

Gulf Power Company
500 Bayfront Parkway
Post Office Box 1151
Pensacola, FL 32520-0751
Telephone 904 444-6231

**ORIGINAL
FILE COPY**

Susan D. Cranmer
Assistant Secretary and
Assistant Treasurer

(the southern electric system)

January 8, 1997

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee FL 32399-0870

Dear Ms. Bayo:

RE: Docket No. 960835-EI
Request for Confidential Classification
The Southern Company and Southern Development and Investment Group, Inc.
Certificate of Notification - File Nos. 70-8173

Enclosed for filing in the matter referred to above is the Request for Confidential Classification by Gulf Power Company. This request covers information for the period ending September 30, 1996.

If you or your staff have any questions regarding this filing, please contact me.

- ACK
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
- OPC _____
- RCH _____
- SEC _____
- WAS _____
- OTH _____

Please mark the enclosed extra copy of this letter with the date and time the material was accepted in your office for filing and return same to the undersigned.

Sincerely,

Susan D. Cranmer

lw

Enclosure

cc: Beggs and Lane
Russell A. Badders, Esquire

RECEIVED & FILED
FPC-BUREAU OF RECORDS

"Our business is customer satisfaction"

DOCUMENT NUMBER-DATE
00212 JAN-97
FPC-RECORDS/REPORTING

ORIGINAL
FILE COPY

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: The Southern Company and
Southern Development and Investment
Group, Inc., Certificate of Notification
File No. 70-8173 for the period ending
September 30, 1996

Docket No.: 960835-EI
Filed: January 9, 1997

REQUEST FOR CONFIDENTIAL CLASSIFICATION

The Southern Company and Southern Development and Investment Group, Inc., ("the Companies"), by and through their undersigned attorney and pursuant to Rule 25-22.006, Florida Administrative Code hereby files a request that the Florida Public Service Commission enter an order protecting from public disclosure certain information, hereafter the Certificate, submitted to the Florida Public Service Commission pursuant to the Securities and Exchange Commission Rule 53(a)(4), C.F.R. §250.53(a)(4). As grounds for this request, the Companies state:

1. The Companies hereby submit to the Florida Public Service Commission the Certificate as required by Securities and Exchange Commission Rule 53(a)(4), C.F.R. §250.53(a)(4).

2. The Companies assert that the information contained in the Certificate is entitled to confidential classification pursuant to §366.093(3)(e), Florida Statutes, as information, the public disclosure of which would cause irreparable harm to the competitive interests of the Companies. The Certificate contains proprietary and commercially sensitive information that is not otherwise publicly available.

DOCUMENT NUMBER-DATE
00212 JAN-97
FPSC-RECORDS/REPORTING

3. The public disclosure of the financial information and the business planning information contained in the Certificate would cause irreparable harm to the Companies' ability to compete in the business investment and development markets which are becoming increasingly more competitive. The public disclosure of the financial information would allow the competitors of the Companies to have access to information about the financial stability and resources of the Companies. Such information would permit those competitors to determine which markets the Companies are capable of entering into and the extent of their ability to develop new markets and projects. Public disclosure of information about the markets, investments and technologies that are being researched, implemented or financed by the Companies would unfairly permit the competitors of the Companies to determine the business plans and resource allocation of the Companies. Such information is proprietary and extremely commercially sensitive in the competitive markets in which the Companies operate. Thus, the Companies request that this information be granted confidential classification pursuant to Section 366.093(3)(e), Florida Statutes.

4. Submitted as Exhibit "A" is a copy of the Certificate, on which is highlighted the information for which confidential classification is requested. Exhibit "A" should be treated as confidential pending a ruling on this request. Attached as Exhibit "B" are two (2) edited copies of the Certificate, which may be made available for public review and inspection. Attached as Exhibit "C" to this request is a line-by-line justification for the request for confidential classification.

5. The material for which confidential classification is requested is intended to be, and is treated as, confidential by the Companies and has not been otherwise publicly disclosed.

WHEREFORE, the Southern Company and Southern Development and Investment Group, Inc. respectfully requests that the Commission enter an order protecting the information highlighted on Exhibit "A" from public disclosure as proprietary confidential business information.

Dated this 8th day of January, 1997.

Respectfully submitted,



RUSSELL A. BADDERS

Florida Bar No. 7455

Beggs & Lane

Post Office Box 12950

Pensacola, Florida 32576-2950

(904) 432-2451

Attorney for The Southern Company
and Southern Development and
Investment Group, Inc.

