

0.1

Introduction

Please give a general description and introduction to your organization.

Southern Company is one of the largest generators of electricity in the United States, serving retail customers in four Southeastern states. We participate in all phases of the electric utility business with more than 42,000 megawatts of electric generating capacity and a grid of transmission and distribution lines that would more than circle the earth. Southern Company and its subsidiaries have been serving the Southeast for more than 100 years.

Southern Company provides retail electric service as regulated by the public service commissions in the states we serve and by federal energy agencies. Public service commissions determine fair electric rates, oversee what project costs can be recovered (for environmental controls or plant construction) and define the profit margin utilities can make in retail markets. Our four electric utilities - Alabama Power, Georgia Power, Gulf Power and Mississippi Power - serve over 4.4 million customers. We also sell power in the wholesale market and transmit wholesale power for other providers. Southern Power, our higher-growth competitive wholesale generation business, comprises more than 7,700 megawatts. In all, Southern Company generation serves about 75 investor-owned utilities, electric cooperatives and municipalities.

Other major subsidiaries and business units include Southern Nuclear, the licensed operator of Southern Company's three nuclear generating plants in Alabama and Georgia; Southern LINC Wireless, a communications network with a 127,000 square-mile coverage area in the Southeast; and Southern Telecom, a fiber optic wholesaler in the Southeast.

To operate successfully, we balance the earnings interest of shareholders; rates and reliability interests of customers; growth and impact interest of communities; and policy interests of regulators. With financial success, we have the operating income to meet our environmental, workplace and community responsibilities.

This information request is being provided solely in furtherance of the purposes of the Carbon Disclosure Project and not for the purpose of providing financial or other investor-related data. Please refer to the Southern Company investor relations website for investor-related data, including the Company's reports filed with the Securities and Exchange Commission which contain financial statements, company risk-factors and other information. (<http://investor.southerncompany.com>) Statements in this information request regarding future events are forward-looking statements and are subject to risks and uncertainties, including those risks and uncertainties identified in the Company's reports filed with the Securities and Exchange Commission. Accordingly, actual results may differ materially from those projected in any forward-looking statement.

0.2

Reporting Year

Please state the start and end date of the year for which you are reporting data.

Enter the period that will be disclosed.

Fri 01 Jan 2010 - Fri 31 Dec 2010

0.3

Reporting Boundary

Please indicate the category that describes the company, entities, or group for which you are reporting.

Other: Steam electric generating plants over which operational control is exercised

0.4

Exclusions

Are there any geographies, activities, facilities or types of water inputs/outputs within this boundary which are not included in your disclosure?

Yes

0.4a

List of Exclusions

Please describe any exclusion(s) in the following table.

Exclusion	Please explain why the geography, activity, facility or type of water input/output is excluded
Water inputs/outputs are limited to the flows associated with operational use at steam electric generating plants over which operational control is exercised.	Excluded water usage and withdrawals are not typically monitored and are estimated to represent less than 1% of Southern Company water inputs/outputs.

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1.1

Does your company have a water policy, strategy or management plan?

Yes

1.1a

Please describe your policy, strategy or plan, including the highest level of responsibility for it within your company and its geographical reach

Geographical reach	Description of policy, strategy or plan	Position of responsible person
Southeastern United States	Our commitment to the environment and water-related responsibilities starts with the company's top executives, led by our Management Council, a team of senior officers responsible for establishing environmental policies, reviewing key strategies and plans, and evaluating the company's performance. The Environmental Management Council, led by the chief environmental officer, serves as a point of governance for the system's environmental management and compliance program activities (see Further Information). This commitment is transitioned into practice through our environmental management system: (1) Management and Employee Commitment (2) Compliance. (3) Continuous Improvement (4) Research and Innovation (5) Environmental Stewardship (6) Public Policy (7) Accountability (8) Transparency	Other: Chief Environmental Officer

1.1b

Does the policy, strategy or plan specify water reduction, quality or efficiency targets or other water-related goals?

Yes

1.1c

Please describe these water-related targets or goals

Geographical reach	Type of target/goal	Target/goal	Additional information
Southeastern United States	Other: Compliance	As addressed in our comprehensive environmental management plan, meeting or surpassing all environmental laws and regulations is the foundation of our environmental commitment. We integrate the environmental policy into our business operations by establishing goals and measuring performance through environmental performance indicators and a comprehensive environmental audit program. These indicators are tied to facility performance through a compensation program, rewarding efforts that produce results above and beyond what is required. Water withdrawals and discharge quality are components of the overall environmental policy, but we do not have specific water reduction or efficiency targets at this time.	The Southern Company Corporate Responsibility Report can be viewed at the following website: www.southerncompany.com/corporateresponsibility/

1.1d

You may explain here why your company does not have a water policy, strategy or management plan and if you intend to put one in place

1.2

What specific actions has your company taken to manage water resources or engage stakeholders in water-related issues?

