Southern Company Power Generation Overview

• Vertically integrated, Investor Owned Utility serving 4.4 million retail customers

• Nearly 57,000 megawatts of capacity (owned/operated/contracted - includes retail, wholesale and Southern Power)

• Fuel Services provides fuel for:
  – 16,800 MW coal generation capacity
  – 22,550 MW natural gas generation capacity
  – 820 MW oil generation capacity

• 2016 fossil fuel expenditures: $4 B

• 2nd largest U.S. consumer of coal

• 3rd largest user of natural gas in the U.S.
Southern Company Energy Mix

- Gas/Oil includes non-affiliate PPAs. Net SO reported. Does not include non-territorial capacity.
- Other includes biomass, wind, landfill gas and solar.
**Historical and Projected Fuel Burn**

**Coal**
- CY2016 coal burn was down ~2 million tons compared to CY2015, resulting in the lowest level in over twenty years.
- Burn projections are driven by coal and natural gas prices, weather, and economic factors.

**Gas**
- CY2016 gas burn was up 27 BCF compared to CY2015, easily exceeding the gas burn record set last year.
- Low cost supply, strong storage levels and consistent production levels have kept natural gas prices at relatively low levels.
Southern Company Coal Supply Regions
Transitioning to the Most Cost-Effective Fuels for Our Customers

2007
Purchases:
71 M tons

2016
Purchases:
35 M tons

Source for Projected: 2017 Official Energy Budget

CAPP
PRB
ILL Basin
Alabama
Colorado
Import
NAPP
Lignite
Gas Supply Diversity

2007
Purchases:
1.2 Bcf/d

2016
Projected:
2.4 Bcf/d

Northeast 11%
Midcontinent 7%
Gulf Coast 69%
LNG 13%
Southern Company

• Southern Company and AGL Resources have merged, creating America's leading U.S. electric and gas utility company. The combination creates the second-largest utility company in the U.S. by customer base with:

• Eleven regulated electric and natural gas distribution companies providing service to approximately 9 million customers with a projected regulated rate base of approximately $50 billion;

• Operations of nearly 200,000 miles of electric transmission and distribution lines and more than 80,000 miles of gas pipelines; and

• Generating capacity of approximately 44,000 megawatts.
Southern Power

<table>
<thead>
<tr>
<th>Capacity</th>
<th>Facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,700 MW</td>
<td>27 facilities</td>
</tr>
<tr>
<td>1,440 MW</td>
<td>8 facilities</td>
</tr>
<tr>
<td>1,500 MW</td>
<td>1 facility</td>
</tr>
<tr>
<td>9,300 MW</td>
<td>10 facilities</td>
</tr>
</tbody>
</table>

Leading U.S. wholesale energy provider meeting the electricity needs of municipalities, electric cooperatives, investor-owned utilities and other energy customers
Plant Vogtle Units 3 and 4 are the first nuclear plants to be built in the United States in 30 years.
In its first year of operation, Kemper’s combined cycle power plant:
• Produced enough electricity to supply one-third of the electricity used by Mississippi Power customers
• Supplied enough electricity to power the energy needs of approximately 250,000 homes
• Generated approximately 3.5 billion kilowatt hours of electricity
• Has plant operations about four times better than the industry average
Who Are We?

- Southern Company Gas
- Georgia Power
- Southern Linc
- Southern Power
- Mississippi Power
- Florida City Gas
- Nicor Gas
- Atlantic Gas Light
- Gulf Power
- Southern Nuclear
- Chattanooga Gas
- Southern Telecom
- Elkton Gas
- Alabama Power
- Virginia Natural Gas
- Elizabethtown Gas