessary corporate functions; the inherent risks involved in operating and constructing nuclear generating facilities; the inherent risks involved in transporting and storing natural gas; the performance of projects undertaken by the non-utility businesses and the success of efforts to invest in and develop new opportunities; internal restructuring or other restructuring options that may be pursued; potential business strategies, including acquisitions or dispositions of assets or businesses, which cannot be assured to be completed or beneficial to Southern Company or its subsidiaries; the possibility that the anticipated benefits from the acquisition of Southern Company Gas cannot be fully realized or may take longer to realize than expected, the possibility that costs related to the integration of Southern Company and Southern Company Gas will be greater than expected, the ability to retain and hire key personnel and maintain relationships with customers, suppliers or other business partners, and the diversion of management time on integration related issues; the ability of counterparties of Southern Company and its subsidiaries to make payments as and when due and to perform as required; the ability to obtain new short- and long-term contracts with wholesale customers; the direct or indirect effect on the Southern Company system's business resulting from cyber intrusion or terrorist incidents and the threat of terrorist incidents; interest rate fluctuations and financial market conditions and the results of financing efforts; changes in Southern Company's and any of its subsidiaries' credit ratings; the impacts of any sovereign financial issues; the ability of Southern Company's electric utilities' to obtain additional generating capacity (or sell excess generating capacity) at competitive prices; catastrophic events such as fires, earthquakes, explosions, floods, tornadoes, hurricanes and other storms, droughts, pandemic health events such as influenzas, or other similar occurrences; and the direct or indirect effects on the Southern Company system's business resulting from incidents affecting the U.S. electric grid, natural gas pipeline infrastructure or operation of generating or storage resources. Southern Company expressly disclaims any obligation to update any forward-looking information.