Geographical reach	Type of action	Action	Outcomes
Southeastern United States	Collective action	<p>Georgia Power plans to host a water research facility at Plant Bowen, in collaboration with the Electric Power Research Institute (EPRI). The Water Research Center (WRC) will provide a site for testing technologies to improve water efficiency by addressing withdrawals and consumption and improving water quality used during the power generation process. The WRC is expected to be operational by August 2012. It will include seven research focus areas: moisture recovery, cooling tower and advance cooling systems, zero-liquid discharge options, low-volume wastewater treatment, solid waste landfill water management, carbon technology water issues, and water modeling, monitoring and best management practices. The center is an extension of a pilot project that began in May 2010 at Plant Bowen to identify opportunities to address water withdrawals and consumption. Georgia Power will contribute as much as \$6 million in direct financial support for the design, construction and initial operations of the WRC. The center will be managed and maintained by Southern Research Institute on behalf of Georgia Power.</p>	<p>As a result of the Plant Bowen pilot project, technology has been implemented to reduce water withdrawals for the plant's scrubber process. Results from the research conducted at the WRC will be shared with Georgia Power and other EPRI members. Appropriate technologies can be implemented by utilities worldwide to address water issues.</p>
Southeastern United States	Community engagement	<p>The Water Course, a project of Alabama Power, is an educational center providing interactive exhibits and displays that teach visitors the importance of water in our daily lives.</p>	<p>Encourages active learning through hands-on displays that teach children and adults about the importance of water as a source of energy and transportation. The Water Course also teaches visitors about environmental issues for Alabama's waterways, water safety and how to make wise choices about water use and our natural resources.</p>
Southeastern United States	Community engagement	<p>Five Star Restoration provides grants and technical support for community-based education and outreach projects in riparian, coastal or wetland areas. Southern Company, including its four operating companies, serves as the Southern region lead corporate sponsor. Southern Company has committed \$1.92 million in matching funds, through 2013, for projects in our region that foster natural resource stewardship.</p>	<p>Five Star Restoration has provided about 50 grants to 33 organizations with dozens of partner groups. Grants totaling more than \$1.1 million, along with matching funds, will have a total on-the-ground impact of more than \$3.58 million. Approximately 10,000 wetland and coastal acres and nearly 50,000 feet of riparian buffers will be restored.</p>
Southeastern United States	Community engagement	<p>Renew Our Rivers is a volunteer program that removes debris from rivers and other waterways throughout the Southeast. Started by an employee in 1999 as a local cleanup of the Coosa River around Alabama Power's Gadsden Steam Plant, the program has grown to include a</p>	<p>More than 10,000 volunteers have participated. 11.5 million pounds of trash have been removed or recycled in Renew our Rivers events.</p>

Geographical reach	Type of action	Action	Outcomes
		<p>year-round schedule of cleanups for the entire Coosa, Tallapoosa and Black Warrior river systems in Alabama, the upper Coosa in Georgia, and other waterways in Alabama, Florida, Georgia and Mississippi.</p>	
Southeastern United States	Direct operations	<p>Through our research affiliations, we continue to evaluate emerging technologies that can increase water efficiencies for power production. Currently, technologies such as dry cooling are not an efficient or cost-effective solution. Other actions, such as reusing discharge water from other nearby facilities, are evaluated on a case-by-case basis.</p>	<p>Southern Company is making strides in advancing water efficient technologies for new facilities and in research for the future</p>
Southeastern United States	Collective action	<p>For our operations, we reuse water within our plants as much as feasible for operational needs. For example, we frequently use “recycled water” to move ash from plants to ash ponds. We have leak detection and repair programs as part of our routine preventive maintenance. Where we utilize city or county water, we implement common water conservation measures, such as meeting all local and state water restrictions, awareness programs for employees on saving water, and low-flow plumbing in many facilities. Our primary “consumption” of water is the evaporative loss of water from cooling towers and from environmental controls.</p>	<p>Gulf Power’s Plant Crist is beneficially re-using up to 17 million gallons per day of reclaimed water in several cooling towers as well as the scrubber at this facility. This beneficial use has allowed the new wastewater treatment plant in Pensacola to be permitted as a zero discharge facility. Mississippi Power’s Kemper County Integrated Gasification Combined Cycle (IGCC) Plant is designed to be a Zero Liquid Discharge facility. There may be storm water discharges in the event of a 100-year rainfall event, but no discharge of industrial process wastewater. Much of the water in the plant will be recycled back into various processes. All plant make-up water will be supplied by the Meridian Mississippi Main and East Municipal Wastewater Treatment Plants (treated effluent) under a cooperative contract. This will allow the city to comply with more strict regulations at their smaller treatment plant without having to do a very costly upgrade.</p>
Southeastern United States	Public policy	<p>The states of Alabama, Florida, Georgia and Mississippi either have or are in the process of developing comprehensive plans to better manage their water resources. As an example, the first Comprehensive State-wide Water Management Plan (State Water Plan) was adopted by the Georgia General Assembly in January 2008. The State Water Plan included a provision to create 10 water planning regions across the state, each guided by water planning regional councils (Region Councils). An eleventh Council, Metropolitan North Georgia Water Planning District, encompassing the Atlanta metro area already existed. The State Water Plan required the preparation of regional water development and conservation plans (Regional Water Plans) to manage water</p>	<p>The 10 Georgia Regional Councils have been meeting across the state to develop individual regional water plans since spring 2009. Georgia Power is actively engaged in each region. Through Georgia Power’s participation, we have worked to ensure that the plan: (1) Protects our valuable water resources while balancing the protection of our growing economy, (2) Recognizes the foundation of sound scientific information to inform appropriate agencies and (3) Provides local communities the flexibility and authority to manage their water resources. The 10 Regional Water Plans contain recommended management practices focusing on water conservation, supply and quality and wastewater management, in response to surface water quantity and</p>

