

One Energy Place
Pensacola, Florida 32520

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December 3, 1999

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

Dear Ms. Bayo:

RE: The Southern Company – Amendment No. 1 to Form U-1, File No. 70-9557 relating to the Southern Investment Plan, the Employee Savings Plan and the Employee Ownership Plan of the Southern electric system filed with the Securities and Exchange Commission

Rule 53(a)(4), 17 C.F.R. §250.53 (a)(4), of the rules and regulations promulgated by the Securities and Exchange Commission (“SEC”) under the Public Utility Holding Company Act of 1935, as amended, 15 U.S.C. §§79a et seq. (the “Act”), specifies that a copy of each application must be filed with each public utility commission having jurisdiction over retail rates of such holding Company’s public utility subsidiaries.

The enclosed Amendment No. 1 to Form U-1 was filed with the SEC by Southern on November 17, 1999. To comply with the requirements of the SEC’s Rule 53(a)(4), a copy of such filing is being provided to you herewith.

If you have any questions regarding the enclosed, please feel free to call me at (850) 444-6231.

Sincerely,

Susan D. Ritenour

Susan D. Ritenour
Assistant Secretary and Assistant Treasurer

lw

Enclosure

cc: Beggs and Lane
J. A. Stone, Esq.

- AFA
- APP
- CAF
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DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

Amendment No. 1
to
FORM U-1

APPLICATION OR DECLARATION

under

The Public Utility Holding Company Act of 1935

THE SOUTHERN COMPANY
270 Peachtree Street, N.W.
Atlanta, Georgia 30303

ALABAMA POWER COMPANY
600 North 18th Street
Birmingham, Alabama 35291

SOUTHERN COMMUNICATIONS SERVICES, INC.
5555 Glenridge Connector, Suite 500
Atlanta, Georgia 30342

GEORGIA POWER COMPANY
241 Ralph McGill Boulevard, N.E.
Atlanta, Georgia 30308

SOUTHERN COMPANY ENERGY SOLUTIONS,
INC.
241 Ralph McGill Boulevard, N.E.
Atlanta, Georgia 30308

GULF POWER COMPANY
One Energy Place
Pensacola, Florida 32520

SOUTHERN COMPANY SERVICES, INC.
241 Ralph McGill Boulevard, N.E.
Atlanta, Georgia 30308

MISSISSIPPI POWER COMPANY
2992 West Beach
Gulfport, Mississippi 39501

SOUTHERN ENERGY RESOURCES, INC.
900 Ashwood Parkway, Suite 500
Atlanta, Georgia 30338

SAVANNAH ELECTRIC AND POWER COMPANY
600 East Bay Street
Savannah, Georgia 31401

SOUTHERN NUCLEAR OPERATING COMPANY,
INC.
40 Inverness Center Parkway
Birmingham, Alabama 35242

(Name of company or companies filing this statement
and addresses of principal executive offices)

THE SOUTHERN COMPANY

(Name of top registered holding company parent
of each applicant or declarant)

Tommy Chisholm, Secretary
The Southern Company
270 Peachtree Street, N.W.
Atlanta, Georgia 30303

William E. Zales, Jr., Vice President and
Corporate Secretary
Alabama Power Company
600 North 18th Street
Birmingham, Alabama 35291

Judy M. Anderson, Vice President
and Corporate Secretary
Georgia Power Company
241 Ralph McGill Boulevard, N.E.
Atlanta, Georgia 30308

Warren E. Tate, Secretary
and Treasurer
Gulf Power Company
One Energy Place
Pensacola, Florida 32520

Michael W. Southern, Vice President,
Chief Financial Officer, Secretary and Treasurer
2992 West Beach
Gulfport, Mississippi 39501

Kirby R. Willis, Vice President,
Treasurer and Chief Financial Officer
Savannah Electric and Power Company
600 East Bay Street
Savannah, Georgia 31401

Tommy Chisholm, Secretary
Southern Communications Services, Inc.
5555 Glenridge Connector, Suite 500
Atlanta, Georgia 30342

Tommy Chisholm, Secretary
Southern Company Energy Solutions, Inc.
241 Ralph McGill Boulevard, N.E.
Atlanta, Georgia 30308

Tommy Chisholm, Vice President
and Secretary
Southern Company Services, Inc.
241 Ralph McGill Boulevard, N.E.
Atlanta, Georgia 30308

Tommy Chisholm, Vice President
and Secretary
Southern Energy Resources, Inc.
900 Ashwood Parkway, Suite 500
Atlanta, Georgia 30338

Sherry A. Mitchell, Corporate Secretary
Southern Nuclear Operating Company, Inc.
40 Inverness Center Parkway
Birmingham, Alabama 35242

(Names and addresses of agents for service)

The Commission is requested to mail signed copies of all
orders, notices and communications to:

W. L. Westbrook
Financial Vice President
The Southern Company
270 Peachtree Street, N.W.
Atlanta, Georgia 30303

John D. McLanahan
Troutman Sanders LLP
600 Peachtree Street, N.E.
Suite 5200
Atlanta, Georgia 30308-2216

INFORMATION REQUIRED

Item 1 is hereby amended and restated in its entirety as follows:

Item 1. Description of Proposed Transactions.