EXHIBIT "B"

Southern Company Services, Inc.
63 Perimeter Center East
Atlanta, Georgia 30346-6401
Telephone (770) 821-3574



Southern Company Services

a subsidiary of The Southern Company

Wayne Boston
Assistant Comptroller
and Assistant Secretary

FREEDOM OF INFORMATION ACT
CONFIDENTIAL TREATMENT REQUESTED

November 14, 1996

Securities and Exchange Commission
Washington, DC 20549

Re: *The Southern Company and
Southern Development and Investment Group, Inc.
Certificate of Notification - File No. 70-8173
Request for Confidential Treatment*

Ladies and Gentlemen:

Pursuant to Rule 104 under the Public Utility Holding Company Act of 1935, as amended, The Southern Company (SOUTHERN), a registered holding company, and Southern Development and Investment Group, Inc. (SOUTHERN DEVELOPMENT), hereby request confidential treatment of the attached Certificate of Notification for the quarter ended September 30, 1996. This certificate contains information which is proprietary and competitively sensitive. The public disclosure thereof would materially harm SOUTHERN and SOUTHERN DEVELOPMENT.

As permitted by Rule 101(c)(1) of the General Rules and Regulations for Electronic Filings, 17 CFR 232.101(c)(1) the aforementioned confidential information is filed herewith in paper format only.

SOUTHERN hereby requests a hearing before any part thereof is made public to third parties requesting its disclosure.

Yours very truly,

Wayne Boston
WB/er

Enclosures

cc: Freedom of Information Act Officer (w/enc.)
Robert Wason, Chief Financial Analyst (w/enc.)

CONFIDENTIAL

CERTIFICATE OF NOTIFICATION

filed by

THE SOUTHERN DEVELOPMENT AND INVESTMENT GROUP, INC.

Pursuant to order of the Securities and Exchange Commission dated January 25, 1995, in the matter of File No. 70-8173.

The Southern Development and Investment Group, Inc. (Southern Development) pursuant to Rule 24, hereby provides the following information as required by the above-mentioned order:

(a) Statement of Income

SOUTHERN DEVELOPMENT & INVESTMENT GROUP, INC.
INCOME STATEMENT (unaudited)

A

B
NINE MONTHS ENDED
SEPTEMBER 30, 1996

REVENUE

- 1 Associate Companies
- 2 Non-Associate Companies
- 3 Interest Income
- 4 TOTAL SALES

EXPENSES

- 5 Salaries and Wages
- 6 Rent
- 7 Cost of Goods Sold
- 8 Depreciation/Amortization
- 9 Office Supplies and expenses
- 10 Outside Services Employed
- 11 Alabama Power Company
- 12 Georgia Power Company
- 13 Gulf Power Company
- 14 Mississippi Power Company
- 15 Savannah Electric Company
- 16 Southern Company Services
- 17 Maintenance
- 18 Miscellaneous General
- 19 Insurance
- 20 Taxes Other than Income
- 21 TOTAL EXPENSES
- 22 NET INCOME (LOSS) BEFORE TAX
- 23 Benefit for Income Taxes
- 24 NET INCOME (LOSS) AFTER TAXES

CONFIDENTIAL
CONFIDENTIAL
CONFIDENTIAL

CONFIDENTIAL

(b) Balance Sheet

SOUTHERN DEVELOPMENT & INVESTMENT GROUP, INC.
BALANCE SHEET (unaudited)
SEPTEMBER 30, 1996

B
SEPTEMBER 1996

ASSETS

A

- 1 Cash and temporary investments
- 2 Accounts Receivable:
- 3 Associated companies
- 4 Customers and others, less allowance
- 5 for doubtful accounts
- 6 Costs and estimated earnings in excess
- 7 of billings on contracts
- 8 Prepaids and other
- 9 Materials and supplies
- 10 Total current assets

- 11 Investments-Envirotech
- 12 Investments-ICS
- 13 Investments-ITC
- 14 Total Investments

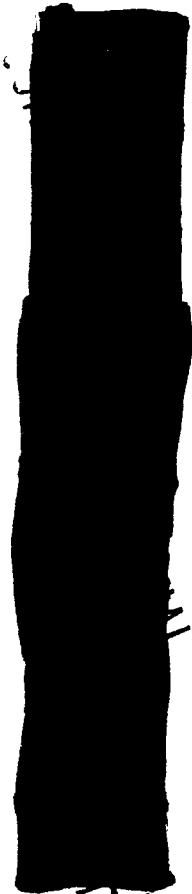
- 15 Office furniture, fixtures, equipment, and
- 16 leasehold improvements
- 17 Less accumulated depreciation and amortization
- 18 Net Property and Equipment

- 19 Intangible and other assets, net
- 20 Noncurrent deferred income taxes
- 21 Restricted Deposit
- 22 Total Other Assets
- 23 TOTAL ASSETS

