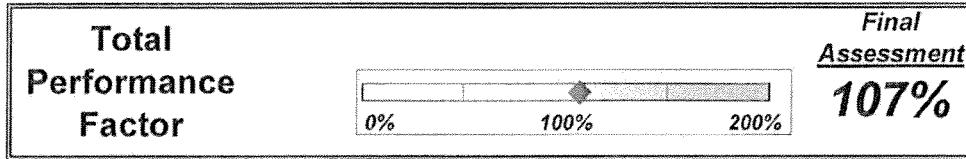


Gulf Power Company

2011 PPP Assessment - Final Results

Confidential



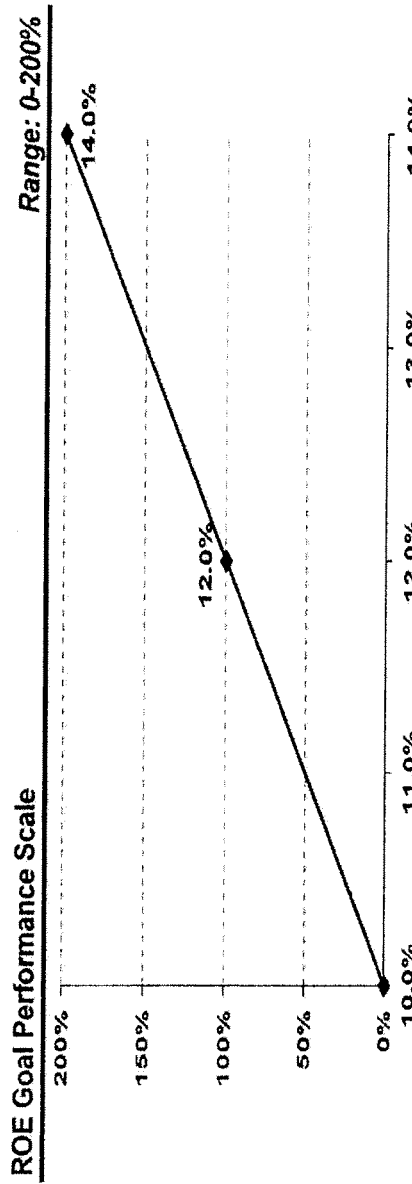
	<i>Weight</i>			
Southern Company EPS	1/3		156%	EPS \$2.57
Gulf Power ROE	1/3		0%	ROE 9.55%
Operational Performance	1/3		165%	See Below
Safety OSHA Recordables	20%		200%	OSHA RIR 0.65 <i>Current assessment reflects 2011 results.</i>
Customer Satisfaction	30%		133%	Large Business in Top Quartile; Residential and General Business in 2nd Quartile <i>Current assessment reflects 2011 Large Business and overall results in the top quartile. Residential and General Business results were in the second quartile.</i>
Generation Peak Season EFOR	20%		200%	EFOR 1.24% <i>Current assessment reflects 2011 results.</i>
Transmission SAIDI & SAIFI	5%		200%	SAIDI: 2.6 SAIFI: 0.044 <i>Current assessment reflects 2011 results.</i>
Distribution SAIDI & SAIFI	5%		200%	SAIDI: 105 SAIFI: 1.06 <i>Current assessment reflects 2011 results.</i>
Culture	20%		127%	See 2011 Scorecard <i>Current assessment reflects 2011 results, with Workforce Representation at 125%, Work Environment at 170% and Supplier Diversity at 89%.</i>

2011 Gulf Power PPP Goals

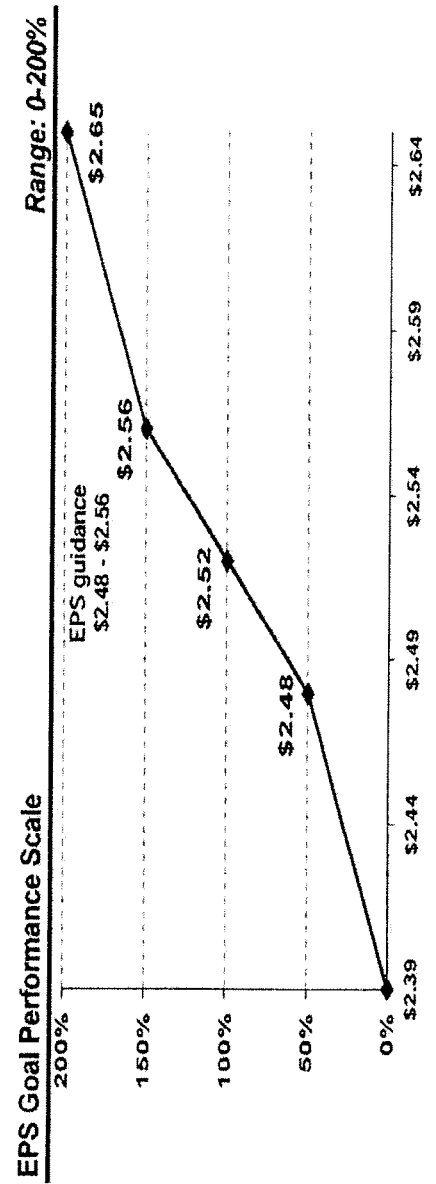
Applicable to all eligible Gulf employees