1.1 Summary. The Southern Company ("Southern"), a registered holding company under the Public Utility Holding Company Act of 1935, as amended (the "Act"), proposes to issue and sell up to 60,000,000 additional shares of its authorized but unissued common stock, par value \$5 per share, as such number may be adjusted for any share split or distribution hereafter authorized by the Commission (the "SIP Stock"), pursuant to its Southern Investment Plan (the "SIP"), up to 25,000,000 additional shares of its authorized but unissued common stock, par value \$5 per share, as such number may be adjusted for any share split or distribution hereafter authorized by the Commission (the "ESP Stock"), pursuant to The Southern Company Employee Savings Plan (the "Savings Plan") and up to 3,000,000 additional shares of its authorized but unissued common stock, par value \$5 per share, as such number may be adjusted for any share split or distribution hereafter authorized by the Commission (the "ESOP Stock"), in order to provide common stock to fund The Southern Company Employee Stock Ownership Plan (the "ESOP"). It is proposed that the SIP Stock, the ESP Stock and the ESOP Stock (collectively, the "Plan Stock") will be issued and sold from time to time on or prior to September 30, 2004.

1.2 Southern Investment Plan. The SIP provides shareholders of record of Southern's common stock with a means of purchasing additional shares through the reinvestment of cash dividends and/or through optional cash payments. In addition, the SIP has a direct purchase feature that enables other eligible investors to become participants by making initial cash payments for the purchase of common stock. Participants may acquire additional shares of

common stock by reinvesting all or a portion of their dividends and by making optional cash payments of not less than \$25 per payment and not more than \$150,000 per calendar year.

Shares of common stock are purchased under the SIP, at the option of Southern, from newly issued shares or shares purchased on the open market.

The price per share for shares purchased on the open market will be the weighted average price paid to acquire the shares, excluding broker commissions. The price per share for shares purchased from Southern with dividends will be equal to the average of the high and low sale prices on the dividend payment date. For shares purchased from Southern with cash payments, the price per share will be equal to the average of the high and low sale prices on the 10th or 25th of the month, as applicable.

When shares are purchased from Southern and the common stock is not traded on the New York Stock Exchange on the days specified above, the price for shares purchased with dividends will be equal to the average of the high and low sale prices on the trading days immediately preceding and following the dividend payment date. For shares purchased with cash payments, the price will be the average of the high and low sales prices on the trading day immediately following the 10th or 25th. The price for shares purchased from Southern will be calculated based on sale prices as reported on the NYSE Composite Transactions as published by *The Wall Street Journal*.

Southern Company Services, Inc. ("SCS") administers the SIP. SCS appoints a registered broker-dealer or bank as independent agent to purchase and sell stock on behalf of the SIP.

All SIP shares are voted in the same manner as shares of Southern common stock registered in a participant's own name. Participants can close their SIP accounts upon written request. Southern reserves the right to suspend, modify or terminate the SIP at any time.

1.3 Employee Savings Plan. The ESP Stock will be offered to employees of Southern's subsidiaries pursuant to the Savings Plan under which such employees voluntarily may contribute, through payroll deductions, any whole percentage which is not more than 16% of their compensation (base salary or wages, including all amounts by which a Participant's compensation is reduced pursuant to his salary reduction election under The Southern Company Flexible Benefits Plan) ("Voluntary Participant Contribution"). In addition, a Savings Plan member may elect to have his taxable compensation reduced by a whole percentage which is not more than 16% of his compensation, such amount to be contributed to his account under the Savings Plan ("Elective Employer Contribution"). The maximum Voluntary Participant Contribution shall be reduced by the percent, if any, which is contributed as an Elective Employer Contribution on behalf of the Savings Plan member. The maximum Elective Employer Contributions any Participant may elect to defer under the Savings Plan in any taxable year of the Participant are subject to certain limitations under the Internal Revenue Code of 1986, as amended. Each employing company currently contributes, on behalf of each of the Savings Plan members in its employ, an amount equal to 75% of the member's Voluntary Participant Contribution, plus the Elective Employer Contribution made on his behalf, to the extent that the Voluntary Participant Contribution and the Elective Employer Contribution, when combined, do not exceed 6% of his compensation.