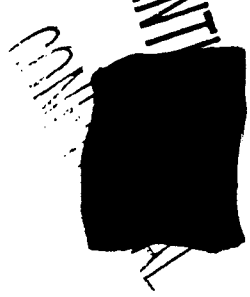
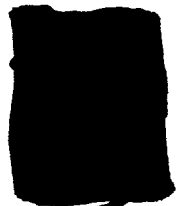
24 LIABILITIES AND STOCKHOLDERS' EQUITY

- 25 Accounts Payable:
- 26 Associated companies
- 27 Other
- 28 Billings in excess of costs and estimated
- 29 earnings on contracts
- 30 Other accrued liabilities
- 31 TOTAL LIABILITIES

- 32 Common Stock, par value \$1; 500 shares authorized
- 33 and outstanding
- 34 Additional paid-in capital
- 35 Retained earnings
- 36 Total stockholders' equity
- 37 TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY



CONFIDENTIAL



A

B CONFIDENTIAL

(c) Cash Flow Statement

SOUTHERN DEVELOPMENT & INVESTMENT GROUP, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996

NINE MONTHS ENDED
SEPTEMBER 30, 1996

CASH FLOWS FROM OPERATING ACTIVITIES:

- 1 Net Loss
- 2 Adjustments to reconcile net loss to net cash used in
- 3 operating activities:
- 4 Depreciation/amortization
- 5 Changes in operating assets and liabilities:
- 6 Accounts Receivable
- 7 Costs and estimated earnings in excess of billings
- 8 on contracts
- 9 Deferred income taxes
- 10 Prepaids and other assets
- 11 Accounts payable and other accrued liabilities
- 12 Billings in excess of costs and estimated earnings
- 13 on contracts
- 14 Total adjustments
- 15 Net cash used in operating activities
- 16 CASH FLOWS FROM INVESTING ACTIVITIES:
- 17 Project Investment
- 18 Purchase of property and equipment, net
- 19 Total cash flows from investing activities
- 20 CASH FLOWS FROM FINANCING ACTIVITIES:
- 21 Additional capital contributions
- 22 Total cash flows from financing activities
- 23 INCREASE (DECREASE) IN CASH AND TEMPORARY
- 24 INVESTMENTS
- 25 CASH AND TEMPORARY INVESTMENTS AT BEGINNING
- 26 OF YEAR
- 27 CASH AND TEMPORARY INVESTMENTS AT END OF PERIOD



CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

1 (a) A narrative of activities undertaken during the previous quarter (third quarter, 1996) in each of the
2 following areas:

3 [REDACTED]

4 [REDACTED]
5 [REDACTED]
6 [REDACTED]

7 [REDACTED]

8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED]

13 [REDACTED]

14 [REDACTED]
15 [REDACTED]
16 [REDACTED]

17 [REDACTED]
18 [REDACTED]
19 [REDACTED]

20 [REDACTED]

21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]

25 [REDACTED]
26 [REDACTED]
27 [REDACTED]
28 [REDACTED]
29 [REDACTED]
30 [REDACTED]
31 [REDACTED]

32 [REDACTED]

33 [REDACTED]
34 [REDACTED]

35 [REDACTED]

36 [REDACTED]
37 [REDACTED]
38 [REDACTED]

(vii) Licensing of Intellectual Property

1
2
3
4
5
6
7
8



10 (b) A project-by-project table, covering both the previous quarter and the time period that has elapsed
11 since the date of this order, for each of Development's business activities comparing--

- 12 (i) the amount of the Commission's authorization for such business activity;
- 13 (ii) the amount of Development's budget for such business activity;
- 14 (iii) the actual investment expended on such business activity.

| 15 | <u>A</u> <u>BUSINESS LINES</u> | <u>B</u> <u>COMMISSION'S AUTHORIZATION</u> | <u>C</u> <u>1996 BUDGET</u> | <u>D</u> <u>3rd QUARTER INVESTMENT #</u> | <u>E</u> <u>INVESTMENT SINCE INCEPTION</u> |
|----|-----------------------------------|---|--------------------------------|---|---|
|----|-----------------------------------|---|--------------------------------|---|---|

| | | | | | |
|----|------------|------------|------------|------------|------------|
| 16 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 17 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 18 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 19 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 20 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 21 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 22 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 23 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 24 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 25 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 26 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 27 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 28 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 29 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 30 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |

(c) A description of any services received by Development from Southern Company Services and from each of the Southern Operating Companies. This description should contain the dollar value of the services by company and the number and type of personnel used to render the services.

| | A | B | C | D |
|--|--------------------------|--------------------------------|----------------------------|--------------------------|
| | <u>OPERATING COMPANY</u> | <u>DOLLAR VALUE OF SERVICE</u> | <u>NUMBER OF PERSONNEL</u> | <u>TYPE OF PERSONNEL</u> |

| | | | | |
|---|------------|------------|------------|------------|
| 6 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 7 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 8 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 9 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |

| | | | | |
|----|------------|------------|------------|------------|
| 10 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 11 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 12 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |

| | | | | |
|----|------------|------------|------------|------------|
| 13 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 14 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 15 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 16 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 17 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |

| | | | | |
|----|------------|------------|------------|------------|
| 18 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 19 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 20 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 21 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 22 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 23 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 24 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |

| | | | | |
|----|------------|------------|------------|------------|
| 25 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 26 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 27 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |

| | | | | |
|----|------------|------------|------------|------------|
| 28 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 29 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| 30 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |

1 (d) A description of any services rendered by Development to any associate company within the Southern
2 System. Development will include a statement as to whether the services were at cost.