Geographical reach	Type of action	Action	Outcomes
		resources in a sustainable manner through 2050 incorporating input from state agencies, other regional water planning councils, local governments, watershed stakeholders and the public.	quality and groundwater quantity assessments provided by the Georgia Environmental Protection Division (GAEPD). Municipal, industrial, agricultural and thermoelectric forecasts, through 2050 have also been developed. The 10 region water plans are currently under public comment prior to GAEPD final approval and local implementation.

Further Information

The purpose of the Southern Company Environmental Management Council (EMC) is to serve as a point of governance for the system's environmental management and compliance program activities. The primary functions of the EMC are to provide leadership, direction and coordination of environmental matters to ensure critical environmental management system elements are in place and working effectively at all levels throughout the system. Specifically, the EMC ensures that key objectives, policies, processes, programs and resources to deliver a "best-in-class" environmental management system with results are in place; and that all employees and business units understand and meet the requirements of the company's environmental policy, applicable standards and goals.

The responsibilities of the EMC include:

- (1) Identify, analyze and monitor emerging issues and key trends in environmental management and compliance that may impact the company, and ensure they are integrated into internal decision-making.
- (2) Evaluate business implications of environmental legislative and regulatory changes (potential and actual), and provide insight on long-term strategies to effectively manage associated risks and opportunities (financial, reputational and strategic).
- (3) Understand key stakeholder relationships, develop engagement strategy and coordinate communications and activities to benefit environmentally-related stakeholder relations system-wide.
- (4) Establish priorities, develop and implement policies, protocols, guidelines and procedures in support of the environmental management and compliance program.
- (5) Monitor and assess management system processes and audit results against key objectives and specifications; measure and report the outcomes through the appropriate channels.
- (6) Recommend mitigation strategies for key environmental compliance risks and issues, including advocacy and communications strategies; develop and implement policies, protocols, guidelines and procedures as needed.
- (7) Monitor and evaluate company-wide consistency and adherence to the system environmental management programs; recommend and implement compliance corrective actions and management system improvements where needed.
- (8) Provide and coordinate system compliance governance teams activities to achieve effective compliance and best-in-class management system (including budgets, personnel, training, information systems, etc.).

Membership of the EMC is comprised of the chief environmental officer and includes operating company officers or senior management with relevant compliance roles and expertise. This includes management from Southern Company Services, Alabama Power, Georgia Power, Gulf Power, Mississippi Power, Southern Nuclear, Southern Power and Southern Company Services Governmental Affairs.

Water, air and land environmental governance teams provide support so that all elements of an effective environmental management system are in place and

working effectively throughout Southern Company. This includes tracking and shaping federal and state environmental and water-related regulations, communicating to all levels of management and developing strategies for compliance with existing and new environmental regulations.

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2.1

Are you able to identify which of your operations are located in water-stressed regions?

Yes

2.1a

Please specify the method(s) you use to characterize water-stressed regions

Method used to define water stress	Please add any comments here:
FAO/AQUASTAT WBCSD Water Tool WRI water scarcity definition	The World Business Council for Sustainable Development (WBCSD) Global Water Tool utilizes data from the following sources for evaluating regional and country-specific water stress: University of New Hampshire, 2000; Water Resources Institute (WRI), 1998; Center for International Earth Science Information Network, Columbia University, 2000; World Health Organization (WHO)/United Nations Children's Fund (UNICEF), 2008; and United Nations Food and Agricultural Organization (FAO)/AQUASTAT, 2002 and 2008. To identify water-stressed regions, following data sets and maps from the Global Water Tool were employed: (1) The Mean Annual Water Stress Index (WSI), (2) Annual Renewable Water Supply in 1995, and (3) Annual Renewable Water Supply projected for 2025, for regions encompassing each of the Southern Company steam-electric generating plants. The Mean Annual WSI is the ratio of aggregate domestic, industrial and agricultural water use to renewable water resources, where renewable water use is computed as flow-accumulated composite runoff, along 30-minute (latitude by longitude) digital river networks. The WRI water scarcity definition was used to evaluate stress based on Annual Renewable Water Supply in 1995 and projected for 2025. Annual Renewable Water Supply in 1995 was estimated using census data for over 120,000 administrative units and the global runoff database referenced above. Annual Renewable Water Supply projected for 2025 uses the United Nations' low-range projections for population growth, which has population peaking at 7.2 billion in 2025.