Operational (1/3)	Safety (20%)	Operations (60%)	Culture (20%)
	Target Zero OSHA Recordable Incidence Rate (20%)	Customer Satisfaction (30%) Generation (20%) Transmission (5%) SAIDI & SAIFI (2.5% each) Distribution (5%) SAIDI & SAIFI (2.5% each)	Work Environment (5%) Internal Survey (2.5%) Fortune Trust Index (1.25%) DiversityInc Index (1.25%) Workforce Representation (10%) Leadership (5%) Leadership Pipeline (2.5%) System Workforce (2.5%) Supplier Diversity (5%)

Gulf
ROE
 (1/3)



Southern
Company
EPS
 (1/3)



2011 Gulf Power PPP Goals

Operational Goal Performance Scales

Range: 0-200%

Safety (20%)

Target Zero ²	
Scale	OSHA Recordable Incidence Rate
200%	0.80
100%	1.12
0%	1.30

Operations (60%)

Customer Satisfaction ²	
Scale	Customer Value Benchmark Study
200%	Top Quartile Overall and each segment in the Top Quartile
167%	Top Quartile Overall and 2 segments in Top Quartile
133%	Top Quartile Overall and 1 segments in Top Quartile
100%	Top Quartile Overall
67%	2nd Quartile Overall and at least 2 segments in the Top Quartile
33%	2nd Quartile Overall and at least 1 segments in the Top Quartile
0%	2nd Quartile Overall

Culture (20%)

Scale	Generation ²		Transmission ²		Distribution ²		Supplier Diversity		Representation	
	Peak Season	SAIDI	SAIFI	SAIFI	SAIDI	SAIFI	Leadership ²	Pipeline ²	Leadership	System
200%	EFOR	Duration/MVA	Frequency/MVA	Frequency/Customer	Duration/Customer	SAIFI	Leadership ²	Pipeline ²	Leadership	System
150%	Interpolate	10.2	0.169	Interpolate	Interpolate	Interpolate	Subjective assessment by the Southern Company CEO and Management Council		Workforce ¹	
100%	4.80%	12.2	0.203	137	137	1.35				
0%	9.00%	16.3	0.270	158	158	1.57				
	Internal	Fortune Trust Index ¹	Diversity/Inc Inclusion Index ^{1*}	% of Total Spend ²						
200%	Employee Survey ²	85%	Top 10% Overall	18.12%						
100%	75%	75%	Top Quartile SE	15.10%						
0%	65%	65%	Median SE	10.50%						

¹ Measures Southern Company results

² Measures Gulf results

*See Culture Certification Letter for further details regarding the Diversity/Inc scale

Financial Triggers

- EPS performance less than \$2.27 (90% of Target) will result in a 10 percentage point (10% of Target) reduction to the Total Performance Factor.

January 20, 2012



Southern Company
600 North 18th Street
Birmingham, AL 35203
Attn: Anthony Topazi

Mr. Topazi,

In connection with the Operational Goals of the 2011 Southern Company Performance Pay Program, as Executive Sponsor of the Customer Satisfaction Operational Goal, I certify that, to the best of my knowledge and belief, the following statements are correct in all material respects:

Operational Controls and Procedures:

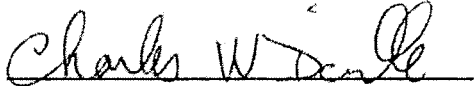
1. We are responsible for establishing and maintaining effective controls and procedures to ensure the accuracy of Performance Pay Program Operational Goal results. Based on our evaluation of those controls and procedures for the 2011 reporting period, we believe that they are effective.
2. No events have occurred which would require adjustment to management's certification of the 2011 Operational Goals results and performance as presented herein.
3. The 2011 Operational Goal results were measured and reported in accordance with the attached performance scales established and certified to on March 15th, 2011.