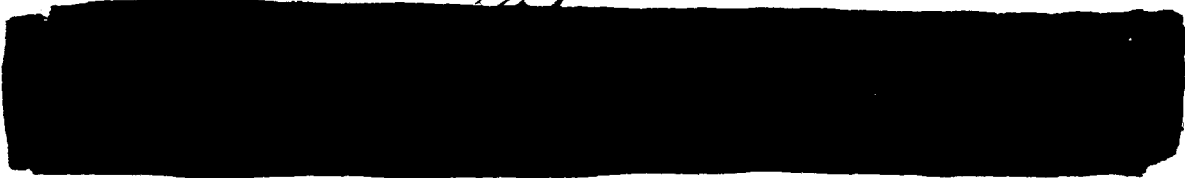
3
4
5
6
7
8
9
10
11
12
13
14
15

[REDACTED]

1 (e) A description of customer financing provided by or through Southern Development, including--

2
3
4
5
6
7
8
9
10

- (i) the amount of such financing by type of energy conservation and efficiency equipment;
- (ii) the accumulative amount of financing outstanding by customer classification;
- (iii) bad debt write-off incurred during the quarter;
- (iv) disclosure of the material terms and conditions applying to such financing.



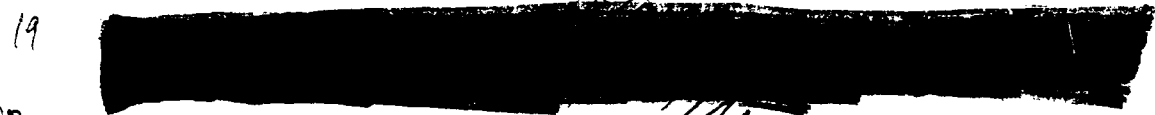
11 (f) Amounts and forms of currently effective guarantees of, and similar provisions and arrangements
12 concerning, performance and undertaking of other obligations by Southern Development.



14 (g) Amounts and forms of currently effective indemnifications of, and sureties on, bonds or other
15 obligations issued on behalf of Southern Development.



17 (h) Amounts and forms of guarantees of, and similar provisions and arrangements concerning,
18 performance and undertaking of other obligations by Southern Development.



20 (i) Amounts and forms of indemnification's of, and sureties on, bonds or other obligations issued on
21 behalf of Southern Development.



SIGNATURE

Pursuant to the requirements of the Public Utility Holding Company Act of 1935, the undersigned company has duly caused this certificate to be signed on its behalf by the undersigned thereunto duly authorized.

Dated November 14, 1996 THE SOUTHERN DEVELOPMENT AND INVESTMENT GROUP, INC.

BY

Southern Company Services, Inc.
64 Perimeter Center East
Atlanta, Georgia 30346-6401
Telephone (770) 821-3574

Wayne Boston
Assistant Comptroller
and Assistant Secretary



FREEDOM OF INFORMATION ACT
CONFIDENTIAL TREATMENT REQUESTED

November 14, 1996

Securities and Exchange Commission
Washington, DC 20549

Re: *The Southern Company and
Southern Development and Investment Group, Inc.
Certificate of Notification - File No. 70-8173
Request for Confidential Treatment*


Ladies and Gentlemen:

Pursuant to Rule 104 under the Public Utility Holding Company Act of 1935, as amended, The Southern Company (SOUTHERN), a registered holding company, and Southern Development and Investment Group, Inc. (SOUTHERN DEVELOPMENT), hereby request confidential treatment of the attached Certificate of Notification for the quarter ended September 30, 1996. This certificate contains information which is proprietary and competitively sensitive. The public disclosure thereof would materially harm SOUTHERN and SOUTHERN DEVELOPMENT.

As permitted by Rule 101(c)(1) of the General Rules and Regulations for Electronic Filings, 17 CFR 232.101(c)(1) the aforementioned confidential information is filed herewith in paper format only.

SOUTHERN hereby requests a hearing before any part thereof is made public to third parties requesting its disclosure.

Yours very truly,


Wayne Boston
WB/or

Enclosures

cc: Freedom of Information Act Officer (w/enc.)
Robert Wason, Chief Financial Analyst (w/enc.)