2.1b

Please list the water-stressed regions where you have operations and the percentage of your total operations in that area

Country	Region within country	Proportion of operations located in this region (%)	Further comments
United States of America	Just south of Albany, Georgia; bounded by 31°00'N, 31°30'N,	0 – 10	Data: Regional WSI = 0.2 to 0.4 (medium stress) (Source: UNH, 2000) Operation and Water Management Plan: Plant Mitchell, located near Albany, Ga., on the Flint River, consists of a 125-MW coal-fired steam plant and three combustion turbines. Georgia Power has delayed a decision on converting the Plant Mitchell Unit 3 from coal to biomass until there is greater clarity regarding various U.S. Environmental Protection Agency (EPA) environmental regulations.
United States of America	Metropolitan Orlando, Florida area; bounded by 28°0'N, 28°30'N, -81°0'W, and -81°30'W	0 – 10	Data: Regional WSI = 0.2 to 0.4 (medium stress) (Source: UNH, 2000) Annual Renewable Water Supply in 1995 = 1,000 to 1,700 m ³ /person/year (stressed) (Source: WRI, 1995) Annual Renewable Water Supply Projected for 2025 = 1,000 to 1,700 m ³ /person/year (stressed) (Source: WRI, 1995) Operation and Water Management Plan: Located near Orlando, Fla., Plant Stanton Unit "A" is a 659-MW natural gas-fueled combined-cycle electric generating unit and is jointly owned by Southern Power, the Orlando Utilities Commission, Kissimmee Utility Authority and Florida Municipal Utilities Commission. Plant Stanton is a zero liquid-discharge facility and uses municipal wastewater effluent for cooling water in its closed-loop system.
United States of America	Metropolitan Atlanta, Georgia area; bounded by 33°30'N, 34°0'N,	0 – 10	Data: Regional WSI= 0.4 to 1.0 (stressed) (Source: UNH, 2000) Operation and Water Management Plan: Georgia Power's Plant McDonough is located on the Chattahoochee River near Atlanta, and consists of two 245-MW coal-fired steam plants and two combustion turbines. Construction was recently completed on two forced-draft, plume-abated cooling towers. With the completion of these towers, Plant McDonough converted from a once-through to a closed-cycle circulating water system greatly reducing the plant's thermal impact on the Chattahoochee River. Units 2 and 1 are due to be retired in 2011 and 2012, respectively. In their place, three gas/oil-fired combined cycle units of 840 MW each are being constructed with a scheduled completion date in 2013.

2.2

Do you use other indicators (besides water stress) to identify operations which are located in regions subject to water-related risk?

No

2.2

Do you use other indicators (besides water stress) to identify operations which are located in regions subject to water-related risk?

2.2a

Please list the regions at risk where you have operations, the relevant risk indicator and percentage of your total operations in that area

Country	Region within country	Proportion of operations located in this region (%)	Indicator
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2.2a

Please list the regions at risk where you have operations, the relevant risk indicator and percentage of your total operations in that area

Country	Region within country	Proportion of operations located in this region (%)	Indicator
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2.2b

You may explain here why you are not able to identify which of your operations are located in regions subject to water stress or water-related risk and whether you have plans to explore this issue in the future

2.3

Please specify the total percentage of your operations that are located in the regions at risk which you identified in questions 2.1 and/or 2.2

1.0%

2.3

Please specify the total percentage of your operations that are located in the regions at risk which you identified in questions 2.1 and/or 2.2

2.4

Please specify the basis you use to calculate the percentages used for questions 2.1 and/or 2.2

Basis used to determine percentage	Please add any comments here
Water withdrawals	

2.4

Please specify the basis you use to calculate the percentages used for questions 2.1 and/or 2.2

Basis used to determine percentage	Please add any comments here
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2.5

Are you able to identify which of your key water-intensive inputs (excluding water) come from regions subject to water-related risk?

No

2.5a

Please state or estimate the percentage of your key water-intensive inputs (excluding water) that come from these regions

Inputs	Proportion of material that comes from region at risk (%)	Unit used for calculating percentage	Regional information or further comments
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2.5b

You may explain here why you are not able to identify which of your key water-intensive inputs come from water-stressed regions and whether you have plans to explore this issue in the future

At the present time, Southern Company does not have a specific program in place to identify the water usage or water availability of our supply chain. We will continue to monitor the environmental risks associated with our fuel suppliers and evaluate on a case-by-case basis the need to incorporate a more intensive evaluation through our procurement process.

3.1

Is your company exposed to water-related risks (current or future) that have the potential to generate a substantive change in your business operation, revenue or expenditure?