Results and Performance:

The final Customer Satisfaction Operational Goal results and according performance for 2011 are:

	Result	Performance
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
Gulf	Top quartile overall and top quartile in the Large Business segment. Second quartile in the Residential and General Business segments.	133%
[REDACTED]	[REDACTED]	[REDACTED]

Sincerely,



Charles W. Darville
Vice President, Marketing Services

CC: Mr. Larry Sitton,
Mr. Brent Young

January 18, 2012



Southern Company
600 North 18th Street
Birmingham, AL 35203

Attention: Mr. Anthony Topazi

Mr. Topazi:

In connection with the Operational Goals of the 2011 Southern Company Performance Pay Program, as Executive Sponsor of the Distribution Reliability Operational Goal, I certify that, to the best of my knowledge and belief, the following statements are correct in all material respects:

Operational Controls and Procedures:

1. We are responsible for establishing and maintaining effective controls and procedures to ensure the accuracy of Performance Pay Program Operational Goal results. Based on our evaluation of those controls and procedures for the 2011 reporting period, we believe that they are effective.
2. No events have occurred which would require adjustment to management's certification of the 2011 Operational Goals results and performance as presented herein.
3. The 2011 Operational Goal results were measured and reported in accordance with the attached guidelines and performance scales established and certified to on March 10, 2011.

Results and Performance:

The final Distribution Reliability Operational Goal results and according performance for 2011 are:

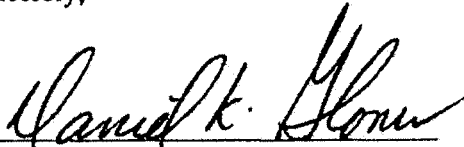
Distribution SAIDI (Duration/Customer)

	Result	Performance
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
Gulf	105	200.00%
[REDACTED]	[REDACTED]	[REDACTED]

Distribution SAIFI (Frequency/Customer)

	Result	Performance
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
Gulf	1.06	200.00%
[REDACTED]	[REDACTED]	[REDACTED]

Sincerely,



Daniel K. Glover
Vice President, Power Delivery Distribution

cc: Mrs. Tami Barron
Mr. Jeff Franklin
Mr. Bernard Jacob
Mrs. Leslie Sibert
Mr. Larry Sitton
Mr. Brent Young



January 17, 2012

Southern Company
Mr. Anthony Topazi
600 North 18th Street
Birmingham, AL 35203

Mr. Topazi,

In connection with the Operational Goals of the 2011 Southern Company Performance Pay Program, as Executive Sponsor of the Transmission Reliability Operational Goal, I certify that, to the best of my knowledge and belief, the following statements are correct in all material respects:

Operational Controls and Procedures

1. We are responsible for establishing and maintaining effective controls and procedures to ensure the accuracy of Performance Pay Program Operational Goal results. Based on our evaluation of those controls and procedures for the 2011 reporting period, we believe that they are effective.
2. No events have occurred which would require adjustment to management's certification of the 2011 Operational Goals results and performance as presented herein.
3. The 2011 Operational Goal results were measured and reported in accordance with the attached guidelines and performance scales established and certified to on March 21, 2011.

Results and Performance

The final Transmission Reliability Operational Goal results and according performance for 2011 are:

	Transmission <u>SAIDI</u> Duration/MVA		Transmission <u>SAIFI</u> Frequency/MVA	
	Result	Performance	Result	Performance
Southern Company	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Alabama Power	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Georgia Power	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Gulf Power	2.6	200.00%	0.044	200.00%
Mississippi Power	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Sincerely,

William O. Ball
Executive Vice President & Chief Transmission Officer

CC: Matt Warstler
Larry Sitton
Brent Young

Doug Jones
Executive Vice President
Chief Production Officer

Southern Company Generation
600 North 18th Street / 15N-8170
Post Office Box 2641
Birmingham, Alabama 35291

Tel 205.257.7907
Fax 205.257.5019



January 17, 2012

Mr. Anthony Topazi
Chief Operating Officer
Southern Company
600 North 18th Street
Birmingham, AL 35203

Mr. Topazi,

In connection with the Operational Goals of the 2011 Southern Company Performance Pay Program, as Executive Sponsor of the Generation Reliability Operational Goal, I certify that, to the best of my knowledge and belief, the following statements are correct in all material respects:

Operational Controls and Procedures:

1. We are responsible for establishing and maintaining effective controls and procedures to ensure the accuracy of Performance Pay Program Operational Goal results. Based on our evaluation of those controls and procedures for the 2011 reporting period, we believe that they are effective.
2. No events have occurred which would require adjustment to management's certification of the 2011 Operational Goals results and performance as presented herein.
3. The 2011 Operational Goal results were measured and reported in accordance with the attached guidelines and performance scales established and certified to on March 23rd, 2011.