CONFIDENTIAL

CERTIFICATE OF NOTIFICATION

filed by

THE SOUTHERN DEVELOPMENT AND INVESTMENT GROUP, INC.

Pursuant to order of the Securities and Exchange Commission dated January 25, 1995, in the matter of File No. 70-8173.

The Southern Development and Investment Group, Inc. (Southern Development) pursuant to Rule 24, hereby provides the following information as required by the above-mentioned order:

(a) Statement of Income

SOUTHERN DEVELOPMENT & INVESTMENT GROUP, INC.
INCOME STATEMENT (unaudited)

A

B
NINE MONTHS ENDED
SEPTEMBER 30, 1996

REVENUE

- 1 Associate Companies
- 2 Non-Associate Companies
- 3 Interest Income
- 4 TOTAL SALES

EXPENSES

- 5 Salaries and Wages
- 6 Rent
- 7 Cost of Goods Sold
- 8 Depreciation/Amortization
- 9 Office Supplies and expenses
- 10 Outside Services Employed
- 11 Alabama Power Company
- 12 Georgia Power Company
- 13 Gulf Power Company
- 14 Mississippi Power Company
- 15 Savannah Electric Company
- 16 Southern Company Services
- 17 Maintenance
- 18 Miscellaneous General
- 19 Insurance
- 20 Taxes Other than Income
- 21 TOTAL EXPENSES
- 22 NET INCOME (LOSS) BEFORE TAX
- 23 Benefit for Income Taxes
- 24 NET INCOME (LOSS) AFTER TAXES



CONFIDENTIAL

(b) Balance Sheet

SOUTHERN DEVELOPMENT & INVESTMENT GROUP, INC.
BALANCE SHEET (unaudited)
SEPTEMBER 30, 1996

B
SEPTEMBER 1996

ASSETS

A

- 1 Cash and temporary investments
- 2 Accounts Receivable:
- 3 Associated companies
- 4 Customers and others, less allowance
- 5 for doubtful accounts
- 6 Costs and estimated earnings in excess
- 7 of billings on contracts
- 8 Prepaids and other
- 9 Materials and supplies
- 10 Total current assets

- 11 Investments-Envirotech
- 12 Investments-ICS
- 13 Investments-ITC
- 14 Total Investments

- 15 Office furniture, fixtures, equipment, and
- 16 leasehold improvements
- 17 Less accumulated depreciation and amortization
- 18 Net Property and Equipment

- 19 Intangible and other assets, net
- 20 Noncurrent deferred income taxes
- 21 Restricted Deposit
- 22 Total Other Assets

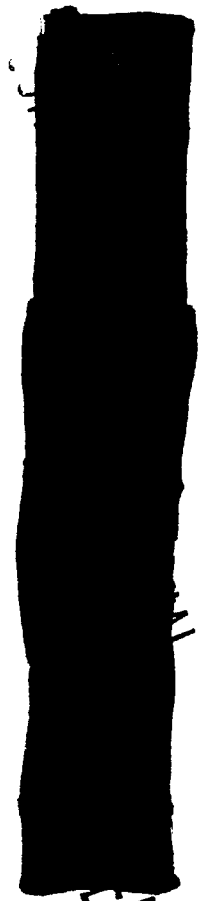
23 TOTAL ASSETS

24 LIABILITIES AND STOCKHOLDERS' EQUITY

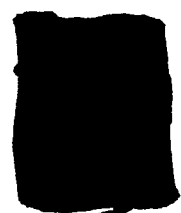
- 25 Accounts Payable:
- 26 Associated companies
- 27 Other
- 28 Billings in excess of costs and estimated
- 29 earnings on contracts
- 30 Other accrued liabilities
- 31 TOTAL LIABILITIES

- 32 Common Stock, par value \$1; 500 shares authorized
- 33 and outstanding
- 34 Additional paid-in capital
- 35 Retained earnings
- 36 Total stockholders' equity

37 TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY



CONFIDENTIAL



CONFIDENTIAL



A

B CONFIDENTIAL

(c) Cash Flow Statement

SOUTHERN DEVELOPMENT & INVESTMENT GROUP, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996

NINE MONTHS ENDED
SEPTEMBER 30, 1996

CASH FLOWS FROM OPERATING ACTIVITIES:

- 1 Net Loss
- 2 Adjustments to reconcile net loss to net cash used in operating activities:
 - 3 Depreciation/amortization
 - 4 Changes in operating assets and liabilities:
 - 5 Accounts Receivable
 - 6 Costs and estimated earnings in excess of billings on contracts
 - 7 Deferred income taxes
 - 8 Prepaids and other assets
 - 9 Accounts payable and other accrued liabilities
 - 10 Billings in excess of costs and estimated earnings on contracts
 - 11 Total adjustments
 - 12 Net cash used in operating activities
- 13 CASH FLOWS FROM INVESTING ACTIVITIES:
 - 14 Project Investment
 - 15 Purchase of property and equipment, net
 - 16 Total cash flows from investing activities
- 17 CASH FLOWS FROM FINANCING ACTIVITIES:
 - 18 Additional capital contributions
 - 19 Total cash flows from financing activities
- 20 INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS
- 21 CASH AND TEMPORARY INVESTMENTS AT BEGINNING OF YEAR
- 22 CASH AND TEMPORARY INVESTMENTS AT END OF PERIOD



CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

1 (a) A narrative of activities undertaken during the previous quarter (third quarter, 1996) in each of the
2 following areas:

- 3 [REDACTED]
- 4 [REDACTED]
- 5 [REDACTED]
- 6 [REDACTED]
- 7 [REDACTED]
- 8 [REDACTED]
- 9 [REDACTED]
- 10 [REDACTED]
- 11 [REDACTED]
- 12 [REDACTED]
- 13 [REDACTED]
- 14 [REDACTED]
- 15 [REDACTED]
- 16 [REDACTED]
- 17 [REDACTED]
- 18 [REDACTED]
- 19 [REDACTED]
- 20 [REDACTED]
- 21 [REDACTED]
- 22 [REDACTED]
- 23 [REDACTED]
- 24 [REDACTED]
- 25 [REDACTED]
- 26 [REDACTED]
- 27 [REDACTED]
- 28 [REDACTED]
- 29 [REDACTED]
- 30 [REDACTED]
- 31 [REDACTED]
- 32 [REDACTED]
- 33 [REDACTED]
- 34 [REDACTED]
- 35 [REDACTED]
- 36 [REDACTED]
- 37 [REDACTED]
- 38 [REDACTED]

(vii) Licensing of Intellectual Property

1
2
3
4
5
6
7
8

- 10 (b) A project-by-project table, covering both the previous quarter and the time period that has elapsed
 11 since the date of this order, for each of Development's business activities comparing--
 12 (i) the amount of the Commission's authorization for such business activity;
 13 (ii) the amount of Development's budget for such business activity;
 14 (iii) the actual investment expended on such business activity.

| | A | B | C | D | E |
|----|-----------------------|-----------------------------------|--------------------|---------------------------------|-----------------------------------|
| 15 | <u>BUSINESS LINES</u> | <u>COMMISSION'S AUTHORIZATION</u> | <u>1996 BUDGET</u> | <u>3rd QUARTER INVESTMENT #</u> | <u>INVESTMENT SINCE INCEPTION</u> |
| 16 | | | | | |
| 17 | | | | | |
| 18 | | | | | |
| 19 | | | | | |
| 20 | | | | | |
| 21 | | | | | |
| 22 | | | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |
| 26 | | | | | |
| 27 | | | | | |
| 28 | | | | | |
| 29 | | | | | |
| 30 | | | | | |

1 (c) A description of any services received by Development from Southern Company Services and from
2 each of the Southern Operating Companies. This description should contain the dollar value of the
3 services by company and the number and type of personnel used to render the services.

4 ^A ^B ^C ^D
5 OPERATING COMPANY DOLLAR VALUE NUMBER OF TYPE OF
6 OF SERVICE PERSONNEL PERSONNEL

6 [REDACTED] [REDACTED] [REDACTED] [REDACTED]
7 [REDACTED] [REDACTED] [REDACTED] [REDACTED]
8 [REDACTED] [REDACTED] [REDACTED] [REDACTED]
9 [REDACTED] [REDACTED] [REDACTED] [REDACTED]

10 [REDACTED] [REDACTED] [REDACTED] [REDACTED]
11 [REDACTED] [REDACTED] [REDACTED] [REDACTED]
12 [REDACTED] [REDACTED] [REDACTED] [REDACTED]

13 [REDACTED] [REDACTED] [REDACTED] [REDACTED]
14 [REDACTED] [REDACTED] [REDACTED] [REDACTED]
15 [REDACTED] [REDACTED] [REDACTED] [REDACTED]
16 [REDACTED] [REDACTED] [REDACTED] [REDACTED]
17 [REDACTED] [REDACTED] [REDACTED] [REDACTED]