Yes

3.1a

Please describe the current and/or future risks to your operations, the ways in which these risks affect or could affect your operations and your current or proposed strategies for managing them

Country or geographical reach	Risk type	Risk description	Timescale (years)	Potential business impact	Risk management strategies
United States of America	10. Regulatory: Regulatory uncertainty	Southern Company and its subsidiaries, including the traditional operating companies and Southern Power, are subject to substantial water-related regulation from federal, state and local regulatory agencies. Southern Company is required to comply with these laws and regulations and to obtain	Current	Existing environmental laws and regulations may be revised or new laws and regulations related to water quality and quantity may be put into place resulting in substantial costs. These regulatory proposals are expected to continue to be considered in the future.	Southern Company Environmental Management Council serves as the point of governance for the system's environmental management and compliance programs. Membership is comprised of the chief environmental officer and includes operating company officers or senior management with relevant

Country or geographical reach	Risk type	Risk description	Timescale (years)	Potential business impact	Risk management strategies
		<p>numerous permits, approvals and certificates from the governmental agencies. Southern Company believes the necessary permits, approvals and certificates have been obtained for their respective existing operations and that their respective businesses are conducted in accordance with applicable laws; however, the impact of any future revision or changes in interpretations of existing water-related regulations or the adoption of new laws and regulations applicable to Southern Company or any of its subsidiaries cannot now be predicted.</p>			<p>compliance roles and expertise. Water, air and land environmental compliance governance teams provide support so that all elements of an effective environmental system are in place, including tracking and shaping federal and state environmental regulations, communicating to all levels of management and developing strategies for compliance with existing regulations and new environmental regulations.</p>
United States of America	10. Regulatory: Regulatory uncertainty	<p>On March 28, 2011, EPA signed a proposed 316(b) rule for cooling water intake structures at existing facilities and new units at existing facilities. EPA plans to finalize the rule by July 27, 2012. The final regulations, under the Clean Water Act, are designed to reduce impingement and entrainment of fish, shellfish and other forms of aquatic life at existing power plant cooling water intake structures.</p>	1 – 5	<p>The full scope of the regulations will depend on further rulemaking by EPA and the actual requirements established by state regulatory agencies and, therefore, cannot be determined at this time.</p>	<p>Southern Company Environmental Management Council serves as the point of governance for the system's environmental management and compliance programs. (see above)</p>
United States of America	09. Regulatory: Regulation of discharge quality/volumes leading to higher compliance costs	<p>On Dec., 2009, EPA announced its determination that revision of the current effluent guidelines for steam electric power plants is warranted and proposed a plan to adopt such revisions by 2014.</p>	1 – 5	<p>New wastewater treatment requirements are expected and may result in the installation of additional controls on certain Southern Company system facilities. The impact of revised guidelines will depend on the studies conducted in connection with the rulemaking, as well as the</p>	<p>Southern Company Environmental Management Council serves as the point of governance for the system's environmental management and compliance programs. (see above)</p>

Country or geographical reach	Risk type	Risk description	Timescale (years)	Potential business impact	Risk management strategies
				specific requirements of the final rule, and, therefore, cannot be determined at this time.	
United States of America	10. Regulatory: Regulatory uncertainty	EPA is currently evaluating whether additional regulation of coal combustion byproducts (including coal ash and gypsum) is merited under federal solid and hazardous waste laws. On June 21, 2010, the EPA published a proposed rule that requested comments on two potential regulatory options for the management and disposal of coal combustion byproducts: regulation as a solid waste or regulation as if the materials technically constituted a hazardous waste. Adoption of either option could require closure of, or significant change to, existing storage facilities and construction of lined landfills, as well as additional waste management and groundwater monitoring requirements.	1 – 5	The ultimate business impact of such legislation, regulation, new interpretations or international negotiations would depend upon the specific requirements enacted and cannot be determined at this time. Water quality and quantity regulatory impacts are likely to result in significant and additional compliance costs, including significant capital expenditures, and could result in additional operating restrictions. Additional compliance costs and costs related to potential unit retirements could affect results of operations, cash flows and financial condition if such costs are not recovered from customers. Further, higher costs that are recovered through regulated rates could contribute to reduced demand for electricity, which could negatively impact results of operations, cash flows and financial condition.	Southern Company Environmental Management Council serves as the point of governance for the system's environmental management and compliance programs. (see above)

3.1b

Please explain why you do not consider your company to be exposed to any water-related risk in its operations

3.1c

Please explain why you do not know if your company is exposed to any water-related in its operations and if you have plans to assess this risk in the future

3.2

What methodology and what geographical scale (e.g. country, region, watershed, facility) do you use to analyze water-related risk across your operations?

Risk methodology	Geographical scale
<p>While the majority of our operations are located in the Southeast, many of the water-related risks are impacted by federal regulations and available water supply. Therefore water-related risks are assessed on a regional and national level, through the Southern Company Environmental Management Council (EMC). The primary water-related risk responsibilities of the EMC include: (1) Identify, analyze and monitor emerging issues and key trends in environmental management and compliance that may impact the company, and ensure they are integrated into internal decision-making (2) Evaluate business implications of environmental legislative and regulatory changes (potential and actual), and provide insight on long-term strategies to effectively manage associated risks and opportunities (financial, reputational and strategic) (3) Understand key stakeholder relationships, develop engagement strategy and coordinate communications and activities to benefit environmentally-related stakeholder relations system-wide (4) Recommend mitigation strategies for key environmental compliance risks and issues, including advocacy and communications strategies; develop and implement policies, protocols, guidelines and procedures as needed. Water-related environmental risks are evaluated by the Water Environmental Compliance Governance Team, chief environmental officer and senior management. Refer to the Southern Company investor website for specific details regarding financial statements, company risk and corporate responsibility reports. (http://investor.southerncompany.com)</p>	Country

3.3

Do you require your key suppliers to report on their water use, risks and management?