Results and Performance:

The final Generation Reliability Operational Goal results and according performance for 2011 are:

	Result	Performance
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
Gulf	1.24%	200.00%
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

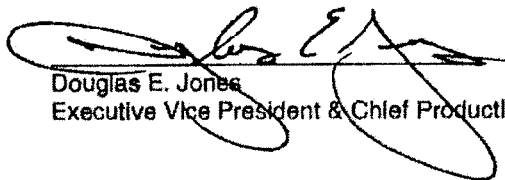
Exclusions:

As defined in the attached guidelines and performance scales established and certified to on March 23rd, 2011, the following exclusions have been approved by the Southern Company Chief Production Officer and the Southern Company COO and are reflected in the results shown above for APC and Southern Company.

The approved adjustments include:

- Alabama Power Plant Miller 1-4 tornado damage to transmission system
- Alabama Power Plant Gorgas 6-10 tornado damage to transmission system

Sincerely,



Douglas E. Jones
Executive Vice President & Chief Production Officer

CC: Ms. Kim Flowers
Ms. Penny Manuel
Mr. Larry Sitton,
Mr. Brent Young

January 20, 2012



Southern Company
600 North 18th Street
Birmingham, AL 35203
Attn: Anthony Topazi

Mr. Topazi,

In connection with the Operational Goals of the 2011 Southern Company Performance Pay Program, as Executive Sponsor of the Culture Operational Goals, I certify that, to the best of my knowledge and belief, the following statements are correct in all material respects:

Operational Controls and Procedures:

1. We are responsible for establishing and maintaining effective controls and procedures to ensure the accuracy of Performance Pay Program Operational Goal results. Based on our evaluation of those controls and procedures for the 2011 reporting period, we believe that they are effective.
2. No events have occurred which would require adjustment to management's certification of the 2011 Operational Goals results and performance as presented herein.
3. The 2011 Operational Goal results were measured and reported in accordance with the attached guidelines and performance scales established and certified to on March 21, 2011.

Results and Performance:

The final Culture Operational Goal results and according performance for 2011 are:

Leadership Representation

	[REDACTED]	[REDACTED]	[REDACTED]	Gulf	[REDACTED]
Performance	[REDACTED]	[REDACTED]	[REDACTED]	125.00%	[REDACTED]

	[REDACTED]	[REDACTED]	[REDACTED]		[REDACTED]
Performance	[REDACTED]	[REDACTED]	[REDACTED]		[REDACTED]

Leadership Pipeline Representation

	[REDACTED]	[REDACTED]	[REDACTED]	Gulf	[REDACTED]
Performance	[REDACTED]	[REDACTED]	[REDACTED]	150.00%	[REDACTED]

	[REDACTED]	[REDACTED]	[REDACTED]		[REDACTED]
Performance	[REDACTED]	[REDACTED]	[REDACTED]		[REDACTED]

Internal Employee Engagement Survey

	[REDACTED]	[REDACTED]	[REDACTED]	Gulf	[REDACTED]
Result	[REDACTED]	[REDACTED]	[REDACTED]	81.80	[REDACTED]
Performance	[REDACTED]	[REDACTED]	[REDACTED]	168.00%	[REDACTED]

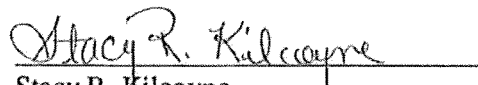
	[REDACTED]	[REDACTED]	[REDACTED]		[REDACTED]
Result	[REDACTED]	[REDACTED]	[REDACTED]		[REDACTED]
Performance	[REDACTED]	[REDACTED]	[REDACTED]		[REDACTED]

Southern results applied to all employees:

	Total Workforce Representation	Fortune's Trust Index	DiversityInc's Inclusion Index
Result	N/A	79.38	90.10 percentile overall
Performance	100.00%	143.80%	200.00%

Supplier Diversity certification is provided separately by the Vice President of Supply Chain Management

Sincerely,


Stacy R. Kilcoyne
Human Resources Vice President

CC: Mr. Christopher C. Collier
Ms. Andrea Snorton
Mr. Larry Sitton
Mr. Brent Young

Southern Company
Bin 10080
241 Ralph McGill Boulevard NE
Atlanta, Georgia 30308-3374



January 20, 2012

Southern Company
600 North 18th Street
Birmingham, AL 35203
Attn: Anthony Topazi

Mr. Topazi,

In connection with the Operational Goals of the 2011 Southern Company Performance Pay Program, as Executive Sponsor of the Supplier Diversity Operational Goal, I certify that, to the best of my knowledge and belief, the following statements are correct in all material respects:

Operational Controls and Procedures:

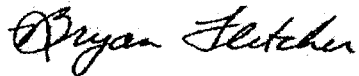
1. We are responsible for establishing and maintaining effective controls and procedures to ensure the accuracy of Performance Pay Program Operational Goal results. Based on our evaluation of those controls and procedures for the 2011 reporting period, we believe that they are effective.
2. No events have occurred which would require adjustment to management's certification of the 2011 Operational Goals results and performance as presented herein.
3. The 2011 Operational Goal results were measured and reported in accordance with the attached guidelines and performance scales established and certified to on March 22nd, 2011.