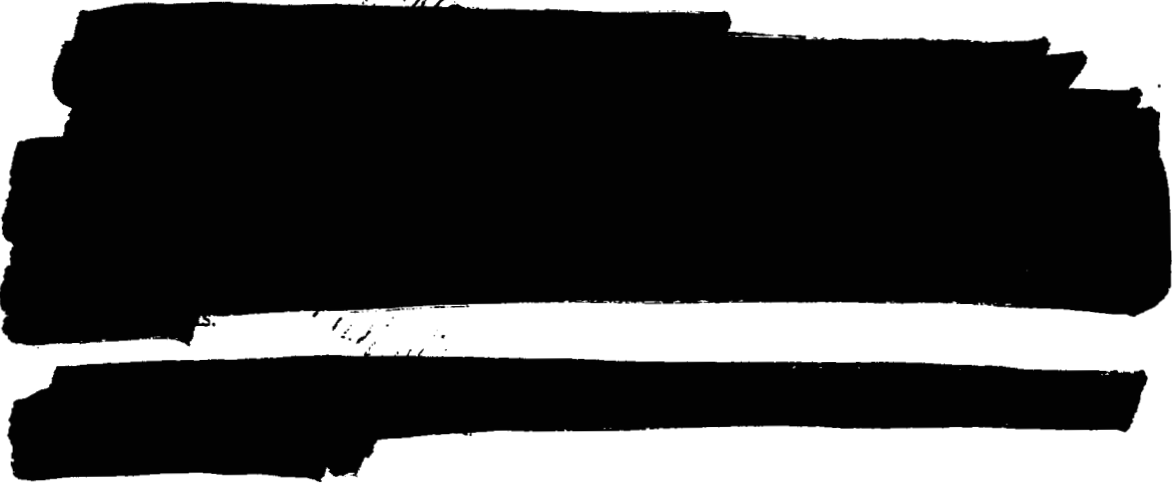
18 [REDACTED] [REDACTED] [REDACTED] [REDACTED]
19 [REDACTED] [REDACTED] [REDACTED] [REDACTED]
20 [REDACTED] [REDACTED] [REDACTED] [REDACTED]
21 [REDACTED] [REDACTED] [REDACTED] [REDACTED]
22 [REDACTED] [REDACTED] [REDACTED] [REDACTED]
23 [REDACTED] [REDACTED] [REDACTED] [REDACTED]
24 [REDACTED] [REDACTED] [REDACTED] [REDACTED]

25 [REDACTED] [REDACTED] [REDACTED] [REDACTED]
26 [REDACTED] [REDACTED] [REDACTED] [REDACTED]
27 [REDACTED] [REDACTED] [REDACTED] [REDACTED]

28 [REDACTED] [REDACTED] [REDACTED] [REDACTED]
29 [REDACTED] [REDACTED] [REDACTED] [REDACTED]
30 [REDACTED] [REDACTED] [REDACTED] [REDACTED]

1 (d) A description of any services rendered by Development to any associate company within the Southern
2 System. Development will include a statement as to whether the services were at cost.

3
4
5
6
7
8
9
10
11
12
13
14
15



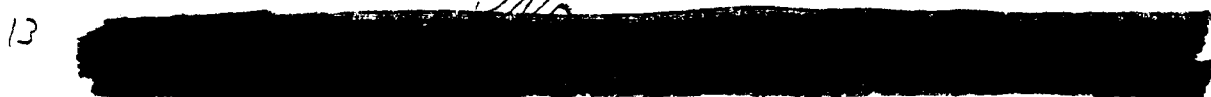
1 (e) A description of customer financing provided by or through Southern Development, including--

2
3
4
5
6
7
8
9
10

- (i) the amount of such financing by type of energy conservation and efficiency equipment;
- (ii) the accumulative amount of financing outstanding by customer classification;
- (iii) bad debt write-off incurred during the quarter;
- (iv) disclosure of the material terms and conditions applying to such financing.



11 (f) Amounts and forms of currently effective guarantees of, and similar provisions and arrangements
12 concerning performance and undertaking of other obligations by Southern Development.



14 (g) Amounts and forms of currently effective indemnifications of, and sureties on, bonds or other
15 obligations issued on behalf of Southern Development.



17 (h) Amounts and forms of guarantees of, and similar provisions and arrangements concerning
18 performance and undertaking of other obligations by Southern Development.



20 (i) Amounts and forms of indemnifications of, and sureties on, bonds or other obligations issued on
21 behalf of Southern Development.



SIGNATURE

Pursuant to the requirements of the Public Utility Holding Company Act of 1935, the undersigned company has duly caused this certificate to be signed on its behalf by the undersigned thereunto duly authorized.

Dated November 14, 1996 THE SOUTHERN DEVELOPMENT AND INVESTMENT GROUP, INC.