No

3.4

Is your supply chain exposed to water-related risks (current or future) that have the potential to generate a substantive change in your business operation, revenue or expenditure?

Don't know

3.4a

Please describe the current and/or future risks to your supply chain, the ways in which these risks affect or could affect your operations and your current or proposed strategies for managing them

Country or geographical reach	Risk type (to supplier)	Risk description	Timescale (years)	Potential business impact (to responding company)	Risk management strategies (by responding company)
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3.4b

Please explain why you do not consider your supply chain to be exposed to any water-related risks

3.4c

Please explain why you do not know if your supply chain is exposed to any water-related risk and if you have plans to assess this risk in the future

Through our fuel procurement and research and environmental affairs departments, we are aware of the regulatory and general water-related risks associated with our fuel supply chain. However, we do not currently track individual suppliers water-related risks. Southern Company has a diverse mix of fossil fuel suppliers and also a varied blend of generation units to ensure reliable power for our customers. Southern Company Generation operates more than 280 coal, oil, gas and hydro generating plants with a combined capacity of more than 38,000 megawatts. By carefully forecasting energy needs and securing the most economical sources available, we are able to operate at a 99 percent level of reliability. Approximately 15 percent of our generation comes from three nuclear power plants located in Georgia and Alabama, and we are in the process of adding two additional units at Plant Vogtle. We continue to evaluate our fuel source supply chain to identify potential problems related to availability and cost, including water-related risk, and will consider a more site-specific approach.

4.1

Please describe any detrimental impacts to business related to water your company has faced in the past five years, their financial impacts and whether they have resulted in any changes to company practices

The drought of 2007 was one of the driest periods of record for the Southeast. While not as severe as 2007, the drought continued into 2008. We successfully managed power generation operations during the droughts because: (1) We have a diverse portfolio of generating sources to meet demand when hydro is unavailable due to limited water availability; (2) Our fossil and nuclear plants were originally designed to have adequate water supply during a severe drought by utilizing storage ponds or keeping our intake pump levels low in the river; and (3) We work closely with local, state and federal agencies to understand the conditions and plan appropriate contingencies.

The major financial impact of the drought was our reduced ability to generate electricity with our low-cost hydroelectric facilities. We generated only about 50% of our normal hydro budget for 2008, but the replacement for that electricity was met from other generating sources. The replacement cost of energy to supply that demand from other sources was approximately \$200 million for 2008. During this period we continued to provide electricity with minimal impact to our facilities. However, we did experience issues at some of our steam electric generating plants. The issues were resolved by (1) Careful and constant coordination with federal agencies, specifically the U.S. Army Corps of Engineers, to appropriately manage the water resources in our rivers and lakes; (2) Installation of temporary cooling towers at Plant Hammond to meet our environmental permit discharge temperature limits; (3) Load reductions at Plants Gorgas, E.C. Gaston, Barry, Smith and Hammond to comply with thermal permit limitations; (4) Maintenance dredging at some plants to optimize conditions during reduced river flows; and (5) Relief from low-flow restrictions in the Plant Scherer water withdrawal permit.

As we look to meet the energy needs of our customers, we continually evaluate the availability of resources, including water, for our facilities. We plan and build our plants with the environment and water resources in mind and continue to seek ways to use water more efficiently.

5.1

Do water-related issues present opportunities (current or future) that have the potential to generate a substantive change in your business operation, revenue or expenditure?

Yes

5.1a

Please describe the current and/or future opportunities, the ways in which these opportunities affect or could affect your operations and your current or proposed strategies for exploiting them

Country or geographical reach	Opportunity description	Timescale	Potential business impact	Strategy to exploit opportunity
United States of America	Through our research affiliations, we continue to evaluate emerging technologies that can increase water efficiencies for power production.	Current	Southern Company is making strides in advancing water-efficient technologies for new facilities and in research for the future.	To advance knowledge about water-efficient technologies for existing and future power generating plants, Georgia Power recently announced plans for a Water Research Center (WRC) at Plant Bowen, near Cartersville, Ga. The WRC will provide a site for testing technologies to improve water efficiency by addressing withdrawals and consumption and improving water quality used during the power generation process. Georgia Power is collaborating with the Electric Power Research Institute (EPRI) to add broader industry perspective and guidance to the project. Expected to be fully operational by August 2012, the WRC will include seven separate research focus areas: moisture recovery, cooling tower and advanced cooling systems, zero liquid discharge options, low-volume wastewater treatment, solid waste landfill water management, carbon technology water issues and water modeling, monitoring and best management practices. The center is an extension of a pilot project that began in May 2010 at Plant Bowen to identify opportunities to reduce water withdrawals and consumption.