Merrill Lynch Trust Company of Florida acts as Trustee for the trust which is part of the Savings Plan, and the Savings Plan is administered by the Savings Plan Committee consisting of three officers of Southern.

Each Savings Plan member must direct that his contributions be invested in one or more of several funds, including a Southern Company Stock Fund consisting of Southern's

common stock. All employer matching contributions are initially invested in the Southern Company Stock Fund.

Investment purchases by the Trustee for the funds may be made either on the open market or by private purchase, provided that no private purchase may be made of common stock of Southern at a price greater than the last sale price or the highest current independent bid price, whichever is higher, for such stock on the New York Stock Exchange, plus an amount equal to the commission payable in a stock exchange transaction if such private purchase is not made from Southern. The Trustee may purchase common stock of Southern directly from Southern under the SIP or under any other similar plan made available to holders of record of shares of common stock of Southern, at the purchase price provided for in such plan.

1.4 Employee Stock Ownership Plan. The exact number of shares of ESOP Stock to be issued by Southern will be determined by the aggregate amount of contributions to be invested by the trust established pursuant to the ESOP (the "ESOP Trust") and the purchase price per share of Southern's common stock determined as set forth below.

The purpose of the ESOP, which was originally effective January 1, 1976 and was last amended and restated effective as of January 1, 1997, is to enable eligible employees of SCS and other affiliates or subsidiaries of Southern that adopt the ESOP (the "Employing Companies") to share in the future of Southern, to provide participants with an opportunity to accumulate capital for their future economic security, and to enable participants to acquire Southern common stock. All of the current Employing Companies are applicants in this proceeding.

The ESOP permits the Employing Companies to contribute cash or common stock in an amount or under such formula as SCS shall determine in its sole and absolute discretion. Participant contributions are neither required nor permitted under the ESOP.

It is anticipated that the contributions by the Employing Companies to the ESOP Trust generally will be made in cash. However, if a contribution consists of ESOP Stock, the number of shares contributed will be determined by the market value of the shares, as determined by SCS. The purchase price per share of ESOP Stock acquired from Southern by the ESOP Trust with cash contributions shall be the market value thereof as determined by SCS.

Under the ESOP, the ESOP Trust is required to reinvest cash dividends paid on shares of Southern's common stock allocated to a participant's account in additional shares of common stock, unless the participant elects to have such cash dividends distributed to him currently or the Employing Company distributes cash dividends in order to qualify such distribution for a tax deduction under the 1986 Code. In reinvesting any cash dividends, the ESOP Trust may purchase common stock under the SIP (at the price provided for in such plan), on the open market or by private purchase, including purchases directly from Southern.

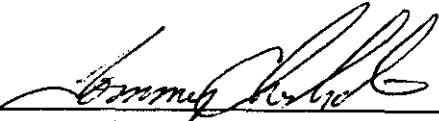
1.5 Use of Proceeds. The proceeds from the sale of the Plan Stock will be used by Southern to acquire the securities of associate companies and interests in other businesses, including interests in "exempt wholesale generators" ("EWGs") and "foreign utility companies" ("FUCOs"), all in any transactions permitted under the Act, and for other general corporate purposes. Southern does not seek in this proceeding any increase in the amount it is permitted to invest in EWGs and FUCOs.

SIGNATURES

Pursuant to the requirements of the Public Utility Holding Company Act of 1935, the undersigned companies have duly caused this amendment to be signed on their behalf by the undersigned thereunto duly authorized.


Dated: November 17, 1999

THE SOUTHERN COMPANY

By: 


Tommy Chisholm
Secretary

ALABAMA POWER COMPANY

By: 


Wayne Boston
Assistant Secretary

GEORGIA POWER COMPANY

By: 

Wayne Boston
Assistant Secretary

GULF POWER COMPANY

By: 

Wayne Boston
Assistant Secretary

MISSISSIPPI POWER COMPANY

By: Wayne Boston
Wayne Boston
Assistant Secretary

SAVANNAH ELECTRIC AND POWER
COMPANY

By: Wayne Boston
Wayne Boston
Assistant Secretary

SOUTHERN COMMUNICATIONS SERVICES,
INC.

By: Tommy Chisholm
Tommy Chisholm
Secretary

SOUTHERN COMPANY ENERGY SOLUTIONS,
INC.

By: Tommy Chisholm
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SOUTHERN COMPANY SERVICES, INC.

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By: Tommy Chisholm
Tommy Chisholm
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COMPANY, INC.

By: Wayne Boston
Wayne Boston
Assistant Secretary