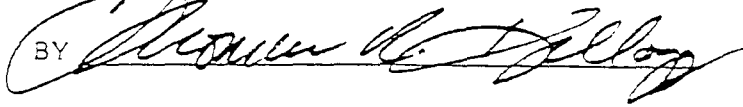
BY 

EXHIBIT "C"

Line-by-Line Justification

| Page/ line: | Column: | Justification: |
|-------------------------|---------|--|
| Page 2 lines 1-24 | B | The information identified as confidential by Southern Development and Investment Group is intended to be and is treated by SDIG as private in that the disclosure of the information would impair SDIG's competitive interests. <u>See</u> Fla. Stat. § 366.093(3)(e) This information would provide competitors with vital financial information about SDIG. Such information, if publicly disclosed, may be utilized by a competitor of SDIG to determine the viability of SDIG and the economic feasibility of SDIG entering into the various competitive markets that it is presently in and intends to develop in the future. The disclosure of this information and subsequent use by SDIG's competitors would have a chilling effect on SDIG's ability to invest in or develop new programs, technologies and markets. This information is not otherwise publicly available. |
| Page 3 Lines 1-37 | B | The information identified as confidential by Southern Development and Investment Group is intended to be and is treated by SDIG as private in that the disclosure of the information would impair SDIG's competitive interests. <u>See</u> Fla. Stat. § 366.093(3)(e) This information would provide competitors with vital financial information about SDIG. Such information, if publicly disclosed, may be utilized by a competitor of SDIG to determine the viability of SDIG and the economic feasibility of SDIG entering into the various competitive markets that it is presently in and intends to develop in the future. The disclosure of this information and subsequent use by SDIG's competitors would have a chilling effect on SDIG's ability to invest in or develop new programs, technologies and markets. This information is not otherwise publicly available. |

| | | |
|---------------------------|---------------|--|
| Page 4 Lines: 1-27 | B | The information identified as confidential by Southern Development and Investment Group is intended to be and is treated by SDIG as private in that the disclosure of the information would impair SDIG's competitive interests. <u>See</u> Fla. Stat. § 366.093(3)(e) This information would provide competitors with vital financial information about SDIG. Such information can be utilized by competitor of SDIG to determine the viability of SDIG and the economic feasibility of SDIG entering into the various competitive markets that it is presently in and intends to develop in the future. The disclosure of this information and subsequent use by SDIG's competitors would have a chilling effect on SDIG's ability to invest in or develop new programs, technologies and markets. This information is not otherwise publicly available. |
| Page 5 Lines: 1-38 | N/A | The information identified as confidential by Southern Development and Investment Group is intended to be and is treated by SDIG as private in that the disclosure of the information would impair SDIG's competitive interests. <u>See</u> Fla. Stat. § 366.093(3)(e) This information |
| Page 6 Lines: 1-9 | | relates to the various investment and development activities undertaken presently or contemplated by SDIG to be undertaken in the future. Disclosure of this information to the competitors of SDIG would enable those competitors to determine which areas SDIG plans to develop and how it plans to direct its development efforts, the business plan of SDIG. The business plan of a development and investment entity is one of its most sensitive areas and is not otherwise made part of the public domain. |
| Page 6 Lines: 16-30 | A,B,C,D, E | The information identified as confidential by Southern Development and Investment Group is intended to be and is treated by SDIG as private in that the disclosure of the information would impair SDIG's competitive interests. <u>See</u> Fla. Stat. § 366.093(3)(e) This information |
| Page 7 Lines: 6-30 | A,B,C,D | relates to the various investment and development activities undertaken presently or contemplated by SDIG to be undertaken in the future, SDIG's business plan. Disclosure of this information to the competitors of SDIG would enable those competitors to determine |
| Page 8 Lines: 3-15 | N/A | which areas SDIG plans to develop and how it plans to direct its development efforts. The business plan of a development and investment entity is one of its most sensitive areas and is not otherwise made part of the public domain. |

Page 9
Lines
6-10, 13,
16, 19,
22-23

N/A

The information identified as confidential by Southern Development and Investment Group is intended to be and is treated by SDIG as private in that the disclosure of the information would impair SDIG's competitive interests. See Fla. Stat. § 366.093(3)(e) The specified information relates to financing arrangements between SDIG and other entities. Financing arrangements are generally kept confidential by the parties involved in the transaction. Public disclosure of this information would provide competitors with information about SDIG's ability to obtain financing as well as its ability to extend credit or guarantee the debt or another entity. Such information could be utilized by a competitor to determine whether SDIG has the financial ability to enter into a market or implement a program or technology. This information is not otherwise publicly available.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: The Southern Company and Southern)
Development and Investment Group, Inc.)
Certificate of Notification File No. 70-8173 for the) Docket No. 960835-EI
period ending September 30, 1996)
_____)

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was furnished without exhibit "A" by U.S. Mail on the 5th day of January, 1997 on the following:

Cindy Miller, Esquire
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee FL 32399-0863

Jack Shreve, Esquire
Office of Public Counsel
c/o The Florida Legislature
111 W. Madison St., Room 812
Tallahassee FL 32399-1400



RUSSELL A. BADDERS
Florida Bar No. 0007455
Beggs & Lane
P.O. Box 12950
Pensacola FL 32576
904 432-2451
Attorneys for The Southern Company