5.1b

Please explain why you do not consider water-related issues to present opportunities to your company

5.1c

Please explain why you do not know whether water-related issues present opportunities to your company

6.1

Has your company identified any linkages or trade-offs between water and carbon emissions in its operations or supply chain?

Yes

6.1a

Please describe the linkages or trade-offs and the related management policy or action

Linkage or trade-off	Policy or action
<p>Southern Company's generation fleet is heavily regulated by numerous environmental regulations that are often written independently to address pollutants discharged to either air, water or land. Many of the current and proposed regulations regarding carbon emissions will have the effect of increased power and water consumption. Because of the water-intensive nature of steam electric power generation and the associated carbon dioxide emissions that vary between different types of power sources, trade-offs must be considered during the regulatory process and by the regulated industry. As an example, the Electric Power Research Institute (EPRI) has estimated that water use per net MW/hr is expected to increase by 33%, and perhaps as much as 90%, when CO2 capture systems are included on fossil power plants.</p>	<p>With a focus on developing cost-effective technologies, Southern Company is taking action to reduce greenhouse gas emissions, and is a leader in ongoing research and development of cost-effective technologies to reduce emissions further. Longstanding efforts include, among other things, efficiencies that increased our nuclear output; new lower-emitting generation and other combustion-fueled plant efficiencies; demand-side and energy efficiency programs; transmission equipment improvements, and tree planting. As a result of these efforts, Southern Company has reduced, avoided or sequestered more than 268 million metric tons of carbon dioxide (CO2). We are engaged in the policy discussions at the state, federal and international levels related to carbon emissions and water usage. The company continues to review and evaluate all policy proposals advanced to deal with the issue, and has been vocal in its belief that any legislative or regulatory action to reduce carbon emissions and its subsequent impact on power and water consumption should be consistent with the availability of effective technology and minimize potential costs to customers. The National Carbon Capture Center is a focal point of the U.S. Department of Energy's efforts to develop technologies to reduce greenhouse gas emissions from coal-based power generation. The center, managed and operated by Southern Company in Alabama, works with scientists and technology developers from government, industry and universities who are creating the next generation of carbon capture technologies. The Kemper County IGCC and Plant Barry carbon capture and storage projects include steps to evaluate additional water requirements associated with carbon capture.</p>

Further Information

The Kemper County IGCC plant under construction in Mississippi - a 582 megawatt lignite-fueled generating facility- will use Transport Integrated Gasification TRIG (trademark) technology. The facility will have less nitrogen oxides, sulfur dioxide and mercury emissions than traditional pulverized coal plants. Additionally, the facility plans to capture and re-use 65 percent of its carbon dioxide emissions, making it one of the first IGCC electric generating plants in the country with that capability. IGCC is a coal gasification plant and a combined cycle plant designed specifically to work together. The captured CO₂ will be sequestered via enhanced oil recovery (EOR). EOR is a process where CO₂ can be injected into depleted oil fields, generating more domestic oil production and sequestering CO₂.

The U.S. Department of Energy (DOE), Mitsubishi Heavy Industries Ltd. (MHI), the Electric Power Research Institute (EPRI) and other partners are working with Southern Company to operate a demonstration carbon capture facility at our Plant Barry facility in Alabama. Beginning in 2011, between 100,000 and 150,000 tons of CO₂ per year - the equivalent of emissions from 25 megawatts of Plant Barry's generating capacity - will be captured for permanent storage in a deep saline geologic formation. The CO₂ will be supplied to the DOE's Southeast Regional Carbon Sequestration Partnership (SECARB), which will transport it by pipeline from the plant and store it underground at a site within the Citronelle Oil Field, about 10 miles from the plant, operated by Denbury Resources. The Southern States Energy Board is leading the sequestration effort.

Module: 2011-Water-Account

Page: 2011-Water-7-Withdrawals

7.1

Are you able to provide data, whether measured or estimated, on water withdrawals within your operations?

Yes

7.1a

Please report the water withdrawals within your operations for the reporting year

Country or geographical reach	Withdrawal type	Quantity (ML/yr)	Proportion of data that has been verified (%)	Comments
United States of America	Surface	76400	0 – 25	Represents surface water withdrawal quantity for Southern Company facilities located in regions listed in question 2.1b. Note that the surface water withdrawal quantity is primarily cooling water. Cooling water at Plant Mitchell is used for once-through cooling and is discharged back to the same watershed.

Country or geographical reach	Withdrawal type	Quantity (ML/yr)	Proportion of data that has been verified (%)	Comments
United States of America	Wastewater	2370	0 – 25	Represents wastewater withdrawal quantity for Southern Company facilities located in regions listed in question 2.1b. Plant Stanton is a zero liquid-discharge facility and uses municipal wastewater effluent for cooling water in a closed-loop system.