Results and Performance:

The final Supplier Diversity Operational Goal results and according performance for 2011 are:

	Diverse Spend	Total Spend	Diverse Spend (%)	Performance
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Gulf	\$42,130,316	\$289,011,048	14.58%	88.70%
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Sincerely,



A. Bryan Fletcher
Supply Chain Management Vice President

CC: Mr. Rick Harrison
Mr. Ken Huff
Mr. Larry Sitton,
Mr. Brent Young

January 31, 2012



Southern Company
30 Ivan Allen, Jr. Boulevard, NW
Atlanta, Georgia 30308
Attn: Arthur P. Beattie

Mr. Beattie,

In connection with the Financial Goals of the 2011 Southern Company Performance Pay Program, I certify that, to the best of my knowledge and belief, the following statements are correct in all material respects:

Operational Controls and Procedures:

1. We are responsible for establishing and maintaining effective controls and procedures to ensure the accuracy of Performance Pay Program Financial Goal results. Based on our evaluation of those controls and procedures for the 2011 reporting period, we believe that they are effective.
2. No events have occurred which would require adjustment to management's certification of the 2011 Financial Goals results and performance as presented herein.
3. The 2011 Financial Goal results were measured and reported in accordance with the attached guidelines and performance scales established on March 24th, 2011.

Results:

The final Financial Goal results and according performance for 2011 are:

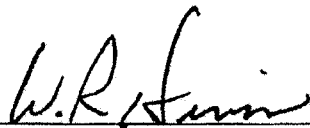
EPS

Earnings from Continuing Operations	\$2,202,555,996
Average Shares Outstanding	856,897,983
Basic EPS from Continuing Operations	\$2.570

ROE/Net Income

	Net Income	Average Common Equity	Return on Average Common Equity
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Gulf	\$105,004,967	\$1,099,991,795	9.55%
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Sincerely,



W. Ron Hinson
Comptroller, CAO and SVP

CC: Mr. Mark Lantrip
Mr. Larry Sitton,
Mr. Brent Young

Doug Jones
Executive Vice President
Chief Production Officer

Southern Company Generation
600 North 18th Street / 15N-8170
Post Office Box 2641
Birmingham, Alabama 35291

Tel 205.257.7907
Fax 205.257.5019



January 23, 2012

Mr. Anthony Topazi
Chief Operating Officer
Southern Company
600 North 18th Street
Birmingham, AL 35203

Mr. Topazi,

In connection with the Operational Goals of the 2011 Southern Company Performance Pay Program, as Executive Sponsor of the Safety Operational Goal, I certify that, to the best of my knowledge and belief, the following statements are correct in all material respects:

Operational Controls and Procedures:

1. We are responsible for establishing and maintaining effective controls and procedures to ensure the accuracy of Performance Pay Program Operational Goal results. Based on our evaluation of those controls and procedures for the 2011 reporting period, we believe that they are effective.
2. No events have occurred which would require adjustment to management's certification of the 2011 Operational Goals results and performance as presented herein.
3. The 2011 Operational Goal results were measured and reported in accordance with the attached guidelines and performance scales established and certified to on March 23rd, 2011.

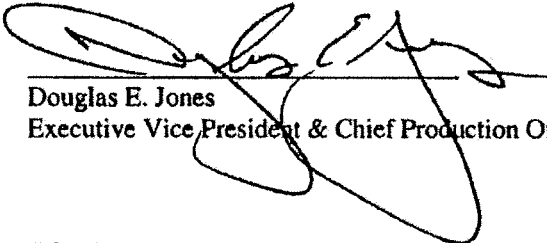


Results and Performance:

The final Safety Operational Goal results and according performance for 2011 are:

	Result	Performance
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
Gulf	0.65	200.00%
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

Sincerely,



Douglas E. Jones
Executive Vice President & Chief Production Officer

CC: Mr. Don Gaddy,
Mr. Hamilton Hardin,
Mr. Larry Sitton,
Mr. Brent Young