7.1b

Please explain why you are not able to provide data for water withdrawals

7.2

Are you able to provide data, whether measured or estimated, on water recycling/reuse within your operations?

Yes

7.2a

Please report the water recycling/reuse within your operations for the reporting year

Country or geographical reach	Quantity (ML/yr)	Proportion of data that has been verified (%)	Comments
United States of America	760000	0 – 25	Represents estimated recycle flows for Southern Company facilities located in regions listed in question 2.1b

7.2b

Please explain why you are not able to provide data for water recycling/reuse within your operations

7.3

Please use this space to describe the methodologies used for questions 7.1 and 7.2 or to report withdrawals or recycling/reuse in a different format to that set out above

Pursuant to the general guidance for reporting water accounting information, questions 7.1 and 7.2 represent withdrawals and reuse flows for our facilities located in regions listed in Section 2. The total withdrawal of surface water, including once-through cooling water, for Southern Company is estimated at 22,000 megaliters per day.

7.4

Are any water sources significantly affected by your company's withdrawal of water?

No

7.4a

Please list any water sources significantly affected by your company's withdrawal of water.

Country	Water source	Impact	Company action and outcomes
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7.4b

You may explain here why your company's withdrawal of water does not significantly affect any water sources

Southern Company's steam electric plants are regulated by state and federal agencies on their water withdrawals and discharges. As a component of the permitting process, our impact on the source waterbody is evaluated to ensure that neither the water withdrawal or discharge of wastewater has a significant impact on the water source. Southern Company does not withdraw water from any Ramsar-listed wetlands or World Heritage Sites. A review of our withdrawals from Protected/Managed areas, known federally listed endangered or threatened aquatic species habitat, or 303(d)/303(b) Integrated Water Resources Assessment did not identify a significant effect on the water source.

7.4c

Please explain why you do not know if any water sources are significantly affected by your company's withdrawal of water

Page: 2011-Water-8-Discharges

8.1

Are you able to identify discharges of water from your operations by destination, by treatment method and by quality using standard effluent parameters?

Yes

8.1a

Please explain why you are not able to identify discharges from your operations by destination, treatment method and quality and whether you have any plans to put in place systems that would enable you to do so

8.2

Did your company pay any penalties or fines for significant breaches of discharge agreements or regulations in the reporting period?

No

8.2a

Please describe the quality, quantity and destination of the water that was the subject of the significant breach(es), the associated fines and any actions taken to minimise the risk of future non-compliance

Country or geographical reach	Quantity (ML)	Quality	Fines and penalties	Company action and outcomes
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8.3

Are any water bodies and related habitats significantly affected by discharges of water or runoff from your operations?

No

8.3a

Please list any water bodies and related habitats which are significantly affected by discharge of water or runoff from your operations

Country	Water body	Impact	Company action and outcomes
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8.3b

You may explain here why your company's discharge of water does not significantly affect any water bodies or related habitats

Southern Company steam electric generating plants are regulated by state and federal agencies on their water withdrawals and discharges. As a component of the permitting process, our impact on the receiving water body is evaluated to ensure that neither the water withdrawal or discharge of wastewater has a significant impact on the water body or related habitats. Southern Company does not discharge into any Ramsar-listed wetland or World Heritage Site. A review of our discharges into Protected/Managed areas, known federally listed endangered or threatened aquatic species habitat or 303(d)/303(b) Integrated Water Resources Assessment did not identify a significant effect on the receiving stream.

8.3c

Please explain why you do not know if any water bodies and related habitats are significantly affected by discharge of water or runoff from your operations

Please provide any available financial intensity values for your company's water use across its operations

Country or geographical region	Financial metric	Water use type	Financial intensity (US\$/ML)	Please provide any contextual details that you consider relevant to understand the units or figures you have provided.
				Generating plant level income statements are not typically available for integrated power producers, such as Southern Company. While some components can be tracked at a plant level such as cost, most components such as corporate taxes, revenues and benefits costs are not. This approach also does not consider the impact of transmission, distribution or other business units within a company's financial statements. Revenues cannot be assigned to a particular generating unit or plant as all megawatts generated are dispatched to the transmission system from a "pool". Generation mixes of coal, gas and hydro generation will also not be fairly represented in a random revenue distribution. We are unable to respond to this question because the lack of generating plant-level financial information would not provide for an accurate or representative financial intensity value.

9.2

Please provide any available water intensity values for your company's products across its operations

Country or geographical reach	Product	Product unit	Water use type	Water unit	Water intensity (Water unit/product unit)	Please provide any contextual details that you consider relevant to understand the units or figures you have provided.
United States of America	electric generation	Other: Net Kilowatt Hours	Withdrawals	L	18.4	Water intensity value represents Southern Company facilities located in regions listed in question 2.1b. The overall water intensity value for Southern Company steam-electric withdrawals is 36 liters per kwh. The primary component of the water intensity value is once through cooling water that is withdrawn, returned to the same watershed and not consumed in the generation process.